

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this circular, or as to what 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 financial adviser duly authorised pursuant to the Financial Services and Markets Act 2000 (as amended) who specialises in advising on the acquisition of shares and other securities or from an appropriately authorised independent financial adviser if you are in a territory outside the UK.**

If you have sold or otherwise transferred all of your Ordinary Shares in Tengri Resources please immediately forward this circular, together with the accompanying Form of Proxy or Form of Direction (as applicable), to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares in Tengri Resources you should retain these documents and consult the stockbroker, bank or other agent through whom such partial sale or transfer was effected.

This circular has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the UK, the London Stock Exchange, any securities commission or any other authority or regulatory body.

The distribution of this circular in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this circular comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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# **TENGRI RESOURCES**

*(Incorporated in the Cayman Islands under the Companies Law (2012 Revision)  
of the Cayman Islands with registered number 143629)*

## **Proposed Disposal by Tengri Resources of its Talas Mining Interests and Notice of Extraordinary General Meeting**

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The Directors, whose names appear on page 3 of this circular, and the Company accept responsibility, both collectively and individually, for the information contained in this circular. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

This circular should be read in its entirety. Your attention is drawn to the letter from the Non-Executive Chairman of Tengri Resources, which is set out in Part I of this circular and, in particular, to section 10 which contains the unanimous recommendation from the Directors that the Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting set out in the Notice of Extraordinary General Meeting referred to below.

**Notice of an Extraordinary General Meeting of the Company to be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG at 10:00 a.m. on 9 May 2016 is set out at the end of this circular. All Shareholders are urged to complete, sign and return the enclosed Form of Proxy or Form of Direction, as applicable, whether or not they intend to be present at the meeting, in accordance with the instructions printed thereon. To be valid, Forms of Proxy or Forms of Direction, as applicable, and any power of attorney or other authority under which they are signed must be lodged with Capita Registrars (Jersey) Limited c/o PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 10:00 a.m. on 5 May 2016 in the case of a Form of Proxy and by no later than 10:00 a.m. on 4 May 2016 in the case of a Form of Direction. Completion and return of a Form of Proxy or Form of Direction will not preclude members of the Company or Depositary Interest Holders, as appropriate, from attending and voting at the EGM should they so wish. Depositary Interest Holders wishing to attend the Extraordinary General Meeting should contact the Depositary as per the instructions on the Form of Direction. A summary of the action to be taken by Shareholders is set out on page 12 and in the Notice of Extraordinary General Meeting set out at the end of this circular.**

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## DIRECTORS AND ADVISORS

### Directors

Peter Moss (*Non-Executive Chairman*)  
Allen Wang (*Non-Executive Director*)

both of:

190 Elgin Avenue  
George Town  
Grand Cayman KY-9005  
Cayman Islands  
(the registered office of the Company)

### Company Secretary

Trevor Wells  
190 Elgin Avenue  
George Town  
Grand Cayman KY-9005  
Cayman Islands  
(the registered office of the Company)

### Nominated Advisor

finnCap Ltd  
60 New Broad Street  
London EC2M 1JJ

### Legal Advisors to the Company as to UK law

Fladgate LLP  
16 Great Queen Street  
London WC2B 5DG

### Registrar

Capita Asset Services  
12 Castle Street  
St Helier  
Jersey JE2 3RT

## EXPECTED TIMETABLE AND PRINCIPAL EVENTS

	<i>2016</i>
Posting of this circular, the Form of Proxy and the Form of Direction	12 April
Latest time and date for receipt of Forms of Direction from Shareholders	10:00 a.m. 4 May
Latest time and date for receipt of Forms of Proxy from Shareholders	10:00 a.m. 5 May
Extraordinary General Meeting	10:00 a.m. 9 May
Expected date of completion of the Disposal	10 May

**Notes:**

1. The dates set out at Expected Timetable and Principal Events above and mentioned throughout this circular are indicative only and may be adjusted by the Company, in which event details of the new dates will be notified to AIM and, where appropriate, to Shareholders.
2. Unless otherwise indicated, all times shown in this circular (including in the notes to the notice of Extraordinary General Meeting, the Form of Proxy and the Form of Direction) are references to London, UK time.
3. If the date of the Extraordinary General Meeting is adjourned or postponed, Forms of Proxy must be received by no later than 48 hours prior to the time of the adjourned Extraordinary General Meeting and Forms of Direction must be received by no later than 72 hours prior to the time of the adjourned Extraordinary General Meeting, provided that for the purposes of calculating the latest time by which Forms of Proxy and Forms of Direction must be received, Saturdays, Sundays and public holidays will be excluded.

