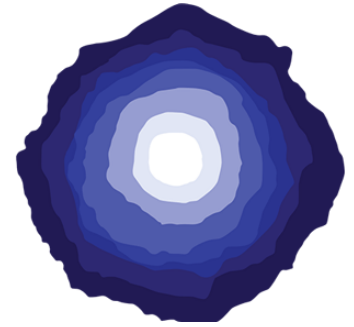


SIRIUS
MINERALS PLC



SIRIUS MINERALS

**Post takeover review, lessons
learned and next steps**

Cliff Weight | Chris Spencer-Phillips

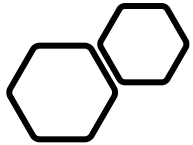
Paul Anscombe | Mark Northway

5pm, 8 December 2020



UK Individual Shareholders Society

www.sharesoc.org



Important Information

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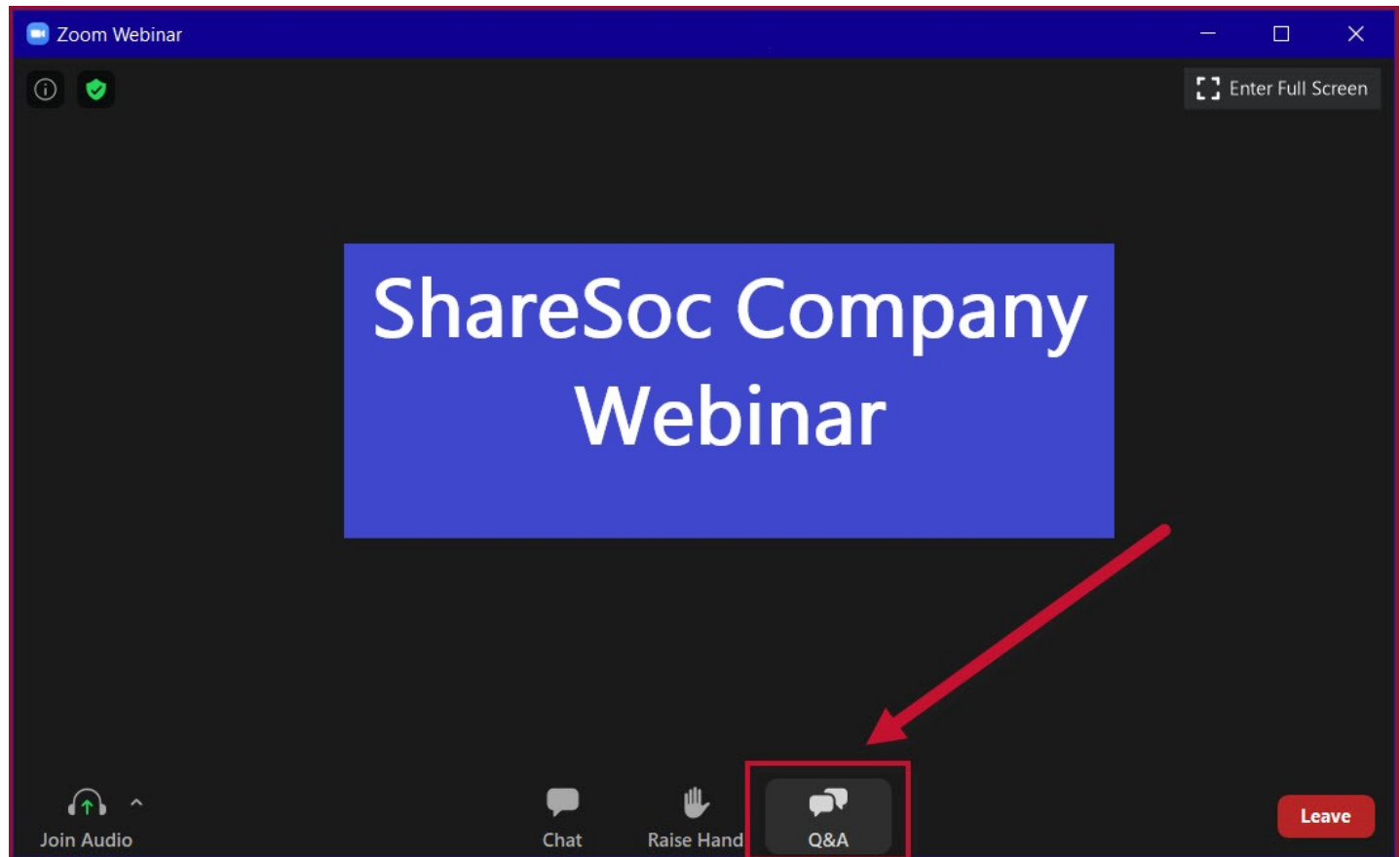
Welcome to ShareSoc

- **ShareSoc is a not-for-profit membership organisation**
 - For individual investors, with c 6,000 members
- **We campaign**
 - Government, Regulators,
 - Companies
- **We inform**
 - Investor Webinars, Seminars and Visits, Monthly Newsletters,
 - Blogs, AGM and remuneration reports
- **We educate**
 - Masterclasses, Investor Academy, SIGnet
- **We create networking opportunities**
 - Online Forums, Seminars, SIGnet
- **We save you money**
 - Discounts with Stockopedia, Research Tree etc
- **We improve your investing experience**



