

Metal NRG PLC

CONVERTIBLE LOAN NOTE INSTRUMENT



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This Deed Poll is dated 31 January 2022

By:

- (1) **Metal NRG PLC** incorporated and registered in England and Wales with company number 05714562 whose registered office is 1 Ely Place London EC1N 6RY (**Company**).

Background

- (A) By exercising of the powers conferred on them by the Articles, the Directors of the Company have, by a resolution passed on 21 January 2022, created £200,000 convertible loan notes and has agreed to constitute them in the following manner.
- (B) EQTEC PLC has agreed to guarantee the repayment of all amounts which are or which may become due to GIS under or pursuant to this Instrument, on the terms of a guarantee to be given by EQTEC PLC to GIS on or about the date of this Instrument (the **Guarantee**).

It is agreed as follows:

1 Interpretation

- 1.1 The definitions and rules of interpretation in this clause apply in this Instrument.

Adjustment Event means any or all of the following, at any time, or by reference to any record date, while the Notes remain in issue:

- (a) any allotment or issue of Equity Securities by the Company by way of capitalisation of profits or reserves;
- (b) any cancellation, purchase or redemption of Equity Securities, or any reduction or repayment of Equity Securities, by the Company;
- (c) any sub-division or consolidation of Equity Securities by the Company;
- (d) any issue of securities or other instruments convertible into shares in, or Equity Securities of, the Company or any grant of options, warrants or other rights to subscribe for, or call for the allotment or issue of, shares in, or Equity Securities of, the Company (but for the avoidance of doubt the issue of Equity Securities for cash),

but excluding any issue of Equity Securities of the Company pursuant to the exercise of any options granted to employees or directors of the Company;

Articles means the articles of association of the Company, as amended or superseded;

Business Day means a day other than a Saturday, Sunday or public holiday in England when banks are open for general banking business;

Certificate means a certificate for Notes in the form (or substantially in the form) set out in Schedule 1;

Company's Bank Account is:

Bank: Lloyds Bank plc

Sort Code: 30-00-09

Account number: 00030206

Account name: Metal NRG PLC

IBAN: GB07LOYD30000900030206

SWIFT/BIC: LOYDGB21013

Conversion means a conversion of Notes held by a Noteholder into Conversion Shares;

Conversion Date means in the case of a Conversion, the date set out in the Voluntary Conversion Notice;

Conversion Price means in relation to a Conversion, a sum expressed in pounds sterling equal to:

- (a) in respect of a Conversion pursuant to clause 9.2 (*Voluntary Conversion*) and/or clause 10.1(b) (*Conversion or Redemption at the Maturity Date*), 20% discount to the average placing price of the next Fund Raising to occur after the date of this Instrument; or
- (b) if clause 16.3 applies, the nominal value of the Shares;

Conversion Shares means the Shares to be issued on a Conversion as determined in accordance with clause 11.2;

Conversion Sum means in relation to the Noteholder a sum expressed in pounds sterling equal to the principal amount invested by a Noteholder on its Notes;

CREST means the system enabling title to securities to be evidenced and transferred in dematerialised form and operated by Euroclear UK & Ireland;

CREST Regulations means the Uncertificated Securities Regulations 2001 (SI 2001/3755);

Directors mean the board of directors of the Company, or a duly authorised committee of that board, for the time being;

Equity Securities has the meaning given to "ordinary shares" in section 560(1) of the Companies Act 2006;

Euroclear UK & Ireland means Euroclear UK & Ireland Limited;

Event of Default means any of the events set out in clause 16;

Exchange means the London Stock Exchange plc;

FCA means the UK Financial Conduct Authority;

Fund Raising means:

- (a) the Company raising £200,000 or more in cash from a single issue of Shares to any person(s) (excluding any issue of Shares pursuant to a conversion of outstanding loan notes); or
- (b) only if GIS determines it to be the case in its sole discretion, the Company raising any funds in any amount less than £200,000 from a single issue of Shares to any person(s) (excluding any issue of Shares pursuant to a conversion of outstanding loan notes).

GIS means Global Investment Strategy UK, a company incorporated in England and Wales with registered number 04576299.

