

18 June 2014

**Mentum Inc**  
("Mentum" or the "Company")

**Proposed Acquisition of the Kyrgyz Mining Assets of Robust Resources Limited**

**Proposed Consolidation of Share Capital**

**Proposed Change of Name**

**Notice of Annual General Meeting**

**Restoration of Dealings**

Mentum is pleased to announce the proposed acquisition of the Kyrgyz Republic Mining Assets of Robust Resources Limited ("Robust")(the "Acquisition") and the publication of an Admission Document (the "Admission Document") convening an Annual General Meeting ("AGM").

**Acquisition**

In July last year, Mentum outlined its strategic objectives to build a portfolio of assets in the natural resources sector. Mentum is now pleased to announce that it has conditionally agreed to acquire the mineral exploration and development operations of Robust Resources Limited in the Kyrgyz Republic (the "Target Assets") for an aggregate consideration of £27 million (based on a deemed share price of 0.575p per Ordinary Share and 28.75p per Consolidated Ordinary Share) to be satisfied by the issue to Robust of 93,831,153 new Consolidated Ordinary Shares (which would represent, prior to the Consolidation becoming effective, 4,691,557,650 Ordinary Shares).

Simultaneously with the Acquisition, the Company is proposing to undertake a 1 for 50 share consolidation to consolidate the Company's existing ordinary shares of 0.1 penny each into new ordinary shares of 5 pence each.

The Acquisition, subject to shareholder approval, will mark Mentum's first major asset acquisitions and the Enlarged Group will have following completion:

- exposure to large-scale gold and copper mining development and exploration operations in a region widely recognised for its mineral prospectivity;
- a portfolio of projects in different stages of development that the Company expects, subject to a revised definitive feasibility study and governmental and community approval of the project, will allow for phased development to production. The Acquisition comprises three license areas; namely:
  - Andash Licences - JORC compliant Measured and Indicated Resources of 682,000 ounces gold, and 170 million pounds copper;
  - Talas Licences – SAMREC compliant Resources of 6.7 million ounces gold and 1.6 billion pounds copper and the geological exploration potential of gold and copper licenses Korgontash, Kentash and Barkol; and
  - The right to farm-in to a 70% interest in the Bashkol Licence;

Additionally, the Acquisition includes a fleet of mining and construction equipment;

- the involvement of an experienced management team led by Chief Operating Officer, Mr Bruce Lumley in Bishkek, with local operations including office premises and approximately 20 employees providing technical, financial and administrative functions in support of the mining exploration and development activities;

- a strengthened Board of Directors with operational experience and a track record of developing mining projects with: Mr Gary Lewis, a director of Robust becoming executive director; and Mr David King, Chairman of Robust and Idris Khan, Partner of Stanhill Capital Partners becoming non-executive directors. Peter Moss will remain with the Company in a new role as a non-executive director; and
- £3.5 million cash (subject to adjustment) which, together with the Company's existing cash resources to facilitate further development of the assets, including technical studies and working with central and local government and local communities to lift the force majeure status existing over the Andash deposit.

**Mr Peter Moss, Chairman of Mentum, commented:** "The board are pleased to announce that the Company has been able to advance its plan to acquire what it believes to be a high quality portfolio of development and exploration stage projects in the Kyrgyz Republic. We can now look forward to the new proposed management team carefully advancing the projects.

The enlarged group will have sufficient cash resources to fund the immediate stages of development, including a revised definitive feasibility study, governmental and community engagement at Andash in order to lift the force majeure status, and exploration activities at Taldybulak and Bashkol.

The active support and good standing of Robust will assist greatly, in particular with the development of the portfolio, going forward and in seeking to maximise potential value.

I can also confirm that the Company will remain engaged in reviewing further opportunities that are complementary to the copper gold assets which are proposed to be acquired in this transaction. We will keep shareholders abreast of these developments, as well as progress on the assets being acquired."

#### **Publication of Admission Document, Notice of AGM and Restoration of Dealings**

In view of the size and nature of the Acquisition, which constitutes a reverse takeover of the Company under the AIM Rules, completion of the Acquisition is conditional on receiving the approval of Shareholders, such approval to be sought at the AGM. A notice convening the AGM of the Company is contained in the Admission Document. The AGM will be held at 10.00 a.m. on 14 July 2014 at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG for the purpose of seeking the Company's shareholders approval for the Acquisition and related matters including, amongst other things, the share consolidation referred to above and changing the name of the Company to Tengri Resources.

The Admission Document relating to the Acquisition and Admission has been published today and is being posted to shareholders and will be available on the Company's website [www.mentuminc.com](http://www.mentuminc.com) (prior to Admission) / [www.tengriresources.co.uk](http://www.tengriresources.co.uk) (following Admission).

Prior to the AGM, an application will be made to the London Stock Exchange for the ordinary share capital of the Company (as enlarged by the Acquisition) admitted to trading on AIM. Admission of the enlarged issued share capital to trading on AIM is expected to take place on 15 July 2014 assuming shareholder approval of the relevant resolution at the AGM.

On 24 February 2014, trading in the Company's shares was suspended pending an announcement and publication of an Admission Document relating to the Acquisition. The Directors have requested AIM to permit restoration of Mentum's Ordinary Shares to trading on AIM following publication of the Admission Document and the related announcement, and this is expected to occur by no later than 8.00 am on 19 June 2014.