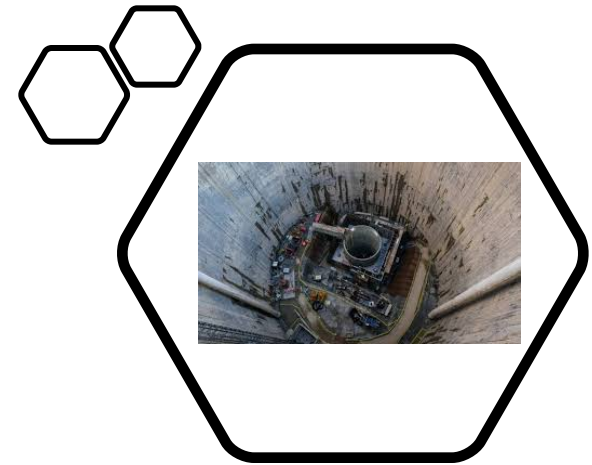
ShareSoc Webinar Sirius Mineral

- Asking questions

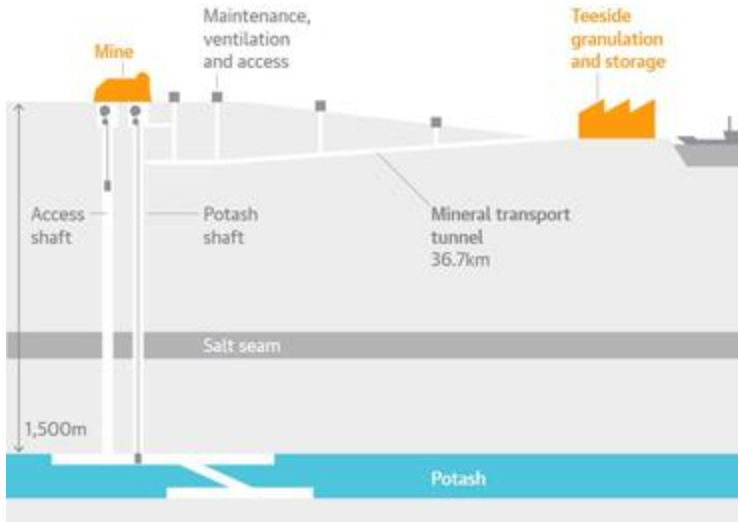


Introduction

- www.sharesoc.org/campaigns/sirius/
- 85,000 unhappy shareholders, many of whom have lost very significant sums from their investment.
- Unusually high (>50%) of shares held by individuals – but no representation.
- A lot of noise and anger, but Sirius Board was not listening to shareholders.
- Share price had declined from high of 51p (Aug 2016) to less than 3p.
- Anglo American bid 5.5p on 8 Jan 2020.



Sirius Minerals - ups, downs and across



Timeline----->

2008 York Potash

2011 Sirius Minerals acquires York Potash
400 Local licences /agreements signed

2015 Planning permission-by 1 vote

2016 Gina Rinehart \$300m funding
£370m equity and \$400m convertible
admission to Main Market
raise at 25p – primarily for sinking
shafts

2019 £327m raise at 15p and
attempted debt raise
failure to raise debt – progress on
highest risk item of sinking shafts cited