## DEFINITIONS

The following definitions apply throughout this circular (including the enclosed Notice of Extraordinary General Meeting) and in the accompanying Form of Proxy or Form of Direction (as appropriate), unless the context requires otherwise:

<b>AIM</b>	AIM, a market operated by the London Stock Exchange.
<b>AIM Rules</b>	the rules applicable to companies whose shares are traded on AIM, as published by the London Stock Exchange from time to time.
<b>Andash Licences</b>	together the Andash Mining Licence 1, the Andash Mining Licence 2 and the Solto Licence.
<b>Andash Mining</b>	Andash Mining Co. LLC, a company incorporated in the Kyrgyz Republic with registered number 51392-3307-000, being a wholly-owned subsidiary of Kaldora and holding the Andash Licences.
<b>Andash Mining Licence 1</b>	mining licence AE 218 with expiry date 31 December 2017.
<b>Andash Mining Licence 2</b>	mining licence Au 141-04 with expiry date 31 December 2011 in respect of which an application for extension of the term of the licence is pending.
<b>Barkol Licence</b>	prospecting licence AP 1005 with expiry date 31 December 2016.
<b>Capita Registrars</b>	a trading name of Capita Registrars Limited.
<b>CREST</b>	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited which facilitates the transfer of title to shares in uncertificated form.
<b>CREST Manual</b>	the manual, as amended from time to time, produced by Euroclear UK & Ireland which facilitates the transfer of shares in uncertificated form.
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001, including (i) any enactment or subordinate legislation which amends or supersedes those regulations and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force.
<b>December Balances</b>	has the meaning given in section 3 of Part I of this circular.
<b>Depository</b>	Capita IRG Trustees Limited acting in its capacity as depository pursuant to the terms of the agreement for the provision of depository services entered into between the Company and Capita IRG Trustees Limited.
<b>Depository Interest</b>	a depository interest issued by the Depository representing an entitlement to an Ordinary Share which may be traded through CREST in dematerialised form.
<b>Depository Interest Holder</b>	a holder of a Depository Interest.

<b>Directors or the Board</b>	the directors of the Company, as at the date of this circular, whose names are set out on page 3 of this circular.
<b>Disposal</b>	the proposed sale by the Company to the Purchaser of the entire issued share capital held by the Company in the Talas Mining Companies together with the associated Talas Mining Interests.
<b>Extraordinary General Meeting or EGM</b>	the extraordinary general meeting of the Company convened to be held at 10:00 a.m. on 9 May 2016 and any adjournment, to consider, and, if thought fit pass the Resolution, notice of which is set out at the end of this circular.
<b>Form of Direction</b>	the form of direction for use by holders of a Depositary Interest in connection with the EGM.
<b>Form of Proxy</b>	the form of proxy for use by holders of Ordinary Shares in connection with the EGM.
<b>January Balances</b>	has the meaning given in section 3 of Part I of this circular.
<b>Kaldora</b>	Kaldora Company Limited, a company incorporated in the British Virgin Islands with registered number 596541, being a wholly owned subsidiary of Tatianna.
<b>Kami Associates</b>	Kami Associates Limited, a company incorporated in the British Virgin Islands with registered number 633990, being a wholly owned subsidiary of the Company.
<b>Kentash Licence</b>	prospecting licence AP 23 with expiry date 31 December 2018.
<b>Korgontash Licence</b>	prospecting licence AP 61 with expiry date 31 December 2018.
<b>London Stock Exchange</b>	London Stock Exchange plc.
<b>Notice of Extraordinary General Meeting</b>	the notice of EGM set out at the end of this circular.
<b>Ordinary Shares</b>	ordinary shares of £0.05 each in the capital of the Company.
<b>Purchaser</b>	Socagest SA.
<b>Resolution</b>	the ordinary resolution to be proposed at the EGM as set out in the Notice of Extraordinary General Meeting.
<b>Robust Branch</b>	the Robust Resources Limited branch office in Bishkek city, the Kyrgyz Republic.
<b>SAGMR</b>	the State Agency for Geology and Mineral Resources, under the Government of the Kyrgyz Republic.
<b>Shareholders</b>	holders of Ordinary Shares from time to time.
<b>SAMREC</b>	the South African code for the reporting of exploration results, mineral resources and mineral reserves.
<b>Solto Licence</b>	mining licence 3315 TE with expiry date 15 October 2028.