#### **Expected Timetable of Principal Events**

Publication and posting to Shareholders of this document and the Notice of AGM, the Form of Proxy and the Form of Direction

18 June 2014

Latest time and date for receipt of Forms of Direction

10.00 a.m. on 11 July 2014

Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 12 July 2014
Annual General Meeting	10.00 a.m. on 14 July 2014
Record Date for the Share Consolidation	6:00 p.m. on 14 July 2014
Completion of the Acquisition, Admission effective and dealings expected to commence in the Enlarged Share Capital on AIM	8:00 a.m. on 15 July 2014
Expected date for crediting CREST accounts in respect of Depository Interests (where applicable)	15 July 2014
Expected date by which certificates in respect of Consolidated Ordinary Shares are to be despatched to certificated Shareholders	On or prior to 15 July 2014

*All time references are relating to British Summer Time*

### **Enquiries:**

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*Below are extracts from the Admission Document which will be sent to shareholders today. The full Admission Document is available on the Company's website: <http://mentuminc.com>*

*Definitions in this announcement are the same as those included in the Admission Document. Sources of technical information contained in this announcement are set out in the Admission Document*

### **Introduction**

The Board is pleased to announce that the Company has today conditionally agreed to acquire the mineral exploration and development operations of Robust Resources Limited in the Kyrgyz Republic through the acquisition of the Target Assets and issue to Robust of 93,831,153 new Consolidated Ordinary Shares (which would represent, prior to the Consolidation becoming effective, 4,691,557,650 Ordinary Shares). The Acquisition values the Target Assets at £27.0 million (based on a deemed share price of 0.575p per Ordinary Share and 28.75p per Consolidated Ordinary Share).

The principal activity of the Target Assets is mineral exploration in the Kyrgyz Republic. The Directors and Proposed Directors believe that the Target Assets' operations are compatible with the objective of the Company to create Shareholder value. Details of the Acquisition and of the Target Assets are set out below.

On Completion, Robust will own, in aggregate, approximately 87.3% of the Enlarged Share Capital.

In view of the size and nature of the Acquisition, which constitutes a reverse takeover of the Company under the AIM Rules, completion of the Acquisition is conditional on receiving the approval of Shareholders, such approval to be sought at the AGM, notice of which is set out at the end of the Admission Document. If the Resolution is duly passed at the AGM, the Company's existing trading facility on AIM in respect of the Existing

Ordinary Shares will be cancelled and the Company will apply for the Enlarged Share Capital (comprising Consolidated Ordinary Shares) to be admitted to trading on AIM.

### **Background to and reasons for the Acquisition**

The Company was incorporated on 6 January 2005 in the Cayman Islands and its shares were admitted to trading on AIM as an investing company on 8 March 2005. The Company was established with the primary objectives of building, through investment and acquisition, a group specialising in the commodities sector.

Thereafter, the Company operated certain trading and asset management businesses focused on the metals and commodities sectors. The Company changed its name from Commoditrade Inc. to Mentum Inc. with effect from 18 August 2010. During 2010 and 2011, due to challenging trading conditions, the Company closed or disposed of its businesses, becoming an investing company for the purposes of the AIM Rules on 15 December 2011.

Not having completed an acquisition in accordance with the Company's investing strategy, the Ordinary Shares were suspended from trading on AIM on 21 December 2012 in accordance with Rule 15 of the AIM Rules.

In June 2013, investors subscribed for £300,000 of convertible loan notes in order to provide additional funding for the Company. On 17 June 2013 Shareholders approved resolutions at an annual general meeting of the Company to amend the Company's investing policy to give the Company a remit to build a portfolio of securities and/or assets in the natural resources and energy sectors.

Immediately thereafter, the Company made certain investments using the subscription proceeds from the issue of the convertible loan notes, together with some of the Group's existing cash reserves, and accordingly the trading suspension of the Ordinary Shares was lifted on AIM on 21 June 2013. This triggered the conversion of the convertible loan notes into new Ordinary Shares.

Following changes to the Board in July 2013, on 30 January 2014 the Company raised a further £375,000 (before expenses) by way of a subscription of 100 million new Ordinary Shares at a price of 0.3 pence per share and 25 million deferred partly paid shares at 0.3p to three separate professional investors.

On 24 February 2014, the Company announced it had entered into a memorandum of understanding with Robust in relation to the Acquisition.

The Directors believe that the Acquisition will deliver long-term enhancement of Shareholder value and provide the Company with a number of benefits, including:

- exposure to large-scale gold and copper mining development and exploration operations in a region widely recognised for its mineral prospectivity;
- a portfolio of projects in different stages of development which will facilitate a phased approach and reduce the overall capital cost of development;
- the involvement of an experienced management team with operational experience in-country and a track record of developing mining projects in developing countries; and
- £3.5 million cash (subject to adjustment) which, together with the Company's existing cash resources to facilitate further development of the assets, including technical studies and working with central and local government and local communities to lift the force majeure status existing over the Andash deposit.

### **Strategy of the Enlarged Group**

The assets being acquired comprise the Andash Licences, the Talas Licences and the right to farm-in to a 70% interest in the Bashkol Licence. Additionally, the acquisition includes £3.5 million of cash (subject to adjustment) and a fleet of mining and construction equipment.

The Company will also take over Robust’s administrative operations in Bishkek, including office premises and approximately 20 employees providing technical, financial and administrative functions in support of the mining exploration and development activities.