Interest means the amount of interest calculated using the Interest Rate;

Interest Rate means 10% per annum or where clause 16.3 applies, 20% per annum;

Listing Rules the listing rules made by the FCA under section 73A of the Financial Services and Markets Act 2000 (as amended);

Maturity Date means (at the sole option of GIS) (a) the date falling 6 months after the date of this Instrument or (b) the date of the first Fund Raising of which details have been served on GIS in accordance with clause 9.1 and in respect of which GIS has served a Voluntary Conversion Notice

Notes means the £200,000 of loan notes constituted by this Instrument;

Noteholder means a person for the time being entered in the Register as holder of any Notes;

Official List means the official list of the FCA;

Redemption Amount means a sum expressed in pounds sterling equal to the principal amount invested by a Noteholder plus all Interest accrued at the Interest Rate and any other charges and/or amounts due under or pursuant to this Instrument;

Redemption Notice means a notice substantially in the same form as set out in Schedule 3;

Register means a register of Noteholders referred to in, and kept and maintained in accordance with, clause 7;

Registered Office means the registered office of the Company from time to time;

Security Interest means a charge, mortgage, security interest, encumbrance, pledge, right of first refusal, pre-emptive right, title retention, trust arrangement, contractual right, right of call or set off or any other security arrangement;

Shareholder Approval, in respect of a proposed issue of Notes, means the approval of the Company's shareholders to the issue of the relevant Notes or Conversion Shares proposed to be issued;

Shares means the ordinary shares each in the capital of the Company, fully paid up, which have the rights set out in the Articles;

Trading Day any day upon which the Exchange is open for business;

Voluntary Conversion Notice means a notice in substantially the same form as set out in Schedule 2.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Instrument.
- 1.3 References to clauses and Schedules are to the clauses of and Schedules to this Instrument and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.4 The Schedules form part of this Instrument and shall have effect as if set out in full in the body of this Instrument. Any reference to this Instrument includes the Schedules.
- 1.5 A references to **this Instrument** or to any other agreement or document referred to in this Instrument is a reference to this Instrument or such other agreement or document as varied or novated in accordance with their terms from time to time.
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality) and that person's personal representatives, successors and permitted assigns.
- 1.9 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of:
 - (a) another person (or its nominee) by way of security or in connection with the taking of security; or
 - (b) its nominee.
- 1.11 A reference to **writing** or **written** includes fax but not e-mail (unless otherwise expressly provided in this Instrument).
- 1.12 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and

shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

- 1.13 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.14 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.15 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.16 Any obligation on a person not to do something includes an obligation not to allow that thing to be done.
- 1.17 A reference in this Instrument to:
- (a) any Notes being **outstanding** means such Notes as are in issue, not redeemed, not converted and not cancelled at the relevant time;
 - (b) the **assets** of any person shall be construed as a reference to all or any part of its business, undertaking, property, assets, revenues (including any right to receive revenues) and uncalled capital;
 - (c) **repayment** includes redemption and vice versa and the words **repay, redeem, repayable, redeemed** and **repaid** shall be construed accordingly;
 - (d) **£** or **sterling** denotes the lawful currency of the United Kingdom; and
 - (e) **tax** shall be construed so as to include any present and future tax, levy, impost, deduction, withholding, duty or other charge of a similar nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).
- 1.18 References to an uncertificated share or to a share being in uncertificated form shall mean a share which is or is to be recorded in the Operator register of members (as defined in the CREST Regulations), and any reference to a certificated share shall mean any share of the Company other than an uncertificated share.
- 1.19 Any reference to a time of the day is to London time.
- 1.20 Unless the context otherwise requires, a reference to the **Notes** includes a reference to all and/or any of the Notes.
- 1.21 Except as otherwise provided, expressions defined in the Companies Act 2006 shall be read as if defined in that way in this Instrument.