<b>Talas Copper</b>	Talas Copper Gold LLC, a company incorporated in the Kyrgyz Republic with registered number 21998-3300-000, being a wholly-owned subsidiary of Kami Associates and holding the Talas Licences.
<b>Talas Licences</b>	together, the Taldybulak Licence, the Kentash Licence, the Korgontash Licence and the Barkol Licence.
<b>Talas Mining Companies</b>	together Kami Associates, Tatianna and their respective subsidiaries being Andash Mining, Kaldora and Talas Copper.
<b>Talas Mining Interests</b>	the Company's interests in the Andash Licences and the Talas Licences by virtue of its holdings in the Talas Mining Companies.
<b>Taldybulak Licence</b>	exploration licence AR 24 with expiry date 31 December 2018.
<b>Tatianna</b>	Tatianna Limited, a company incorporated in the British Virgin Islands with registered number 1612161, being a wholly-owned subsidiary of the Company.
<b>Tengri Resources or the Company</b>	Tengri Resources. a company incorporated in the Cayman Islands with registered number 143629, whose registered office is at 190 Elgin Avenue, George Town Grand Cayman KY-9005, Cayman Islands.
<b>UK</b>	the United Kingdom of Great Britain and Northern Ireland.
<b>uncertificated or in uncertificated form</b>	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST.

## PART I – LETTER FROM THE CHAIRMAN

# TENGRI RESOURCES

*(Incorporated in the Cayman Islands under the Companies Law (2012 Revision) of the Cayman Islands  
with registered number 143629)*

*Directors:*

Peter Moss (*Non-Executive Chairman*)  
Allen Wang (*Non-Executive Director*)

*Registered office:*

190 Elgin Avenue  
George Town  
Grand Cayman KY-9005  
Cayman Islands

12 April 2016

*To Shareholders, Depositary Interest Holders and, for information purposes only, the holders of options over Ordinary Shares*

Dear Shareholder

### **Proposed Disposal by Tengri Resources of its Talas Mining Interests**

and

### **Notice of Extraordinary General Meeting**

#### **1. Introduction**

On 16 December 2016 the Company announced that following completion of a scoping study for its Taldybulak gold copper project in the Kyrgyz Republic in Central Asia, it had decided not to proceed with the development of the project and that it had begun a strategic review in respect of its Taldybulak and Andash projects. In addition, given the general weakness in global resource prices, the Company has decided to devote additional resources to search for opportunities that might exist outside the Company's existing areas of operation, which would both require lower start-up costs and a faster route to production and cash flow than the Company's existing asset base. Accordingly, the Company has decided to effect a sale of the Talas Mining Interests through the Disposal.

Due to its size, the Disposal constitutes a fundamental change of business of the Company under Rule 15 of the AIM Rules and therefore requires the prior approval of Shareholders in an extraordinary general meeting. The Company is therefore convening the Extraordinary General Meeting to seek Shareholder approval for the Disposal in accordance with Rule 15 of the AIM Rules. On completion of the Disposal, the Company will be deemed to be classified as an "AIM Rule 15 cash shell" for the purpose of the AIM Rules and will have six months to make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an "investing company" with the attendant requirement to raise at least £6 million on or immediately before such readmission.

The purpose of this circular is to provide you with the background to, reasons for and details of, the Disposal and to provide you with a Notice of Extraordinary General Meeting of the Company to be held to consider and, if thought fit, to pass the resolution required to authorise the Company to complete the Disposal.