The Company’s aim is to develop, discover and acquire mineral assets, in order to form a pipeline of opportunities that will allow for a phased-development strategy and a defined near-term path to production.

The Andash Mining Licence and the Taldybulak Licence, and the Farm-In Rights in respect of the Bashkol Licence, present gold and copper projects at various stages of development. The copper-gold Andash project is the most advanced of the projects in the portfolio and is subject to a revised definitive feasibility study and social approvals of the project. Taldybulak is an advanced stage exploration project in which a major resource of copper-gold mineralisation has been outlined; while Bashkol has been shown to be highly prospective for gold with several high-value drill targets identified. These projects together provide the basis for the development of a sustainable and growing resources company in the Kyrgyz Republic.

The Kyrgyz Republic has a long established and well developed mining industry. However, historic political unrest and local community issues have on occasion disrupted mining operations. As a result of local community opposition, the advanced Andash mining project has been suspended since June 2011 pending resolution of certain local community concerns. Robust has a strategy to further the development of the assets by working with central and local government and local communities. In addition to the steps that the Company intends to take to enable the Enlarged Group to re-commence mining operations, as further described below, the Company plans to continue Robust’s strategy and in the short-to-medium term to:

- prepare a revised Definitive Feasibility Study for the Andash copper-gold project;
- undertake further exploration at Taldybulak with the objective of identifying high grade ore zones which would be capable of providing feedstock to a mining operation at Andash; and
- undertake further exploration work at Bashkol in keeping with the farm-in requirements of spending \$2 million prior to 31 December 2017.

Further detail of the principal licences, the development strategy and work programmes are provided below.

### **Information on the Target Assets**

The Andash Licences and the Talas Licences are situated in the Talas Valley in the North Eastern part of the Talas region of the Kyrgyz Republic on the southern slopes of Kyrgyz Republic Range, lying above the Karakol River, a tributary of the Talas River. Within these licences, the priority targets for development are the Andash Mining Licence and the Taldybulak Licence.

#### ***The Andash Mining Licence***

Andash Mining holds the Andash Mining Licence, principal terms of which are as follows:

<b>Asset</b>	<b>Holder</b>	<b>Interest (%)</b>	<b>Status</b>	<b>Licence Expiry Date</b>	<b>Licence Area</b>
Andash Mining Licence number 218	Andash Mining	100	Mining (development) licence – gold and copper	31 December 2017	648.49 hectares

The Andash Mining Licence was initially granted by SAGMR on 30 August 2005. The current licensing terms are set out in the Licence Agreement No. 8 dated 7 December 2010. Under the Andash Mining Licence, Andash Mining must, amongst other things, comply with official requirements as to the design and operation of the

project and related infrastructure; establish a specified quantity and category of mineral reserves (subject to an average level of mineral extraction including during beneficiation); prepare and submit to SAGMR a development programme; submit required semi-annual and annual reports; pay royalties and the licence retention fee in accordance with Kyrgyz law; and restore the natural environment at the mine site.

The Company expects to apply for a renewal of the Andash Mining Licence in 2017 in accordance with Kyrgyz law.

#### *Force Majeure*

Arising from local community issues, a previous owner of Andash Mining sought the protection of “force majeure” status in order to suspend commitments under the Andash Mining Licence without losing its rights thereunder. As such the Company is unable to commence normal operations under the licence until the force majeure status is lifted. The Company intends to progress a process developed by Robust of having the force majeure status lifted thereby restoring normal operations under the licence, via the following staged process which the Company envisages will be commenced in September 2014:

- preparation of an ISDP;
- approval of the ISDP by the Minister of Economy and Director of SAGMR;
- upon approval of the ISDP, work in parallel both with the local community and the Parliamentary Committee on Energy and Subsoil to address the local community issues and allow normal operations to resume at Andash; and
- once agreement is reached with the Parliamentary Committee, Andash Mining will send a formal notice to SAGMR requesting cancellation of the force majeure status.

The Directors believe, on the basis of discussions already undertaken between Robust and the local community and local and central government, that the force majeure status will be lifted upon reaching agreement with local authorities on social issues relating to mining operations. The financial resources available to the Company are sufficient to enable the Company to complete this process and to prepare an updated mine plan for the Andash project, following this the Company expects require further funding to develop the Andash project.

#### *Current Resources*

A mineral resource estimate, provided in Table 1 below, on which KGL published a Definitive Feasibility Study in March 2010 was based on work undertaken by the Competent Person in 2006.

Table 1

Andash Normal Grade Resource Summary @ 1.25AuEq COG						
(WAI October 2006)						
In accordance with the guidelines of the JORC Code (2004)						
Class	Type	Tonnage (kt)	Grade		Metal	
			Au (g/t)	Cu (%)	Au (kg)	Cu (t)
<i>Measured</i>	Oxide	923	0.88	0.50	808	4,638
	Sulphide	3,160	1.21	0.47	3,819	14,900
<i>Indicated</i>	Oxide	810	0.85	0.43	690	3,510

	Sulphide	14,305	1.11	0.38	15,910	54,260
<i>Measured + Indicated</i>		19,200	1.10	0.40	21,120	77,300
<i>Inferred</i>	Sulphide	379.6	0.93	0.25	351.4	950.2

On 16 July 2009 KGL published an Ore Reserve on the Andash project prepared under JORC (2004), provided in table 2 below.