2 Subscription and issue of Notes

- 2.1 GIS will subscribe by paying to the Company, pursuant to clause 11.1, an amount in sterling to subscribe for 200,000 Notes and the Company will issue the relevant number of Notes to such a person. The Notes have an aggregate principal nominal value of £200,000.
- 2.2 The Company has agreed to pay to GIS an arrangement fee of £20,000 (plus VAT if applicable) for the arrangement of the loan set out in this Instrument. The Company hereby authorizes and instructs GIS to deduct such arrangement fee amount from the principal sum of £200,000 to be paid to the Company by GIS pursuant to this Instrument, in settlement by the Company of such arrangement fee due to GIS. The amount of the arrangement fee so deducted will continue to be deemed to form part of the principal sum of £200,000 lent to the Company by GIS pursuant to the terms of this Instrument.
- 2.3 On or before the date of this Instrument, the Company has constituted warrants to subscribe for Shares and the provisions of schedule 4 of this Instrument apply to, inter alia, their issue to GIS.
- 2.4 On the date of this Instrument, the Company has or will procure delivery to GIS of an original signed copy of the Guarantee executed and delivered by EQTEC PLC.

3 Status of Notes

- 3.1 The Notes when issued and outstanding shall rank pari passu, equally and rateably, without discrimination or preference among themselves and as obligations of the Company. The Notes confer no right for any Noteholder to attend or vote at general meetings of the Company.
- 3.2 The Notes shall be issued to the Noteholders and held subject to and with the benefit of the provisions of this Instrument. All such provisions shall be binding on the Company and the Noteholders and all persons claiming through or under them respectively.

4 Notes not to be quoted

No application has been, or shall be, made to any investment exchange (whether in the United Kingdom or otherwise) or to the FCA for permission to deal in, or for an official or other listing or quotation, in respect of the Notes.

5 Interest

- 5.1 Interest is calculated at the Interest Rate and shall be paid to the Noteholder on the:
- (a) Maturity Date as part of the Redemption Amount; or
 - (b) Conversion Date, pursuant to a Conversion, in addition to the issue of Conversion Shares.
- 5.2 Until the Notes are repaid by the Company or Converted into Shares, in each case in accordance with the provisions of this Instrument, interest shall accrue on the principal amount outstanding on the Notes.

- 5.3 Interest shall accrue daily at the Interest Rate and shall be calculated on the basis of a 365-day year and the actual number of days elapsed from the date of issue of the Notes to the date on which all amounts which are due or which may become due to GIS under or pursuant to this Instrument are repaid to GIS in full (**Full Repayment**) and/or the Conversion Date.

6 Certificates

- 6.1 GIS shall be entitled to receive, without charge, one Certificate for the Notes registered in his (or their) names.
- 6.2 Where any Notes are held jointly, the Company shall not be bound to issue more than one Certificate in respect of such Notes and delivery of a Certificate to the person who is first named in the Register as Noteholder shall be sufficient delivery to all joint holders of such Notes.

7 The Register

- 7.1 The Company shall keep and maintain the Register at the Registered Office or at such other place as the Company may from time to time appoint for this purpose and notify to GIS.

8 Set-off

Any Redemption Amount paid to GIS in respect of their Notes shall be paid by the Company to GIS without any deduction or withholding (whether in respect of any set-off, counterclaim or otherwise whatsoever) unless the deduction or withholding is required by law.

9 Voluntary Conversion

- 9.1 The Company will give GIS at least ten Trading Days' prior written notice of each Fund Raising by the Company, in respect of which a resolution of the directors of the Company or any committee thereof has been passed at any time between the date of this Instrument and the date of Full Repayment, setting out all material information regarding such Fund Raising including but not limited to the average placing price of such Fund Raising and the date on which it is proposed to occur.
- 9.2 GIS may elect at any time, but no later than on the 11th Trading Day prior to the Maturity Date, to convert:
- (a) if (i) a notice has been validly given under clause 9.1 to GIS stating that a Fund Raising is proposed to occur or (ii) it is on or before 16 March 2022, all (but not part) of its outstanding holding of Notes into fully paid Conversion Shares, by serving a Voluntary Conversion Notice upon the Company, in the form set out in Schedule 2 such notice to be served not less than 11 Trading Days prior to the Maturity Date in accordance with clause 10.1; or
 - (b) if it is on or after 17 March 2022, all or part (in tranches of not less than £50,000 by nominal value of Notes) of its outstanding holding of Notes into fully paid Conversion Shares, by serving a Voluntary Conversion Notice upon the Company, in the form set out in Schedule 2,

in each case such notice to be served not less than 11 Trading Days prior to the Maturity Date in accordance with clause 10.1.