This circular also explains why the Board considers the Resolution to be in the best interests of the Company and the Shareholders as a whole and why the Board recommends that you vote in favour of the Resolution. The Notice of Extraordinary General Meeting is set out at the end of this circular and a Form of Proxy or a Form of Direction is enclosed for use, as applicable, in connection with the EGM.



## **2. Background to and reasons for the Disposal**

### **2.1 Background**

The Company acquired the Talas Mining Interests by virtue of its acquisition of the Talas Mining Companies from Robust Resources Limited on 15 July 2014. The Talas Mining Interests 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 the Talas Mining Interests, the priority targets for development for the Company were the Andash Mining Licence 1 and the Taldybulak Licence.

In addition to the Taldybulak Licence, the Talas Licences include the Kentash Licence, Korgontash Licence and Barkol Licence. At the time of acquisition of the Talas Mining Interests the exploration work for these resources was at an early stage. The Andash Licences also includes the Solto Licence and the Andash Mining Licence 2, the latter having expired on 31 December 2011 and in respect of which an application for extension of its term is pending.

#### *Andash project*

The Andash deposit, which is the subject of the Andash Mining Licence 1, is located near the Karakol river, and 2.5 kilometres from the village of Kupre-Bazar. The town of Talas is approximately 75 kilometres away. The site is accessible all year round and is located at an elevation of at least 2100 metres.

The Andash deposit has been subject to a number of feasibility-level studies since 2006, with interruptions to both development schedule and funding coinciding with the 2008/9 global financial crisis.

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 1 without losing its rights thereunder. Following the acquisition by the Company of the Talas Mining Interests, the Company intended to progress a process of having the force majeure status lifted thereby restoring normal operations under the licence. At the time of completion of the acquisition of the Talas Mineral Assets the Company intended to prioritise the progression of the Andash project, however, the fast-tracking of the Taldybulak deposit development plan (see below for further information) took the Andash project off the critical path of the Company’s development timeline. As such, the process of having the force majeure status lifted continues and the Company has therefore been unable to commence normal operations under the licence.

#### *Taldybulak project*

The Taldybulak deposit is the subject of the Taldybulak Mining Licence which covers an area located approximately 20 kilometres west of Andash and 270 kilometres west of the capital Bishkek by bitumen road. The Taldybulak deposit is a large porphyry style copper-gold system with a SAMREC compliant resource defined by a previous owner.

In August 2014, following the signing of a two-year access agreement with the local Talas community, the Company commenced a 12 hole, 2,000 metre diamond drilling programme at the Taldybulak deposit and targeted a previously identified near-surface, sheeted-vein system. Securing the community access agreement was a significant milestone for the Company and was the result of extensive consultation with the Aral Village Rural Council in the Kyrgyz Republic. As part of that agreement, the Company agreed to establish a social development fund aimed at improving the standard of living and skill sets of the Aral community.

Following the completion of the drilling programme the Company announced, on 3 December 2014, that it had achieved the drilling of 13 holes and 2,029 metres with results confirming the existence of near-surface and a higher-grade gold sheeted-vein system within the project deposit. The results from the Company’s 2014 drilling programme successfully confirmed the existence of a shallower, higher-grade sheeted-vein gold system within the existing resource envelope. The programme also determined that there was a higher-grade zone featuring coarse free gold in some intervals which could be readily recovered by simple gravity methods. As a result of the gold grades returned from the deposit the Company decided to prioritise the fast tracking of the Taldybulak deposit’s development during 2015.

The Company's plans for Taldybulak involved taking a two-phased approach to development. Phase one of the development of the Taldybulak deposit was intended to target the development of a smaller, high grade gold copper mine at modest capital cost prior to expanding to a phase two large scale bulk tonnage mining and processing operation supplemented by higher-grade feed from the Andash project, some 27 kilometres away, functioning as a satellite mine feeding Taldybulak's central plant.

On 28 May 2015 the Company announced that it had commenced a 2,500 metre drilling programme designed to define the optimum mine plan between the phase one and phase two pits, as well as to increase the grade, tonnage and resource category of the overall deposit.

The Company subsequently commenced a scoping study on phase 1 of its proposed two-stage process in 2015.