Table 2

Historic Ore Reserve Estimate for the Andash Deposit									
	Oxide			Sulphide			Total		
	Ore (kt)	Au Grade (g/t)	Cu Grade (%)	Ore (kt)	Au Grade (g/t)	Cu Grade (%)	Ore (kt)	Au Grade (g/t)	Cu Grade (%)
Proved	1,127	0.77	0.43	2,921	1.17	0.46	4,048	1.06	0.45
Probable	1,389	0.68	0.31	10,559	1.09	0.39	11,948	1.04	0.38
Total	2,516	0.72	0.36	13,480	1.11	0.41	15,996	1.05	0.40

The Competent Person reports that whilst the process used to derive the Ore Reserve Estimate would appear to be sound, the Ore Reserve should be considered historic and no longer valid. Secondary to the technical update required to quote an Ore Reserve under JORC (2012), the Competent Person notes in the CPR that the Andash Mining License is in force majeure status as referred to above.

The Andash deposit at the Andash Mining Licence area has shown to be amenable to bulk mining with a low strip ratio. A favourable characteristic of the ore grade distribution is that it allows for early access to high grades upon the commencement of mining. The current plan, subject to revision, is to mine 3 Mt per year producing average gold production for the life of mine of 5,411oz Au per month and 6,88t Cu per month. Prior to its development, studies are required to ensure minimal impact on the local community and to obtain local community acceptance. These studies include alternate project layouts regarding the positions of the processing plant and the reject plant product storage facility. For example: the previous owner's plan locates the mine and processing plant on opposite sides of the Talas River, necessitating a crossing to deliver run of mine ore to the processing plant. Alternative sites locating the processing plant and tailings storage facility on the same side of the river will not only avoid the river crossing, but also remove the plant from the proximity of the local community. At the same time the local community will be engaged to maximise the benefit of the development locally.

Specific actions to be undertaken in the current period include:

- completion of a dry tailings disposal plan (scoping study) that will enable the placing of all wastes on the north side of the Talas River;
- completion of a new mine plan and site layout plans in order to present a more environmentally acceptable proposal to the Andash community, including the repositioning of crushing and processing facilities on the north side of the Talas River;

- commencement of a Definitive Feasibility Study, incorporating changes to the mine layout and revised mine plan; and
- formulation of an ISDP for the Andash community, in consultation with the Ministry of Economy and SAGMR.

Beyond development at the Andash Mining Licence area, the Company intends to apply for exploration licences and to seek approval to commence drilling on exploration prospects surrounding the Andash Mining Licence area with a view to obtaining a JORC resource classification, and thereby increasing mine life via resource reserve expansion.

### ***The Talas Licences***

#### ***Taldybulak Licence***

Talas Copper holds the Taldybulak Licence, the principal terms of which are as follows:

<b>Asset</b>	<b>Holder</b>	<b>Interest (%)</b>	<b>Status</b>	<b>Licence Expiry Date</b>	<b>Licence Area</b>
Taldybulak Licence	Talas Copper	100	Exploration licence – gold and other metals	31 December 2015	4,200 hectares

The Taldybulak Licence was initially granted by SAGMR on 14 February 2005. The current licensing terms are set out in the Licence Attachment No. 5 dated 7 February 2013.

Under the Taldybulak Licence, Talas Copper must, amongst other things, comply with official requirements as to conduct of exploration operations; prepare and submit to SAGMR an annual work programme; submit required semi-annual and annual reports; and establish a reclamations account and make the required contributions to it. The Taldybulak Licence sets out certain minimum exploration work programme items and financial commitments, subject to adjustment to take account of geological results.

The Company expects to apply for renewal of the Taldybulak Licence in 2015 in accordance with Kyrgyz law.

A resource model for the Taldybulak was published by Gold Fields based on drilling as at 30 October 2012 and is reproduced in table 3 below.

Table 3

Taldybulak Constrained Mineral Resource									
(in accordance with the SAMREC Code <sup>3</sup> )									
Goldfields – 31 December 2012									
Classification	Quantity (Mt)	AuEq (g/t)	AuEq (Moz)	Au (g/t)	Au (Moz)	Cu (%)	Cu (Mlb)	Mo (%)	Mo (Mlb)
<i>Indicated</i>	116.5	1.0	3.7	0.6	2.3	0.19	488	0.01	26
<i>Inferred</i>	336.2	0.7	8.0	0.4	4.5	0.16	1,178	0.01	79



Total	452.7	0.8	11.6	0.5	6.7	0.17	1,666	0.01	105
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1. Commodity prices used are US\$ 3.90/lb. copper, US\$ 1,650/oz gold and US\$ 15.50/lb molybdenum.
2. The gold equivalent (AuEq) grade and metal quantities are calculated using a commodity price-weighted combination of copper gold and molybdenum. No process recovery weighting has been used in this calculation.
3. The AuEq formula is stated as follows:  $Au(g/t) + Cu(\%)*1.621151 + Mo(g/t)*0.000644$ .

#### *Current exploration programme*

The Taldybulak deposit lays approximately 15km east of Andash. According to an assessment by SAGMR, Taldybulak is one of the largest and most promising copper-gold deposits in the country.

Three domains of mineralisation have been identified at Taldybulak, the sheeted vein domain (indicated resource of 66 Mt at 0.87 g/t Au and 0.16% Cu), the exo-contact domain (34 Mt at 0.29g/t Au and 0.28% Cu) and the hydrothermal breccias domain (40Mt @0.7g/t Au and 0.22% Cu).