- 9.3 Subject to clause 15.2, a Voluntary Conversion Notice served by GIS to the Company under this clause 9 must specify a Conversion Date which must not be:
- (a) less than 5 Business Days and not more than 10 Business Days after the issue of a Voluntary Conversion Notice; or if later
 - (b) after the date of the proposed Fund Raising set out in any notice given under clause 9.1.
- 9.4 A notice can be served under clause 9.2(b) on more than one occasion.
- 9.5 Any Voluntary Conversion Notice issued under this clause 9 shall be irrevocable but may be conditional upon the occurrence of any Fund Raising set out in any notice given by the Company under clause 9.1.
- 9.6 On a Conversion Date pursuant to this clause 9, the Company shall in addition to converting a Noteholder's outstanding holding of Notes into Conversion Shares pay to a Noteholder all Interest accrued on the Notes up to and including the relevant Conversion Date.

10 Conversion or Redemption at the Maturity Date

- 10.1 To the extent Notes have not been already converted into Shares pursuant to clause 9, the Noteholder may, at any time during the period from (and including) 11 Trading Days prior to the Maturity Date, elect to either:
- (a) receive the Redemption Amount by serving a Redemption Notice on the Company; or
 - (b) convert the principal amount of its relevant Notes into Shares by serving a Voluntary Conversion Notice.
- 10.2 If the Noteholder fails to serve a Redemption Notice or Voluntary Conversion Notice (as applicable) on the Company by no later than 5:00 pm on the Maturity Date, then the Noteholder shall be deemed to have validly served a Redemption Notice for the Redemption Amount and the Company shall pay to the relevant Noteholder the relevant Redemption Amount in accordance with clause 11.

11 Payments and Conversion Calculation

- 11.1 Any payments required under this Instrument to be made by either a Company (including the Redemption Amount) or a Noteholder must be made in pounds sterling (£) in immediately available funds, that is, by telegraphic transfer of cleared funds:
- (a) in respect of the Company, to the Company's Bank Account; and
 - (b) in respect of a Noteholder to a bank account specified by the Noteholder in writing to the Company, no later than 5.00 pm on the Business Day following the Maturity Date.
- 11.2 The number of Shares to be issued on a Conversion shall be determined in accordance with the following formula:

$$A = B/C$$

where:

A = the number of Conversion Shares to be issued

B = Conversion Sum

C = Conversion Price.

12 *[clause intentionally deleted]*

13 **Quotation and Electronic Delivery**

13.1 The Company must use all reasonable commercial endeavours to ensure that all Conversion Shares when issued are received by the relevant Noteholder (or its designee or nominee) by electronic registration to that Noteholder's CREST Account (or designees or nominees CREST Account) in accordance with the rules and procedures of CREST.

13.2 The Directors of the Company shall:

- (a) ensure that a Noteholder's Conversion Shares are credited to its CREST Account of the Noteholder (or a Noteholder's designees or nominees CREST Account) on the Conversion Date;
- (b) ensure the persons entitled to be registered as the holders of relevant Conversion Shares are registered on the Conversion Date in accordance with Regulation 20 of the CREST Regulations; and
- (c) provide a letter from the Company addressed to Euroclear UK & Ireland confirming that all outstanding conditions for entry of the relevant Conversion Shares into CREST have been fulfilled.

14 **Ranking of the Conversion Shares**

The Company must ensure that all the Conversion Shares:

- (a) are admitted to trading on the Exchange and admitted to the Official List with effect from the Conversion Date;
- (b) rank equally in all respects with the existing Shares (as at the date of issue of the same);
- (c) are issued fully paid, free and clear of any Security Interests; and
- (d) are issued in full compliance with all applicable laws, the Listing Rules and all rights of third parties.