## **2.2 Reasons for the Disposal**

The 2015 scoping study, which was concluded against the backdrop of lower gold and copper prices and a subdued outlook for commodity prices generally, was undertaken to ascertain the economic feasibility of the two-phased development at Taldybulak.

The study showed that the Taldybulak and Andash projects, under all studied development scenarios, did not meet the Company's investment criteria. In particular, the Company had hoped that the scoping study would demonstrate that Taldybulak and Andash could deliver an internal rate of return in excess of 25% and production costs in the lowest quartile of the global cost curve. The scoping study showed up-front capital costs to develop the project of approximately US\$320 million that delivered annual production of an average of approximately 70,000 ounces of gold and approximately 7,750 tonnes of contained copper over a mine life of 28 years. The key assumptions used in the scoping study included a gold price of US\$1,200 per ounce and a copper price of US\$5,500 per tonne. The results demonstrated a negative net present value and an internal rate of return below the Company's cost of capital.

Whilst the Company believes that Taldybulak and Andash host large resources with significant upside exploration potential, the Board decided not to proceed with the development of Taldybulak in the current commodity price environment. As a result of the decision not to proceed with the development of Taldybulak and Andash resources the Company commenced a strategic review in respect of the Taldybulak and Andash projects and, given the general weakness in global resource prices, has taken the decision to undertake the Disposal to the Purchaser and to instead devote resources in search of new opportunities which would both require lower start-up costs and a faster route to production and cash flow than the Company's existing asset base.

## **3. Principal Terms of the Disposal**

The Company and the Purchaser entered into a share sale agreement relating to the acquisition by the Purchaser of the entire issued share capital of Kami Associates and Tatianna from the Company dated 12 April 2016 (**Share Sale Agreement**).

Under the terms of the Share Sale Agreement, the Purchaser has conditionally agreed to acquire Kami Associates and Tatianna for a total consideration of US\$6 million to be structured as follows:

- 3.1 US\$1 million deposit paid upon execution of the Share Sale Agreement (**Execution Amount**);
- 3.2 US\$4 million payable on completion of the Disposal (**Completion Amount**) which will occur following satisfaction of the Condition (see below); and
- 3.3 US\$1 million to be held in escrow until the second month anniversary of the date of completion of the Disposal (**Escrow Amount**).

Pursuant to the terms of the Share Sale Agreement the Purchaser will, within 20 business days of completion of the Disposal, give notice to the Company of any liabilities of Kami Associates, Kaldora and Tatianna (but excluding Talas Copper and Andash Mining) as at the completion date including liabilities incurred but not invoiced at such date. An amount equal to the lower of (i) such liabilities and (ii) the Escrow Amount, as agreed between the Company and the Seller, will be deducted from the

Escrow Amount and the balance will be paid to the Company on the second month anniversary of the date of completion of the Disposal.

The Execution Amount paid on execution of the Share Sale Agreement is non-refundable except in the case of the Condition (as defined below) not being satisfied or the Company failing to provide to the Purchaser its completion deliverables.

The Disposal is conditional upon being approved by the Shareholders (**Condition**). The Purchaser may rescind the Share Sale Agreement if (i) the Condition is not met by 31 May 2016, or (ii) the Company is in breach of its conduct of business undertakings such that the breach causes a material adverse effect on the Talas Mining Companies or their assets as a whole. Either party may rescind the Share Sale Agreement if the other party fails to meet its obligations at completion of the Share Sale Agreement.

The Share Sale Agreement provides that the Company will use part of the Execution Amount to repay, on behalf of the Talas Mining Companies and the Robust Branch, outstanding creditor balances for the Talas Mining Companies and the Robust Branch as at 31 December 2015 in the sum of US\$583,259 (**December Balances**). The sum remaining from the Execution Amount after payment of the December Balances will be for the Company's account. In addition, the Share Sale Agreement provides that the Company will use part of the Completion Amount to repay, on behalf of the Talas Mining Companies and the Robust Branch, outstanding creditor balances for the Talas Mining Companies and the Robust Branch as at 31 January 2016 in the sum of US\$286,717 (**January Balances**). The sum remaining from the Completion Amount after payment of the January Balances will be for the Company's account.