The exploration licence conditions require 1,500 meters of drilling annually. This requirement will be fulfilled by focusing on potential high-grade shallow zones that have been identified in the sheeted vein domain. The objective is to define an initial starter pit to provide additional feed for the Andash processing plant, which is within trucking distance from Taldybulak.

#### **Other Talas Licences**

In addition to the Taldybulak Licence, the Talas Licences include the Kentash, Korgontash and Barkol Licences.

#### **The Bashkol Licence**

Kentor holds the Bashkol Licence, the principal terms of which are as follows:

<b>Asset</b>	<b>Holder</b>	<b>Interest (%)</b>	<b>Status</b>	<b>Licence Expiry Date</b>	<b>Licence Area</b>
Bashkol Licence	Kentor	100	Exploration licence – gold	31 December 2017	18,000 hectares

The Bashkol Licence was initially granted by SAGMR on 28 January 2008. The current licensing terms are set out in the Licence Attachment No. 5 dated 29 April 2013.

Under the Bashkol Licence, Kentor must, amongst other things, comply with official requirements as to conduct of exploration operations; prepare and submit to SAGMR an annual work programme; submit required semi-annual and annual reports; and establish a reclamations account and make the required contributions to it. The Bashkol Licence sets out certain minimum exploration work programme items and financial commitments, subject to adjustment to take account of geological results.

The Bashkol Licence area is located in the east of the Kyrgyz Republic, lying approximately 340km east of Bishkek. The tenement lies on strike to Toronto Stock Exchange listed Centerra Gold's large Kumtor gold mine, which lies approximately 50km to the west of Bashkol.

The licence area is almost devoid of population being frequented by nomadic herdsman in the summer months. No villages are located in the surrounding area.

The licence is located at an elevation ranging from 3,180-4,080m, with the elevation of the main prospect at Bekbulaktor up to 3,780m.

A major opportunity has been identified within the Bashkol Licence area at the Bekbulaktor prospect where surface channel sampling returned up to 14.07g/t Au over 12m. Other significant results include 4.9g/t Au over 13m, 2.65g/t Au over 37m, 2.54g/t Au over 20m and 2.83g/t Au over 11.5m. An initial scouting drill hole intersected minor mineralisation, however, the area requires further mapping, geophysics and drilling.

#### *Kentor Farm-in Agreement and work programme*

The Bashkol Licence is the subject of an agreement with KGL whereby the Group can earn 51% in Kentor, and hence the Bashkol project, by spending Australian \$2 million prior to 31 December 2017. In addition, the licence conditions require that 8,000m be drilled prior to the end of 2017. The Group can earn-in a further 19% by expending Australian \$5 million prior to 31 December 2021. Exploration activity planned at Bashkol will commence with the completion of the road to access the southern zone of the Bekbulaktor prospect. Seven exploration holes and selected channel sampling are planned for the Bekbulaktor prospect during the summer of 2014. SAGMR has approved the work program for 2014 and mobilisation commenced in May 2014.

The objective is to explore the Bashkol property in order to identify and outline a gold deposit. The earn-in and drilling requirement allows the Group sufficient time to achieve this objective at a low cost with no further exposure. The election to earn-in the further 19% can thus be taken based on a good understanding of potential of any deposit identified.

In addition to the highly prospective nature of the tenement, a discovery at Bashkol provides the Group with options regarding its development – either as a standalone operation, or as an opportunity for joint venturing or selling.

#### **Directors, Proposed Directors, senior management and employees**

Charles Goodfellow and Shahed Mahmood will retire and not be re-appointed as directors of the Company and Peter Moss will be re-appointed to the Board as a non-executive director at the conclusion of the AGM and each of the Proposed Directors will be appointed to the Board at the conclusion of the AGM. Brief biographical details of the Directors, the Proposed Directors and senior management are set out below.

#### ***Directors***

The current composition of the Board of the Company is as follows:

#### **Peter Moss (Non-Executive Chairman and Interim Chief Executive Officer) (age 56)**

Peter Moss has over 30 years of experience in the financial markets, the majority of which have been in London. Mr Moss is currently Executive Chairman of Cheleb Resources Ltd., an oil & gas production company specialized in marginal and end-of-life assets, as well as a Director of F Holding Ltd., a family-operated London holding company. Since 2006, he has been an Independent Director of The Revelation Special Situations Fund Ltd., a Bermuda-based hedge fund. He is a member of the Advisory Committee of Max Petroleum PLC, a AIM-listed oil and gas E&P firm with interests in Kazakhstan. From 2006-2011 he served as Max's Senior VP for Corporate Development and Investor Relations and was instrumental in forming an investor group which provided the capital for the Company's IPO on AIM in 2005 and subsequent capital raisings. He is a former CEO of AIM-listed Zoltav Resources and a former Director of NYSE-Listed Evergreen Energy Inc. From 2004-2011, he was a Non-Executive Director of AIM-listed Crosby Asset Management Ltd. Mr. Moss has held senior positions with Dresdner Kleinwort Wasserstein, Donaldson Lufkin Jenrette, Commerzbank and GFI Group Inc., with an emphasis in sales of risk and capital structure arbitrage to hedge funds. He studied Geology and Economics at

Tulane University in New Orleans, Louisiana and is a graduate of Deerfield Academy in Deerfield, Massachusetts.