2020 5.5p offer from Anglo American

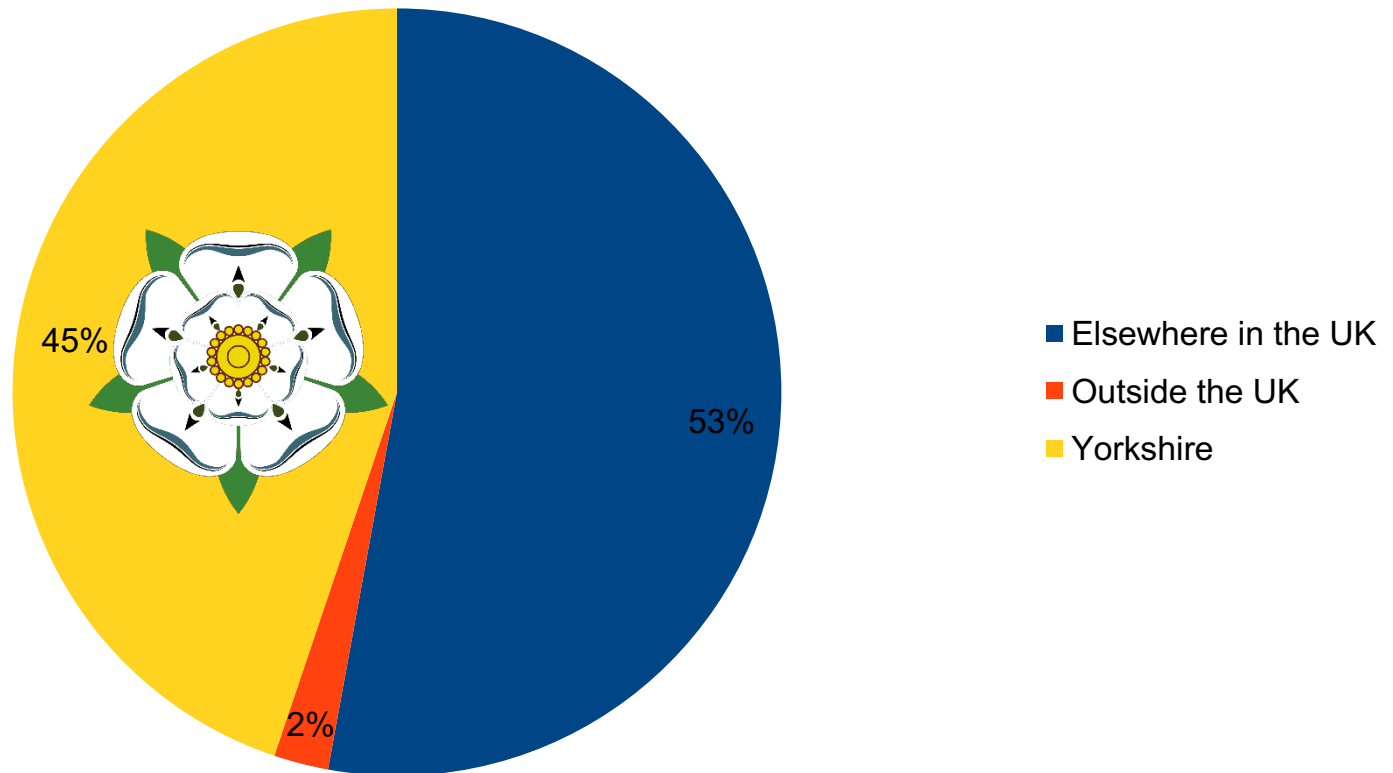
Recent Share Price history



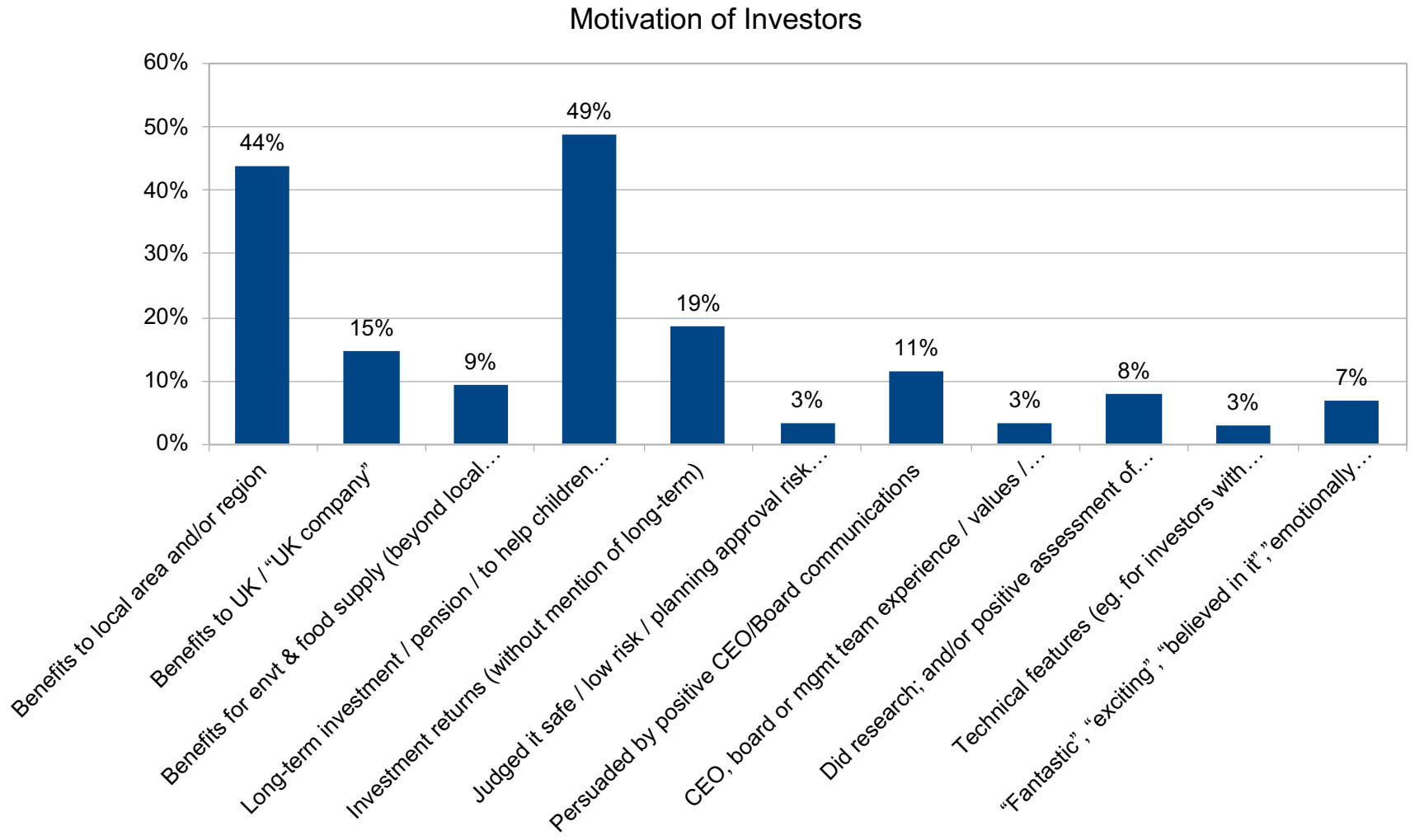
- Rose from <3p to 51p high in 2016
- 2016 Rights Issue
- 2019 Rights Issue and Bond Raise
- Rapid decline from 36p to 3p, then 5.5p takeover