15 **Maximum Share Number and authority to issue Conversion Shares**

15.1 Notwithstanding any other provision of this Instrument but subject to clauses 12 and 15.2, the aggregate maximum number of new Shares that the Company may or is required to issue on one or more Conversions without the Company first obtaining Shareholder Approval, is the Maximum Share Number.

- 15.2 Where clause 15.1 will prevent an issue of Conversion Shares under this Instrument, the Company must use its best endeavours to obtain Shareholder Approval to the issue of those Conversion Shares prior to the relevant Conversion Date (and in any event within 30 days of the Company becoming aware that clause 15.1 will prevent an issue of Conversion Shares under this Instrument), so that the issue of the relevant Conversion Shares may proceed.
- 15.3 The Company has all power and authority, has taken all action necessary, and has caused its officers, Directors and security holders, to take all action necessary to:
- (a) enter into, authorise, execute and deliver this Instrument;
 - (b) enter into, and authorise the performance of, all obligations of the Company as and when required under this Instrument, in accordance with its terms; and
 - (c) issue the Conversion Shares in accordance with this Instrument,
- and no further action is required by the Company, its officers, its board of Directors, or its security holders, in connection with this Instrument.
- 15.4 When issued under this Instrument, all of a Noteholder's Conversion Shares will be validly issued and fully paid, and will be free and clear of all Security Interests and restrictions, except for restrictions on transfer imposed by applicable laws and will be freely tradeable on the Exchange by the relevant Noteholder.
- 15.5 The Company warrants and represents to GIS that:
- (a) except with the prior written consent of GIS, it will not issue any securities or other instruments convertible into shares in, or Equity Securities of, the Company prior to the Conversion and/or redemption of all amounts due or which may become due to GIS under or otherwise pursuant to this Instrument (it being acknowledged and agreed that as at the date of this Instrument the Company has an amount of £331,700 outstanding to Riverfort Global which is convertible at the following prices (a) £117,700 at the lower of 0.01028 and 85% of the lowest VWAP in the 10 trading days prior to conversion and (b) £214,000 at the lowest of 0.008775 and 85% of the lowest VWAP in the 10 trading days prior to conversion); and
 - (b) to the extent that it has Shareholder Approval for the allotment of Shares in the capital of the Company (**Headroom**) as at the date of this Instrument or at any time prior to the Conversion and/or redemptions of all amounts due or which may become due to GIS under or otherwise pursuant to this Instrument, it shall inform GIS in writing and offer it the opportunity to issue a Voluntary Conversion Notice in respect of the whole of the Headroom within ten Business Days of the date on which such notice has been served on GIS, in priority to any other loan note holder and/or any other person(s).

16 Events of Default

- 16.1 The Notes in issue shall be immediately redeemed at the Redemption Amount, together with accrued interest on the Notes at that time, if:
- (a) an administration order is made in relation to the Company or any of its subsidiaries; or

- (b) an order is made, or an effective resolution is passed, for the winding- up, liquidation, administration or dissolution of the Company or any of its subsidiaries (except for the purpose of reorganisation or amalgamation of the Company or any of its subsidiaries); or
- (c) an encumbrance or takes possession or a receiver is appointed of the whole or the major part of the assets or undertaking of the Company or any of its subsidiaries or if distress, execution or other legal process is levied or enforced or sued out on or against the whole or the major part of the assets of the Company or any of its subsidiaries and is not discharged, paid out, withdrawn or removed within 30 Business Days; or
- (d) the Company or any of its subsidiaries stops (or threatens to stop) payment of its debts generally or ceases (or threatens to cease) to carry on its business or a substantial part of its business; or
- (e) the Company or any of its subsidiaries is deemed for the purposes of section 123 Insolvency Act 1986 to be unable to pay its debts or compounds or proposes or enters into any reorganisation or special arrangement with its creditors generally.

16.2 The Company shall give written notice to the Noteholders immediately on the Company becoming aware of the occurrence of an Event of Default specified in clause 16.1, giving reasonable details of that event.