**Charles Goodfellow** (*Non-Executive Director*) (age 56)

Charles Goodfellow is a corporate broker with over 25 years' experience of fund raising for small and mid-caps and private companies across a range of sectors and jurisdictions. He is a director of Acorn Minerals plc, a company listed on the Standard segment of the Main Market of the London Stock Exchange.

**Shahed Mahmood** (*Non-Executive Director*) (age 44)

Shahed Mahmood is a business consultant based on the Isle of Man, with over 20 years of wide-ranging experience in the economic development field. Shahed has been a founding shareholder and director of several investing companies who have been admitted to AIM including Skiddaw Capital Inc., (which became Crosby Capital Partners Inc.), Lodore Resources and Raven Capital (which became Upstream Media).

***Proposed Directors***

On Completion following certain appointments it is intended that the Board will comprise:

**Dr David King** (*Non-Executive Chairman*) (age 67)

Dr King has substantial minerals-related experience, having previously served as managing director of North Flinders Mines Ltd, and as a director of Minerals Corporation Ltd, Elmina NL, Spargos Mining NL, Hillgrove Gold Ltd and Sapex Ltd (now part of Linc Energy). He is non-executive chairman of ASX-listed Robust Resources Limited, was a founder and non-executive director of Australian Stock Exchange 200 company Eastern Star Gas Ltd., and chairman of Cellmid Ltd. Dr King is a Fellow of the Australian Institute of Company Directors, a Fellow of the Australasian Institute of Mining and Metallurgy, and a Fellow of the Australian Institute of Geoscientists.

**Gary Lewis** (*Executive Director*) (age 52)

Mr Lewis is the founding director of Robust. He holds a Bachelor of Commerce and Masters of Business & Technology from the University of New South Wales and is a member of the Australian Institute of Company Directors. Mr Lewis has more than 25 years' experience in capital markets and business strategy development in Australia and Asia, having worked in senior management positions in both private and public enterprises in industries as diverse as mining/exploration and pharmaceuticals. In addition to sitting on the board of directors of Robust, Gary is also chairman of ASX-listed Atlantic Limited.

**Idris Khan** (*Non-Executive Director*) (age 47)

Mr Khan is a partner of Stanhill Capital Partners, and has over 20 years' experience of commercial project management and investing in the natural resources sectors, spanning Eastern and Central Asia and South America. Idris has extensive experience of originating and executing international transactions, and has engaged extensively with stakeholders as they relate to mining development projects, with a particular focus on commercial, regulatory and governmental relations.

***Service Contracts of Proposed Directors***

Gary Lewis and the Company entered into an executive service agreement for his appointment as an executive director dated 20 May 2014. The appointment will commence from the date of the passing of the Resolution. The term of the agreement is 24 months commencing on the date of appointment and is otherwise terminable by either party at any time. Gary Lewis will receive an annual fee of £120,000.

David King was appointed as a non-executive director under a letter of appointment with the Company dated 9 May 2014. The appointment will commence from the date of Admission. The agreement is terminable on three months' notice by either party, or if he is not re-appointed as a director by the shareholders in general meeting. David King will receive an annual fee of £60,000.

Idris Khan was appointed as a non-executive director under a letter of appointment with the Company dated 19 May 2014 for a nominal annual fee of £1.00. The appointment will commence from the date of Admission. The agreement is terminable on three months' notice by either party, or if he is not re-appointed as a director by the shareholders in general meeting.

### ***Current and Previous Directorships***

David King

Current	Cellmid Ltd Robust Resources Ltd Republic Gold Ltd Tamboran Resources Ltd Galilee Energy Ltd African Petroleum Corporation Limited
Past	Eastern Star Gas Ltd Austion Resources Ltd Sapex Ltd Gas2Grid Ltd

Gary Lewis

Current	Medical Australia Limited Robust Resources Limited Atlantic Limited
Past	Reliance Resources Limited

Idris Khan

Current	None
Past	Stanhill Foundation Limited

### **Principal terms of the Acquisition**

Pursuant to the Acquisition Agreement, the Company has agreed conditionally to purchase the Target Assets from Robust for an aggregate consideration of £27.0 million, to be satisfied by the allotment and issue of 93,831,153 new Consolidated Ordinary Shares at a deemed price 28.75p per share. Such Consolidated Ordinary Shares represent 4,691,557,650 Ordinary Shares, at a deemed issue price of 0.575p per share.

On Completion, Robust will own 93,831,153 Consolidated Ordinary Shares, representing 87.3% of the Enlarged Share Capital.

The Acquisition Agreement contains certain limited warranties given by Robust in favour of the Company regarding, amongst other things, the Talas Licence, the Andash Licence and the Bashkol Licence and the business affairs, assets and liabilities of the Target Group. Further, the agreement contains certain limited warranties given by the Company in favour of Robust regarding, amongst other things, the business affairs, assets and liabilities of the Company and its compliance with the AIM Rules. The Acquisition Agreement also contains certain undertakings by each of Robust and the Company to the other not to take certain steps or actions in relation to the Target Assets and the Group respectively (including issuing any shares, paying any

dividends, incurring any liabilities or acquiring or disposing of any material assets) prior to Completion so as to maintain the current status thereof.

Under the Acquisition Agreement, Robust will transfer to the Purchaser the sum of £3.5 million (less all amounts that Robust has advanced to the Target Companies since 1 March 2014, subject to a maximum of US\$100,000 per calendar month).