Survey of ShareSoc Sirius members

Location

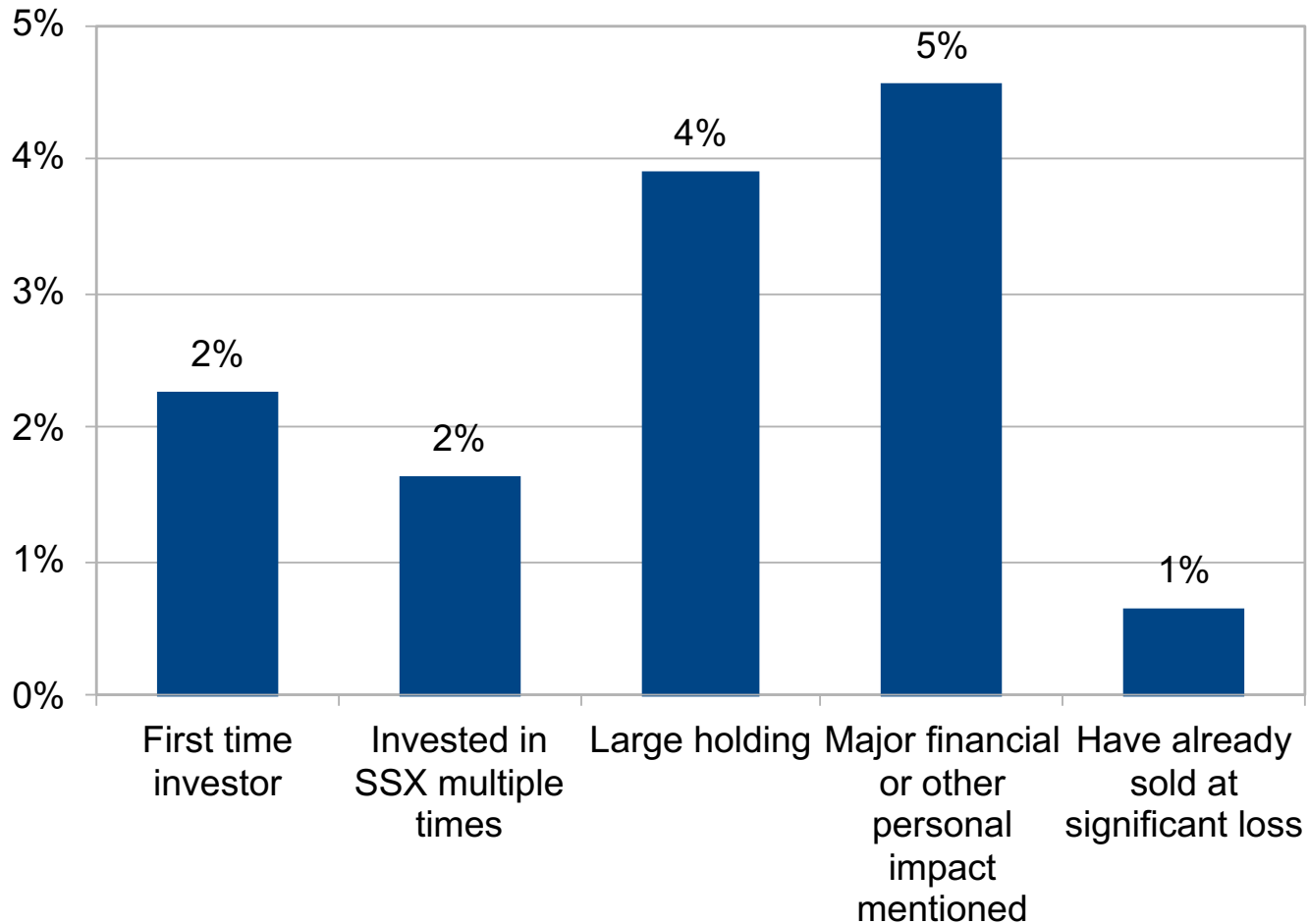


Survey of ShareSoc Sirius members



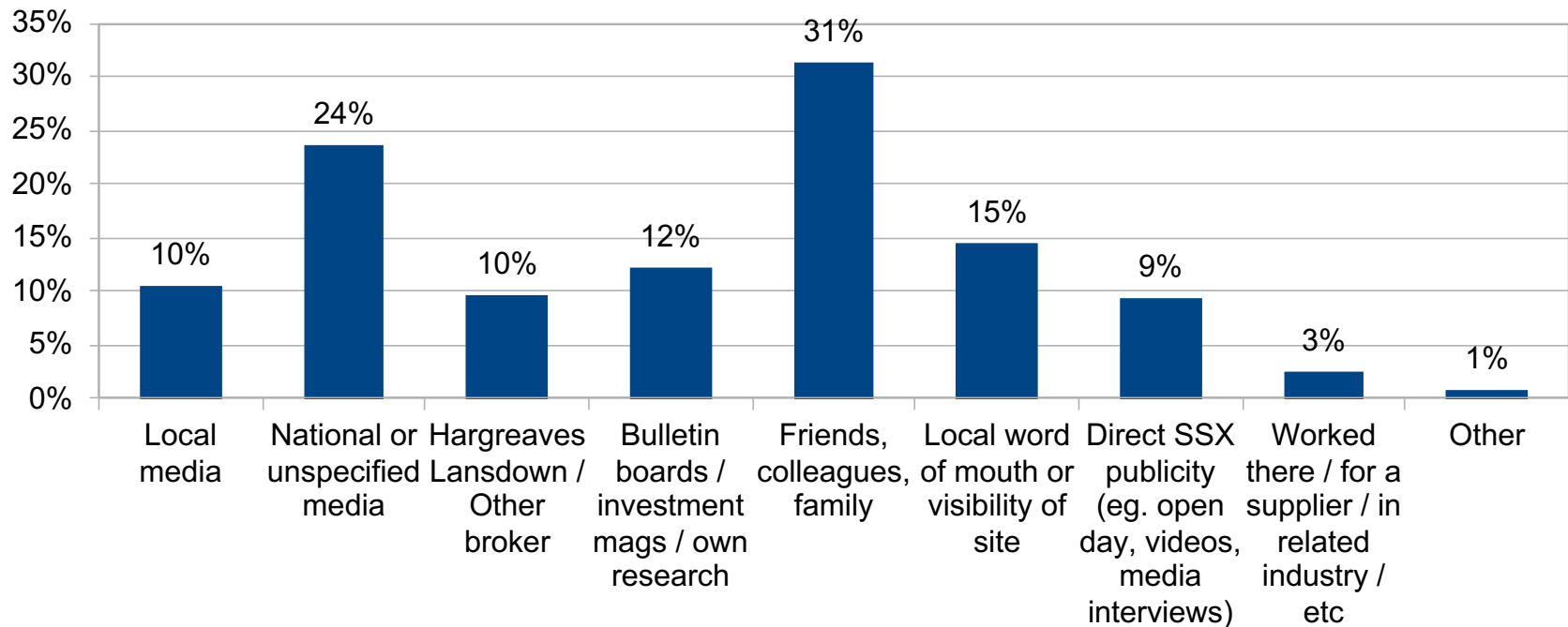