16.3 If:

- (a) the Company is unable to issue Conversion Shares to a Noteholder on a Conversion Date in compliance with this Instrument for any reason; and/or
- (b) the Company fails to pay any sum to GIS when due in compliance with the terms of this Instrument for any reason,

then:

- (c) the Interest Rate will automatically be deemed as from the date of such default to be 20%;
- (d) any outstanding Conversion pursuant to any outstanding Voluntary Conversion Notice will be deemed to be at a Conversion Price equal to the nominal value of the Shares and the number of Conversion Shares to be allotted and issued to GIS will be adjusted up accordingly; and
- (e) in consideration of the management time incurred or to be incurred by GIS in dealing with the Company's default, the Company will immediately pay GIS a management charge of £20,000 (plus VAT if applicable), which will be deemed to form part of the principal amount outstanding to GIS under this Instrument until such time as it is settled in full. The Company will take all necessary steps to constitute such further loan notes under and pursuant to the terms of this instrument as are required in order to give full force and effect to this clause.

17 Action following redemption

- 17.1 If, on redemption of a Note, a Noteholder fails to deliver the Certificate for it, or an indemnity or to accept payment of monies due to him, the Company shall pay the monies due to him into a bank account which payment shall discharge the Company from all further obligations in respect of the Note.
- 17.2 The Company shall cancel any Notes repaid, redeemed or purchased and shall not reissue them.

18 Procedures on conversion

- 18.1 Conversion of the Notes shall be effected by the Company redeeming the relevant Notes on the Conversion Date. Each Noteholder whose Notes are being converted shall be deemed to irrevocably authorise and instruct the Company to apply the redemption monies payable to that Noteholder in subscribing for Shares on conversion of those Notes.
- 18.2 The entitlement of each Noteholder to a fraction of a Share shall be rounded down to the nearest whole number of Shares which result from the conversion of the Notes.
- 18.3 The Company undertakes that, while the Notes remain in issue, it shall (pending either the payment of any redemption monies in respect of the Notes or the issue of the Shares on conversion, each in accordance with the provisions of this Instrument):
- (a) not alter the Articles in any way which would adversely affect the rights of the Noteholders without the prior sanction of GIS;
 - (b) notify each Noteholder in writing as soon as reasonably practicable after the relevant board or general meeting of shareholders (whichever is the earliest) has resolved to implement an Adjustment Event specifying the prospective date of the Adjustment Event and the proposed terms of it; and
 - (c) maintain sufficient Shareholder Approval to satisfy in full, without the need for the passing of any further resolutions of its shareholders, its obligations under this Instrument to issue Shares to Noteholders.
- 18.4 Following an Adjustment Event, the professional advisors or auditors of the Company for the time being shall certify to the Company in writing the adjustments to the number and nominal value of the Shares to be converted which they consider to be necessary so that, after such adjustment and on conversion, the Noteholders shall be entitled to receive the same percentage of the issued share capital of the Company carrying the same proportion of votes exercisable at a general meeting of shareholders and the same entitlement to participate in distributions of the Company, in each case as nearly as practicable, as would have been the case had no Adjustment Event occurred (and making such reduction or increase as is necessary to the premium arising on the issue and allotment of the Shares on conversion of the Notes). The Company shall then notify the Noteholders in writing of the necessary adjustment as determined by the professional advisors or auditors.

19 Provisions relating to the Notes

- 19.1 The Company shall recognise the registered holder of any Notes as the absolute owner of them and shall not (except as provided by statute or as ordered by a court of competent jurisdiction) be bound to take notice or see to the execution of any trust (whether express, implied or constructive) to which any Note may be subject. The Company shall not (except as provided by statute or as ordered by a court of competent jurisdiction) be bound to enter any notice of any trust (whether express, implied or constructive) on the register in respect of any of the Notes.
- 19.2 The Notes are not transferable.
- 19.3 If more than one person is entered in the register as joint holders of any Notes then, the receipt of any one of such holders for any monies payable on or in respect of the Notes shall be as effective a discharge to the Company or other person making the payment as if the person signing such receipt were the sole registered holder of such Notes.
- If any Certificate is worn out or defaced then, on production of it to the Directors, they may cancel it and may issue a fresh Certificate in lieu. If any Certificate is lost or destroyed it may be replaced on such terms (if any) as to evidence and indemnity as the Company may reasonably require. An entry recording the issue of the new Certificate and indemnity (if any) shall be made in the register. No fee shall be charged for the registration of any transfer or for the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other documents relating to or effecting title to any Notes.
- 19.4 A copy of this Instrument shall be kept at the Company's Registered Office. A Noteholder (and any person authorised by a Noteholder) may inspect that copy of the Instrument at all reasonable times during office hours.