As part of the Acquisition, the Company will, through the acquisition of ACN, acquire the Farm-In Rights pursuant to the Kentor Novation Deed. Additionally, pursuant to a deed of assignment, Robust will assign to the Company in aggregate approximately US\$30m in intra-group loans currently owing to Robust from Andash Mining and Talas Copper.

Further, on Completion the Company will assume, pursuant to the Gold Fields Assignment Deed, the obligations of Robust to pay a 2% net smelter return royalty to Gold Fields in respect of the production of mineral products from the Talas Licence area, as well as certain other obligation of Robust under the Talas Sale and Purchase Agreement, including in particular the obligations to issue US\$20 million of shares in the Company to Gold Fields on commencement of mining operations at the Talas Licence area, should certain thresholds be met. The Company has undertaken to Robust that it will not make a decision to mine, or any other steps, which would trigger the obligation to issue such shares to Gold Fields unless it has satisfied Robust (acting reasonably) that (i) the Company has in place all necessary authorities and consents to issue such shares (and/or has sufficient net cash reserves to pay such consideration in cash in lieu of such share issuance if so required), and (ii) the Company will be able to fulfil all of its obligations under the Talas Royalty Deed, including the payment of the royalty thereunder.

Amongst other things, the Acquisition Agreement is conditional on:

1. the payment of £3.5 million (as adjusted) having been made by Robust, as referred to above;
2. the passing of the Resolution at the AGM necessary to approve the purchase of the Target Assets, authorise the Company to issue the Acquisition Shares, increase the authorised share capital of the Company and approve the Share Consolidation; and
3. Admission.

#### **Admission Agreement**

The Company and finnCap have entered into the Admission Agreement under which finnCap has conditionally agreed to act as the nominated adviser to the Company for the purposes of the AIM Rules and to make application, on behalf of the Company, for Admission. The agreement is conditional upon, among other things, Admission occurring by 8.00 am on 15 July 2014 and in any event by no later than 30 September 2014. The agreement contains certain warranties and indemnities from the Company to finnCap in relation to Admission and the business and assets of the Company. finnCap may terminate the agreement at any time before Admission if, among other reasons, any of the warranties is found to be untrue or inaccurate in any material respect.

#### **Corporate governance**

The Directors and the Proposed Directors are committed to maintaining high standards of corporate governance having regard, so far as is practicable and appropriate given the Company's size and nature, to the QCA Corporate Governance Guidelines for AIM companies. The Company has adopted the Share Dealing Code for the Directors, Proposed Directors and future directors and key employees and will take steps to ensure compliance by the Board and any relevant employees with the terms of the Share Dealing Code.

The Directors have established audit and remuneration committees and have established financial controls and reporting procedures which are considered appropriate given the size and structure of the Company

following Completion. It is the intention of the Directors and Proposed Directors that these controls will be reviewed in light of future significant acquisitions and adjusted accordingly.

### **Dividend policy**

The Ordinary Shares rank equally for all dividends and other distributions declared, paid or made in respect of the ordinary share capital of the Company. The Company has not paid any dividends since incorporation.

It is the current intention of the Directors and Proposed Directors to retain any earnings arising from the Enlarged Group's activities to fund further investments by the Enlarged Group and achieve capital growth. Accordingly, they do not intend to pay dividends in the immediate future. The declaration and payment by the Company of any future dividends and the amount of them will depend upon the Company's financial condition, future prospects, profits legally available for distribution and other factors deemed by the Board to be relevant at that time.

### **Lock-in and orderly market arrangements**

On Completion, Robust will be interested in approximately 87.3% of the Enlarged Share Capital. Each of Robust and the Proposed Directors have undertaken to the Company and finnCap that, except in certain limited circumstances, they will not dispose of any interest in the Ordinary Shares (or the Consolidated Ordinary Shares) held by them for a period of 12 months from the date of Admission and, for the subsequent 12 months (in the case of Peter Moss and the Proposed Directors only), that they will only dispose of their holdings with the consent of the nominated adviser and through the Company's broker from time to time which may, acting reasonably, impose restrictions with a view to maintaining an orderly market in the Company's shares. The restrictions will not apply in the event of death of a director, an intervening court order, a takeover becoming or being declared unconditional or the acceptance of an offer for the Company (for which Robust or a director may give an irrevocable undertaking to accept).

### **The Share Consolidation**

#### ***Background to and reasons for the proposed Share Consolidation***

As at 24 February 2014, being the date on which the Acquisition was announced and trading in the Ordinary Shares on AIM was suspended, the Company had 680,037,345 Ordinary Shares in issue, with an Existing Ordinary Share having a mid-market price of business of 0.83 pence per share. The Directors believe the Share Consolidation is necessary to improve the marketability of the Company's ordinary shares by creating a higher trading price per ordinary share. Further, with shares of a low market price, small absolute movements in the share price can represent large percentage movements, resulting in volatility.

The Board is therefore of the view that it would benefit the Company and its Shareholders to reduce the number of Existing Ordinary Shares in issue (with a resulting adjustment in the market price of such shares) by consolidating the Existing Ordinary Shares in issue on the basis of 1 Consolidated Ordinary Share for every 50 Existing Ordinary Shares.