Survey of ShareSoc Sirius members

Investor Features- Unprompted comments -
probably understates true position



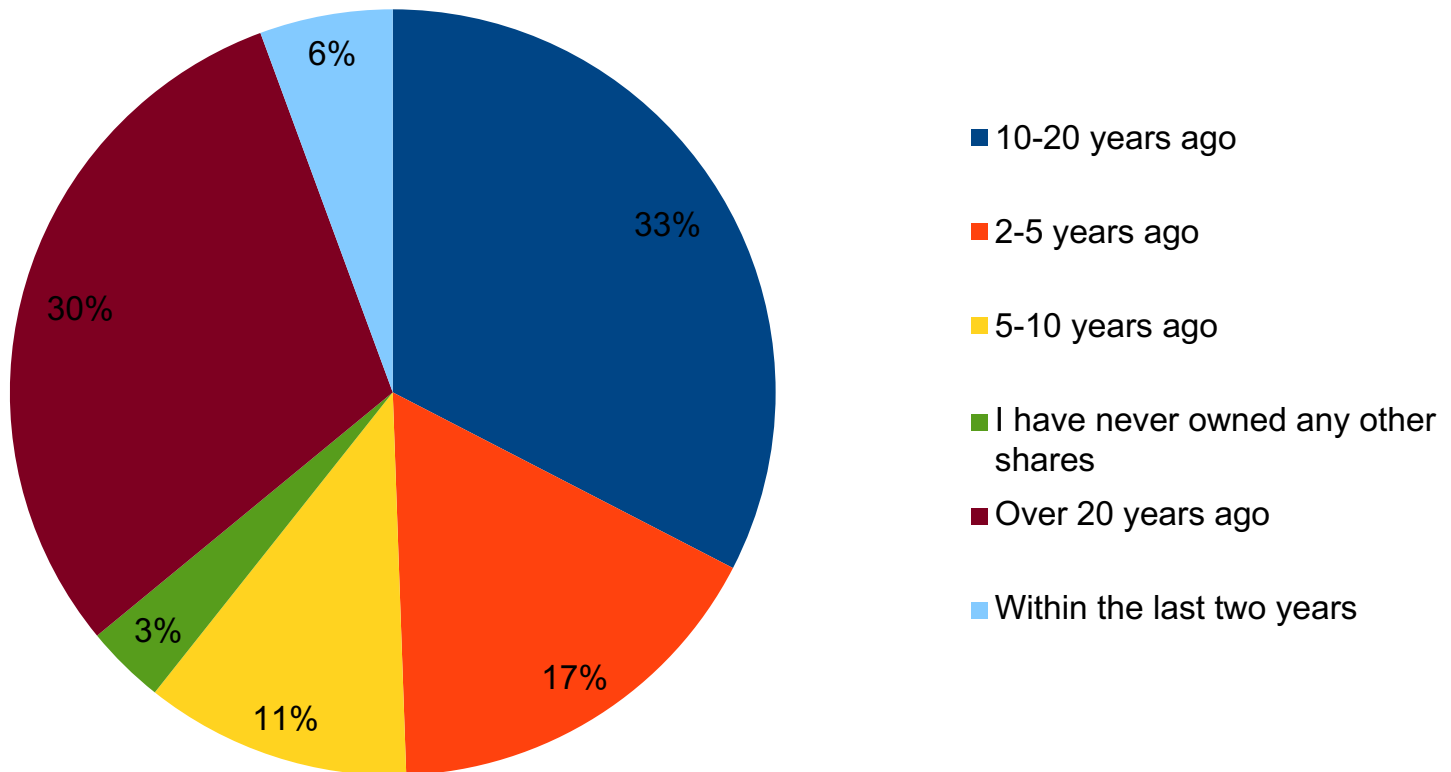
Survey of ShareSoc Sirius members