20 Publicity and confidentiality

- 20.1 This Instrument, its subject matter and content, are confidential information of the Company and each relevant Noteholder. The Company and each Noteholder must not, and must each cause any and all persons acting on behalf of them not to, issue any public release or announcement concerning any such confidential information without the prior written consent of the other party (such consent must not be unreasonably withheld or delayed), except where the public release or announcement is required to be made under the Listing Rules or is otherwise required by law.
- 20.2 The Noteholder has the right to review and comment upon all press releases and public disclosure documents concerning the Noteholder which are required to be issued by the Company under applicable laws, subject to the Company's obligations under the Listing Rules.

21 Enforcement and third party rights

- 21.1 From and after the date of this Instrument, and for so long as any Notes are outstanding or any amount is payable or repayable by the Company in respect of the Notes, the Company undertakes to duly perform and observe its obligations under this Instrument.

21.2 Except as expressly provided in clause 21.3, a person who is not a party to this Instrument shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Instrument.

21.3 This Instrument shall operate for the benefit of all Noteholders and each Noteholder shall be entitled to sue for the performance or observance of the provisions of this Instrument in his own right so far as his own holding of Notes is concerned.

22 Notices

22.1 Any notice or other document required to be given under this Instrument shall be in writing and may be given to or served on the Company or any Noteholder by sending it by first-class post in a prepaid envelope addressed to the Company at its Registered Office and to a Noteholder at the address properly recorded on the Register. In the case of joint Noteholders, a notice given to, or document served on, the Noteholder whose name stands first in the register in respect of such Notes shall be sufficient notice to, or service on, all the joint holders. Any such notice sent or document served by first-class post shall be deemed to have been given or served 48 hours or 96 hours in the case of a notice or document sent to an address for a Noteholder not in the United Kingdom after the time when it is posted and in proving such notice or service, it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, stamped and posted.

22.2 Any notice or other document delivered or sent by post to, or left at, the registered address of any Noteholder in pursuance of these provisions shall, notwithstanding that such Noteholder is then dead or bankrupt or in liquidation, and whether or not the Company has notice of his death or bankruptcy or liquidation, be deemed to have been duly served or delivered in respect of any Notes registered in the name of such Noteholder as sole or first-named joint holder unless his name shall at the time of the service of the notice or document have been removed from the Register as the holder of the Notes, and such service shall for all purposes be deemed sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the Notes.

23 Governing law and jurisdiction

23.1 This Instrument and the Notes and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.

23.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Instrument or the Notes or their subject matter or formation (including non-contractual disputes or claims).

23.3 This instrument has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1: Certificate

Form of Certificate

Certificate No. 2 Global Investment Strategy UK Limited

Date of Issue: 31 January 2022

Metal NRG PLC

£200,000

CONVERTIBLE LOAN NOTES

Created and issued pursuant to a resolution of a duly appointed committee of the board of directors of the Company passed on 21 January 2022.

Notes:

1. The Notes are repayable and shall bear interest in accordance with the Instrument.
2. This Certificate must be surrendered to the Company before repayment of the Notes comprised in it can be registered or effected.
3. Any change of address of the Noteholder(s) must be notified in writing signed by the Noteholder(s) to the Company at the Registered Office.
4. The Notes are not transferable.
5. Words and expressions defined in the Instrument shall bear the same meaning in this Certificate.
6. The Notes and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with the Notes or their subject matter or formation (including non-contractual disputes or claims).
7. A copy of the Instrument is available for inspection at the Registered Office of the Company.