The Company has given a number of specific undertakings to the Purchaser regarding the conduct of the business of the Talas Mining Companies and the Talas Mining Interests from the date of the Share Sale Agreement to completion of the Disposal. The Share Sale Agreement contains only limited warranties as to title to the shares of the Talas Mining Companies and the Company's ability to sell the shares of Kami Associates and Tatianna.

The Share Sale Agreement is governed by the laws of England and Wales and the parties submit to the jurisdiction of the English courts as regards any claim or matter arising under it.

#### **4. Use of Proceeds**

The proceeds of the Disposal will be used to:

- 4.1 pay the December Balances and the January Balances in accordance with the provisions of the Share Sale Agreement;
- 4.2 pay to certain of the Company's loan note holders approximately US\$4,680,845 in respect of principal amounts and interest outstanding on the Company's convertible loan notes; and
- 4.2 fund the costs of the Disposal and the costs of settling any other pre and post deal liabilities/matters,

with the remainder being retained for working capital purposes by the Company.

#### **5. Information on the Purchaser**

The Purchaser, which is registered with enterprise identification number (IDE/UID) CHE-102.135.798 and whose address is at Boulevard de Pérolles 22, c/o Société de Contrôle Fiduciaire SA., has its registered seat in Fribourg, Switzerland.

#### **6. AIM Rule 15**

The Disposal represents a disposal of the only significant assets of the Company and, as such, the Disposal constitutes a fundamental change of business of the Company under Rule 15 of the AIM Rules and accordingly requires the prior approval of Shareholders in an extraordinary general meeting. Accordingly, the Company is convening the EGM to seek Shareholder approval for the Disposal in accordance with Rule 15 of the AIM Rules. On completion of the Disposal, the Company will be deemed an "AIM Rule 15 cash shell" for the purpose of the AIM Rules and will have six months to make an

acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an “investing company” with the attendant requirement to raise at least £6 million on or immediately before such readmission.

## **7. Irrevocable Undertaking**

Robust Resources Limited, a Shareholder, has irrevocably undertaken to vote in favour of the Resolution to be proposed at the Extraordinary General Meeting in respect of its entire beneficial holdings of Ordinary Shares, which amount to 93,831,153 Ordinary Shares representing approximately 87.3% of the issued Ordinary Share capital as at the date of this circular. The irrevocable undertaking given by Robust Resources Limited is not inconsistent with the provisions of the relationship agreement entered into between Robust Resources Limited, finnCap Ltd and the Company governing the relationship between those parties and dated 17 June 2014. For further details of the relationship agreement please refer to the Company’s admission document dated 18 June 2014.

## **8. Extraordinary General Meeting**

Due to its size, and given its importance to the Company, under the AIM Rules, the Disposal is subject to the approval of Shareholders in an Extraordinary General Meeting of the Company. If passed, the Resolution will authorise the Directors to implement the Disposal on the terms set out in the Share Sale Agreement, as is summarised in section 3 of Part I of this circular.

A Notice of Extraordinary General Meeting is set out at the end of this circular convening the EGM to be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG at 10:00 a.m. on 9 May 2016 at which the Disposal Resolution will be proposed as an ordinary resolution.

## **9. Action to be taken**

**A Form of Proxy or a Form of Direction is enclosed for use, as applicable, in connection with the EGM. Whether or not Shareholders intend to be present at the meeting, they are requested to complete, sign and return the Form of Proxy or Form of Direction in accordance with the instructions printed thereon, as applicable, to the Company’s registrars, Capita Registrars (Jersey) Limited c/o PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU as soon as possible and, in any event, so as to be received not later than 10:00 a.m. on 5 May 2016 in the case of a Form of Proxy and not later than 10:00 a.m. on 4 May 2016 in the case of a Form of Direction. The completion and return of a Form of Proxy or Form of Direction will not preclude Shareholders’ from attending the meeting and voting in person should they subsequently wish to do so.**

**If you hold your Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of Extraordinary General Meeting set out at the end of this circular). Proxies submitted via CREST must be received by the Company’s agent (Capita Registrars) by no later than 10:00 a.m. on 5 May 2016 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting).**

## **10. Recommendation**

**The Directors consider the Disposal to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolution to be proposed at the Extraordinary General Meeting.**