How the Investor first heard of Sirius Minerals



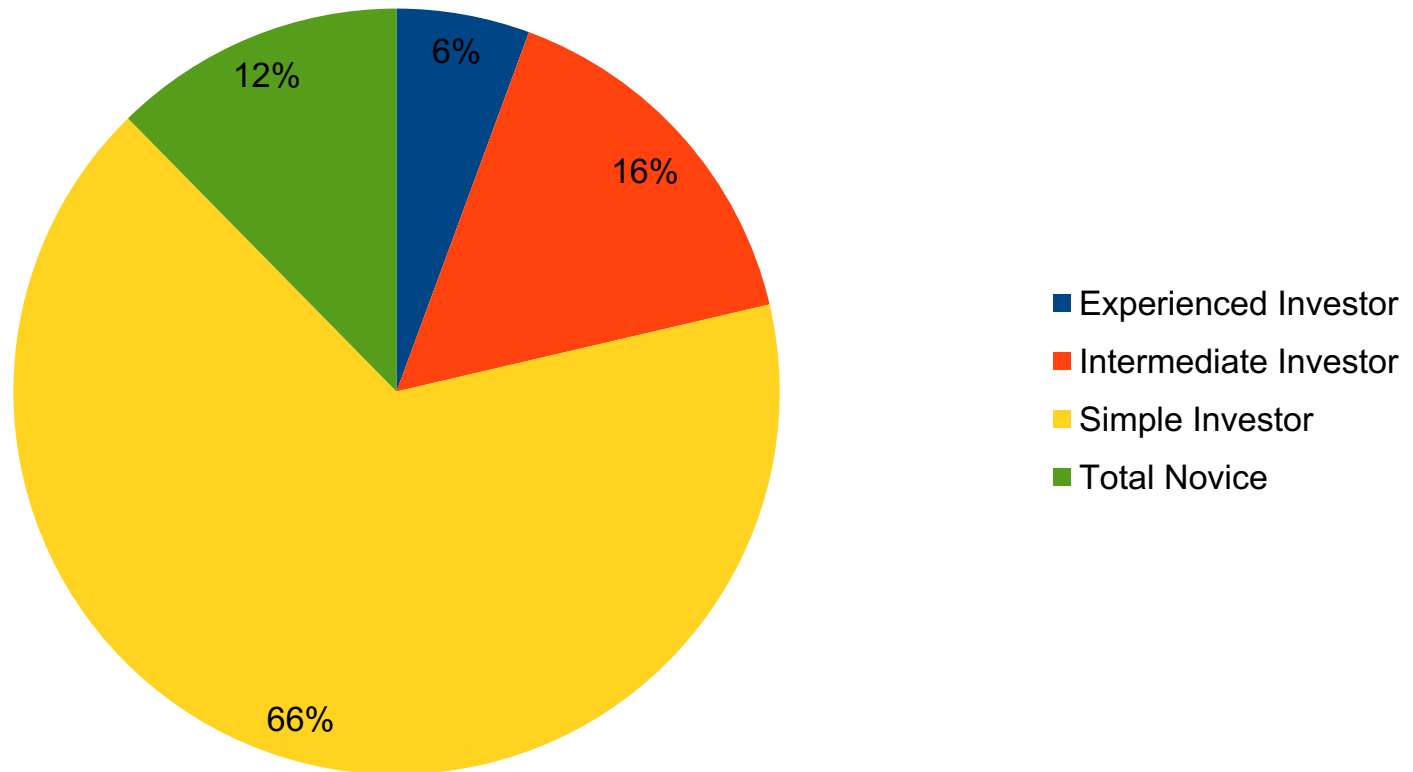
Survey of ShareSoc Sirius members

When did you first start to invest in other shares?