#### ***Details of the proposed Share Consolidation***

Shareholders on the register of members of the Company on the Record Date, which is expected to be 6:00 p.m. on 14 July 2014, will exchange every 50 Existing Ordinary Shares they hold for 1 Consolidated Ordinary Share. The proportion of the issued ordinary share capital of the Company held by each Shareholder following the Share Consolidation will, save for fractional entitlements and subject to any exercise of options and warrants, be unchanged. To effect the Share Consolidation it may be necessary to issue such minimum number of additional Existing Ordinary Shares (not exceeding 49 in total) so that the aggregate nominal value of the ordinary share capital of the Company is exactly divisible by 50. It is proposed that any such share issuance be made to the Company Secretary. Such person will not become entitled to any Consolidated

Ordinary Shares as a result of the Share Consolidation as his shareholding, following such share issuance, will be less than 50 Ordinary Shares. He will only have an interest in a fraction of an Ordinary Share, which will be dealt with in the manner described below.

No Shareholder will be entitled to a fraction of a Consolidated Ordinary Share or to any interest in the proceeds of sale thereof. Where, as a result of the consolidation of Existing Ordinary Shares described above, any Shareholder would otherwise be entitled to a fraction of a Consolidated Ordinary Share in respect of their holding of Existing Ordinary Shares at the Record Date (a "Fractional Shareholder"), such fractions shall be aggregated with the fractions of Consolidated Ordinary Shares to which other Fractional Shareholders of the Company may be entitled so as to form full Consolidated Ordinary Shares and sold in the market for the benefit of the Company. The Company does not propose to remit any of the proceeds of sale to any Fractional Shareholder as the dealing costs will exceed the value of any such remittance.

Other than the change in nominal value, the Consolidated Ordinary Shares arising on implementation of the Share Consolidation will have the same rights as the Existing Ordinary Shares, including in respect of voting rights, entitlement to dividends and other rights. Further (and ignoring the effect of fractional entitlements), although the Share Consolidation will reduce the number of ordinary shares in the capital of the Company held by each Shareholder by a factor of 50, the Share Consolidation should not, by itself, affect the market value of their shareholding.

If you hold a share certificate in respect of your Existing Ordinary Shares in the Company, your certificate will no longer be valid from the time that the proposed Share Consolidation becomes effective. If you hold more than 50 Existing Ordinary Shares on the Record Date, you will be sent a new share certificate evidencing the Consolidated Ordinary Shares to which you are entitled under the Share Consolidation. Such certificates are expected to be despatched by not later than 15 July 2014. Upon receipt of the new certificate, you should destroy any old certificates. Pending the despatch of the new certificates, transfers of certificated Consolidated Ordinary Shares will be certified against the Company's share register.

If you hold your existing Ordinary Shares in uncertificated form as Depositary Interests, you should expect to have your CREST account credited with the Consolidated Ordinary Shares to which you are entitled under the Share Consolidation on 15 July 2014.

Following Admission, the Company's new SEDOL code will be BNB7BZ2 and its new ISIN code will be KYG8760E1052. The Company's new AIM symbol will be TEN, which will become effective in due course when the change of name certificate issued by the Registrar of Companies in and for the Cayman Islands is accepted by the London Stock Exchange. Pending this change becoming effective, which will be announced by the Company, the Consolidated Ordinary Shares will trade under the existing AIM symbol MEN.

Note that the issue of the Acquisition Shares to Robust on completion of the Acquisition Agreement will take the form of the issue of Consolidated Ordinary Shares, as such shares will be issued conditional on, inter alia, Admission and accordingly would not be in issue at the Record Date, and as such would not fall within the Share Consolidation.

### **Relationship Agreement**

On Completion, Robust will own and control in aggregate 93,831,153 Consolidated Ordinary Shares representing approximately 87.3% of the Enlarged Share Capital and the associated voting rights in the share capital of the Company. Robust, the Company and finnCap entered into the Relationship Agreement on 17 June 2014 to ensure that, conditional on Admission and whilst Robust has a legal and/or beneficial interest in 30% or more of the voting rights attached to the issued share capital of the Company from time to time, transactions and relationships between Robust and the Company are at arm's length and on normal commercial terms. Robust has undertaken to the Company and finnCap, so far as it is able, amongst other things to:

1. not vote in favour of the cancellation of the admission of the Company's ordinary share capital to trading on AIM unless recommended by the Board, supported by a majority of the independent directors;
2. use its reasonable endeavours to procure that there is at least one director who is independent of Robust on the Board during the period of six months following Admission and thereafter that the Board comprises at least as many directors who are independent of Robust as non-independent directors;
3. not seek to remove any director who is independent of Robust from the Board, other than in accordance with the recommendation of its Board, supported by a majority of the independent directors, or take any other action which would result in there being no director on the Board who is independent of Robust at any time in the period of six months from Admission and, thereafter, fewer independent directors than non-independent directors on the Board; and
4. not acquire additional shares in the Company save in certain specified circumstances, which include participating in an open offer or rights issue or (where a majority of the independent directors have given their approval subject, if required, to consultation with the Company's nominated adviser under Rule 12 (related party transactions) of the AIM Rules) a placing.

In addition to the Relationship Agreement, Robust and the Company have entered into a services agreement pursuant to which, following Admission, Robust and the Company may agree that Robust will provide certain services, such as geological, geophysical, community social responsibility, IT support, accounting, finance and treasury, to the Enlarged Group, for agreed fees.

#### **Change of name**

To reflect the proposed changes to the Company, its management and its operations as a result of the Acquisition, it is proposed that, conditional on the passing of Resolution 5 as set out in the notice of AGM, the Company will change its name to Tengri Resources. In accordance with Cayman Law, the change of name will be effective on passing Resolution 5 at the AGM.