

14 December 2021

## Global Resources Investment Trust plc

### 'GRIT' or 'the Company'

#### Notice of a General Meeting

The Company has today published a shareholder circular in connection with certain proposals to approve a share capital reorganisation, to seek authorities to issue New Ordinary Shares both as regards the conversion of outstanding convertible loan notes ("CLNs") and in respect of a further equity fundraise, to adopt new articles of association and to change the name of the Company to "GRIT Investment Trust plc".

The purpose of the document is to convene a General Meeting at which the requisite new shareholder authorities will be sought. The General Meeting will be held at 10.00 a.m. on 7 January 2022 as a virtual meeting.

Detailed background to the proposals is set out in the circular, with the Board now being in a position to commence the re-building of a diverse portfolio of natural resources investments and with the intention of raising a minimum of £1 million and up to £5 million to advance this process. This will require *inter alia* a prospectus (which is currently being prepared for submission to the FCA) and Shareholder approval as the Company currently has insufficient authorities to issue further equity securities to the holder of the two tranches of the CULNs.

#### General Meeting

At the General Meeting Shareholders will be asked to consider and, if thought fit, approve five resolutions.

##### 1 Share Capital Reorganisation

The Convertible Loan Notes convert into Existing Ordinary Shares at a price of 0.25p. This is below the current nominal value of the Existing Ordinary Shares. As a Company cannot issue shares at less than nominal value it is proposed that the Company performs a technical share capital reorganisation to remedy this technical issue. The share capital reorganisation will have no economic implications for Shareholders.

It is proposed that each Existing Ordinary Share of 1p is sub-divided into one ordinary share of 0.25p and one Deferred Share of 0.75p. Each 10 ordinary shares of 0.25p each will then be consolidated into a New Ordinary Share of 2.5 pence. The rights attaching to the New Ordinary Shares will be identical in all respects to those of the Existing Ordinary Shares. The Deferred Shares will have no voting rights, no entitlement to attend General Meetings of the Company, no right to any dividend or other distribution and will carry only the right to participate in any return of capital to the extent of the amount paid up or credited as paid up on each Deferred Share after the holders of Ordinary Shares have received, in aggregate, capital repayments amounting to £100,000,000. Accordingly, the Deferred Shares will, for all practical purposes, be valueless and it is the Board's intention, at an appropriate time, to apply to the Court to cancel the Deferred Shares.

The share capital reorganisation will necessitate a new ISIN and SEDOL number for the New Ordinary Shares. The new ISIN and SEDOL numbers will be GB00BL594W83 and BL594W8. The Company will confirm the change of ISIN number by RNS when the change becomes effective. The ticker of GRIT will remain the same, as will the Company's website address of [www.grinvestmenttrust.com](http://www.grinvestmenttrust.com).

The New Ordinary Shares will result from a reorganisation of the share capital of the Company. Accordingly, holders of Existing Ordinary Shares should not normally be treated as making a disposal of all or part of their holding of Existing Ordinary Shares by reason of the share capital reorganisation being implemented. The New Ordinary Shares which replace their holding of Existing Ordinary Shares as a result of the share capital reorganisation will be treated as the same asset acquired at the same time as their holding of Existing Ordinary Shares was acquired.

##### 2 Share Authorities

The Directors are not able to allot any shares unless they have been given the authority to do so by Shareholders in accordance with the Companies Act 2006 (as amended) (the "Act"). Furthermore, the pre-emption rights, which attach to the Ordinary Shares by virtue of the provisions of the Act and the Financial Conduct Authority's Listing Rules, and prevent the Directors from issuing the shares without first offering them

to the existing Shareholders in proportion to their existing holdings, may only be disapplied with the express authority from Shareholders.

### **3 The need for additional authorities**

When re-capitalising the Company in August, the Directors issued convertible loan notes and agreed to convene a General Meeting of shareholders to seek the requisite authority to effect the conversion of those loan notes into ordinary shares. The Directors also seek authority to conduct a new fundraise to raise additional funds to implement the investment strategy.

#### ***The proposed new share authorities***

The authorities sought by the Directors pursuant to resolutions 2 and 3 will allow the Directors to issue 24,634,707 New Ordinary Shares on the conversion of the outstanding CULNs (being 666,667 New Ordinary Shares resulting from £100,000 in face value of CULNs converting at 15 pence per New Ordinary Share and 23,968,040 shares resulting from £599,201 in face value of CULNs converting at 2.5 pence per New Ordinary Share (in both cases the foregoing numbers reflect the effect of the share reorganisation) and to issue up to 42,000,000 New Ordinary Shares to raise additional capital for the Company to implement the investment policy. The authority for the issue of 42,000,00 New Ordinary Shares represents approximately 142% of the issued share capital after conversion of the CULNs. However, whilst the Directors appreciate this is a request for a substantial disapplication of shareholders' pre-emptive rights, the Directors are also mindful that the capital starting point to implement the investing policy is low and additional cash resources will be required to make meaningful investments.

Any issue of New Ordinary Shares will first require, or be conditional upon, the publication of a new prospectus by the Company. The Company is expecting to lodge such a prospectus with the FCA for review shortly.

Given that the New Ordinary Shares on conversion of the CULNs will be issued at a greater than 10% discount to the market price of the shares on the London Stock Exchange plc, resolution 3 seeks specific authority from Shareholders with respect to the discount.

### **4 Adoption of new articles of association**

Resolution 4, which will be proposed as a special resolution, seeks Shareholder approval to adopt new Articles of Association (the '**New Articles**') in order to update the Company's current Articles of Association. The proposed amendments being introduced in the New Articles primarily relate to changes in law and regulation and developments in market practice, and principally include:

- (i) provisions enabling the Company to hold virtual and/or hybrid Shareholder meetings using electronic means (as well as physical Shareholder meetings);
- (ii) amendments to the provisions relating to the limit on borrowings by the Company;
- (iii) increasing the aggregate amount of fees that may be paid to the Directors for their services as directors of the Company to £500,000 per annum; and
- (iv) certain other minor or technical amendments that are intended to provide increased flexibility for the Company as technology and payment practices evolve and to relieve certain administrative burdens on the Company.

A summary of the principal amendments being introduced in the New Articles is set out in Part 2 of the circular.

### **5 Change of name**

The Directors consider it appropriate at this juncture to change the name of the Company and Resolution 5, which is proposed as a special resolution, would approve a change of the Company's name to "GRIT Investment Trust plc".

The circular to include the notice of general meeting has been submitted to the Financial Conduct Authority's National Storage Mechanism (the "NSM") and will be available for inspection on the NSM website at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>. This document will also be available on the GRIT website at <https://www.grinvestmenttrust.com>

## EXPECTED TIMETABLE

2022

Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 5 January
General Meeting	10.00 a.m. on 7 January
Record Date	5.30 p.m. on 7 January
Admission to trading of New Ordinary Shares	8.00 a.m. on 10 January

**This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").**

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Capitalised terms not otherwise defined in this announcement have the same meaning given to them in the circular.

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