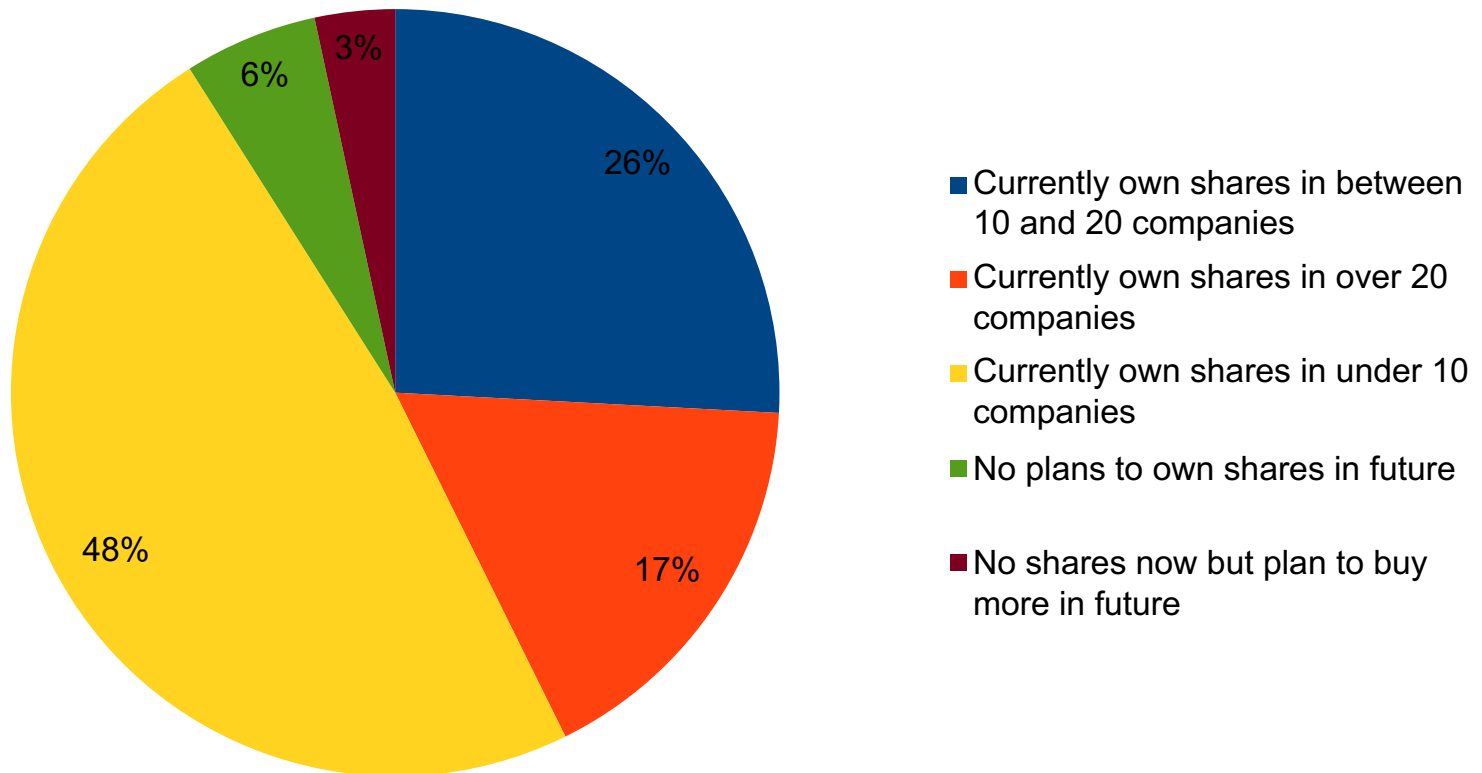
Survey of ShareSoc Sirius members

Self-classification: investing skills



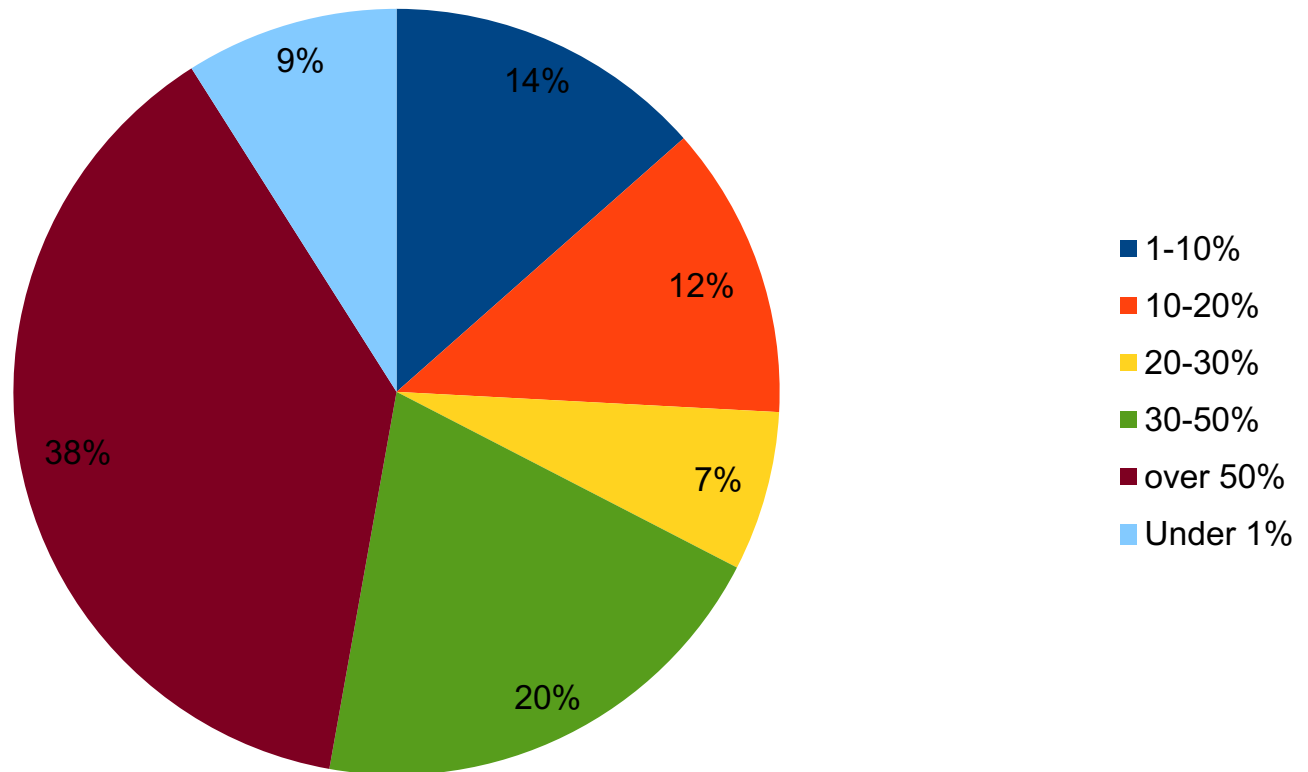
Survey of ShareSoc Sirius members

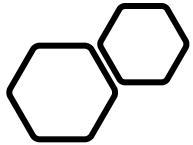
How many other different shares do you own?