Yours faithfully

**Peter Moss**

*Non-Executive Chairman*

## PART II – NOTICE OF EGM

# TENGRI RESOURCES

*(Incorporated in the Cayman Islands under the Companies Law (2012 Revision) of the Cayman Islands  
with registered number 143629)*

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS GIVEN** that an Extraordinary General Meeting of the members of Tengri Resources (the **Company**) will be held at the offices of Fladgate LLP at 16 Great Queen Street, London WC2B 5DG at 10:00 a.m. on 9 May 2016 for the purpose of considering and, if thought fit, passing the Resolution set out below which will be proposed as an ordinary resolution.

### ORDINARY RESOLUTION

**THAT**, the proposed disposal by the Company of the Talas Mining Companies (and the associated Talas Mining Interests) pursuant to the Share Sale Agreement dated 12 April 2016 and related documentation, entered into between the Company and the Purchaser, each as defined and more particularly described in the circular to shareholders dated 12 April 2016 (**Circular**), be approved and any one Director be authorised to (i) conclude and implement the Disposal (as defined in the Circular) in accordance with the Share Sale Agreement and ancillary Disposal documentation; (ii) do all such acts and things and execute all such agreements and make such arrangements as may seem to him necessary, expedient or appropriate for giving effect to, or otherwise in connection with, the Disposal and/or the Share Sale Agreement and ancillary Disposal documentation; and (iii) agree and make such modifications/variations, revisions, waivers or amendments to the terms and conditions of the Disposal and/or Share Sale Agreement and ancillary Disposal documentation as he in his absolute discretion thinks necessary, expedient or appropriate.

By order of the board

**Trevor Wells**  
*Company Secretary*

*Registered office:*  
190 Elgin Avenue  
George Town  
Grand Cayman KY-9005  
Cayman Islands

Date: 12 April 2016

## EXPLANATORY NOTES TO THE NOTICE OF EXTRAORDINARY GENERAL MEETING

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered on the Company's register of members at:
  - 1.1 6:00 p.m. on 7 May 2016; or,
  - 1.2 if this general meeting (the **Meeting**) is adjourned, at 10:00 a.m. on the day two days prior to the adjourned meeting, shall be entitled to attend and vote at the Meeting.

Changes to entries on the register of members after that time will be disregarded in determining the right of any person to attend or vote at the Meeting.
2. A member entitled to attend and vote at the Meeting may appoint one or more proxies to attend and, on a poll, vote in their place. A proxy need not be a member of the Company.
3. To be effective, a completed and signed proxy and (in the case of an instrument signed by an agent of a member who is not a corporation) the authority under which such instrument is signed or an office copy or duly certified copy must be delivered to the offices of the Company's registrars, Capita Registrars (Jersey) Limited c/o PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not less than 48 hours before the time fixed for the Meeting or any adjourned Meeting. You may also deliver by hand to this address during normal business hours.
4. Completion of a Form of Proxy will not prevent a member from attending and voting in person.
5. In the case of joint holders of shares in the Company, the vote of the senior holder shall be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names appear in the Company's register of shareholders (or the Company's registrars' records).
6. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
7. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
8. In the case of holders of Depositary Interests representing ordinary shares in the capital of the Company, a Form of Direction must be completed in order to direct Capita IRG Trustees Limited, as the registered shareholder of Tengri Resources' Ordinary Shares represented by Depositary Interests, to vote on the holder's behalf at the Meeting, or if the Meeting is adjourned, at any adjourned meeting. To be effective, a completed and signed Form of Direction must be delivered to Capita Registrars (Jersey) Limited c/o PXS, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, by no later than 72 hours before the time fixed for the Meeting or any adjourned meeting.
9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) 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(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment 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 (**EUI**) 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 issuer's agent (ID: RA10) by 10:00 a.m. on 5 May 2016. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI 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(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such actions as are 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 sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
12. 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 (SI 2001/3755).
13. As at 6:00 p.m. on 11 April 2016, the Company's issued share capital comprised 107,618,497 Ordinary Shares of £0.05 each. Each Ordinary Share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6:00pm on 11 April 2016 is 107,618,497.