Survey of ShareSoc Sirius members

Max proportion of total equities held in Sirius shares





Lessons learnt – Teamwork

- Many people did great job in getting people involved and over 2,500 joined the Facebook forum.
- ShareSoc provided structure, processes and professionalism to ensure shareholders views were heard by Sirius, Anglo and the Press.
- ShareSoc facilitated meetings of shareholders and Sirius, and shareholders and Anglo.



Lessons learnt – Be clear on goals and what might be possible

- We gave you a voice in the following other ways:
 - In the Press, via our links with journalists.
 - Via meetings of shareholders and Sirius, and shareholders and Anglo.



Lessons Learnt – Planning



- **Start Earlier!**
- We could have done more if we had got involved earlier
- [21% voted no]. We could have voted down the proposals, but the nominee system of share ownership did not help.
- Contentious area for guidance - if voted down shareholders may have got 0p, instead of 5.5p.
- We need to get the nominee system changed!

Lessons Learnt – Proxy Agents

- Anglo employed Georgeson who were very effective in getting over 800 members on the register to vote.
- We needed resources to be able to communicate to shareholders and law changes to talk to those who hold via nominee



Sirius Claim

By Paul Anscombe, Chairman Sirius Claim Group

www.SiriusClaim.com

Sirius Claim Group

❑ Created following the Anglo American takeover

❑ Objectives

- Gather materials including:
 - Regulatory News announcements (RNS)
 - Key documents
 - Webcasts
- Collate and review
 - Huge task involving thousands of materials
- Assess legal potential
 - Find potential legal partners
 - Review and agree any legal strategy
- Support legal process

Sirius Claim



Current Status

Held a pre-meet with a legal firm

Review process almost complete

Engage with potential legal partners Jan/Feb 2021



Legal Potential

Legal partners will need to assess and confirm

Have to assess against who, for what, potential outcome(s)

Having a claim does not necessarily mean it is viable to pursue



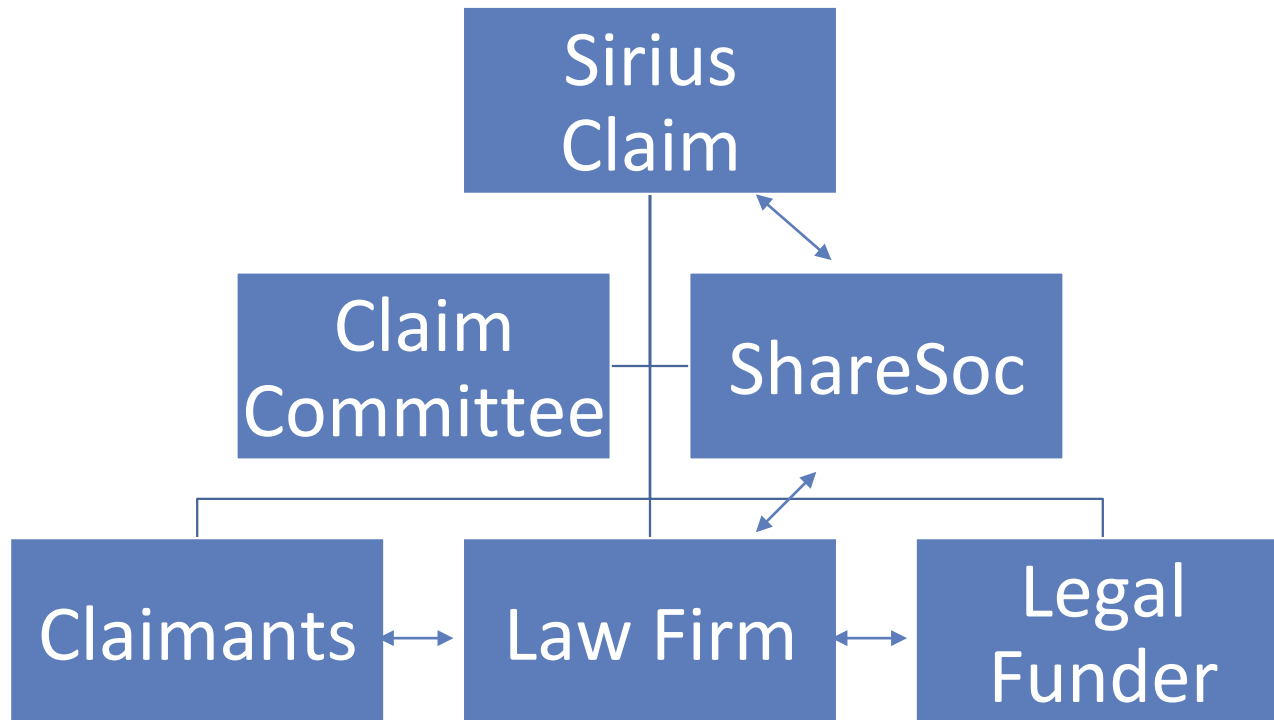
Legal Costs

Potentially very large costs to consider

Will work with legal/finance partners for solution

Some form of “no win, no fee” likely outcome

Sirius Claim – Funding & Governance



Governance

Endorsement of chosen law firm by ShareSoc

Legal funding. No costs to claimants. Insurance to protect Claimants.

Importance of Counsel's Views.

Questions ?



50%+ retail?

Hype? V
overhype?

Best buy lists?

Local economy?

Northern Powerhouse?
Government support?



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