Schedule 2: Voluntary Conversion Notice

To the Directors, **Metal NRG PLC (Company)**

This notice is issued pursuant to the convertible loan note instrument dated [DATE] issued by the Company constituting £200,000 10% convertible loan notes 2022 (**Instrument**).

Global Investment Strategy UK Limited (**GIS**), being the registered holder(s) of notes forming part of the series £200,000 10% convertible loan notes 2022, our notes being represented by the attached Certificate(s), give notice in accordance with the Instrument that I/we require the Company to convert:

[all of the principal amount of such Notes into Shares pursuant to clause 9.2(a) and be paid in cash the accrued Interest. The Conversion Date is [], being a date in accordance with clause 9.3.]

OR

[some of the principal amount of such Notes into Shares pursuant to clause 9.2(b) and be paid in cash the accrued Interest. The Conversion Date is [], being a date in accordance with clause 9.3.]

OR

[all of the principal amount of such Notes into Shares pursuant to clause 10.1(b).]

Please send all relevant share certificates following the Conversion by post to the Noteholder whose name and address is set out below or, if none is set out, to the address of the Noteholder set out, for the time being, in the Register.

Defined terms used in this notice but not defined in this notice have the meaning given to them in the Instrument.

Dated:

Signature on behalf of Noteholder:

Noteholder name:

Address:

Schedule 3: Redemption Notice

To the Directors, **Metal NRG PLC (Company)**

Global Investment Strategy UK Limited, being the registered holder(s) of the £200,000 10% convertible loan notes 2022 represented by the attached Certificate(s) give notice in accordance with this Instrument endorsed on the Certificate(s) that I/we require the Company to redeem the principal amount plus all accrued Interest of such Notes into £[●] being the Redemption Amount at the Maturity Date.

Dated:

Signature on behalf of Noteholder:

Noteholder name:

Address:

This notice duly completed and executed must be received by the Company together with the relevant Certificate(s) at its Registered Office (or at such other place in the United Kingdom as the Company may from time to time notify to Noteholders) before 5.00 pm on the Maturity Date.

Schedule 4: warrants

1. In this schedule:
 - a **Warrant** means a warrant to subscribe for a Warrant Share on the terms of this instrument;
 - **Subscription Price** means a price per Warrant Share equal to the average placing price of Shares issued in the next Fund Raising to occur after the date of this Instrument.
2. The Company hereby constitutes the Warrants to subscribe for 1 Share per Conversion Share (**Warrant Shares**) on the terms and subject to the conditions of this instrument.
3. One Warrant per Conversion Share shall be deemed issued to GIS on the terms of this Instrument on the issue of each Conversion Share.
4. The Warrants shall be issued subject to the Articles and otherwise on the terms and subject to the conditions of this instrument, which are binding on the Company and GIS, and all persons claiming through or under them respectively.
5. The Warrants shall confer the right (but not the obligation) on GIS to subscribe in cash at the Subscription Price for the Warrant Shares on the terms and subject to the conditions of this instrument (the **Subscription Rights**).
6. The Company shall enter the name of GIS in its register of warrant holders on each occasion on which GIS is issued with Warrants pursuant to the terms of this schedule and shall promptly provide GIS with a certificate setting out the number of Warrants issued to GIS on each such occasion.
7. GIS may exercise its Subscription Rights in respect of any Warrant Share, at any time within 2 years of the date of issue of such Warrant.
8. Upon exercise, each Warrant entitles GIS to subscribe in cash for two Warrant Shares at the Subscription Price per Warrant Share, subject to adjustment in accordance with the remainder of this schedule.
9. GIS may exercise its Subscription Rights in whole or in part and on any number of occasions by lodging an exercise notice (setting out the number of Warrants being exercised, the number of Warrant Shares to be issued and the aggregate Subscription Price for such Warrant Shares) with the Company in accordance with this schedule.
10. Subject to the Articles and to any applicable legal and regulatory requirements, completion of the allotment and issue of Warrant Shares following an exercise of Subscription Rights in accordance with this schedule shall take place at the Registered Office of the Company on the date five Business Days after receipt by the Company of the last of payment to the Company by telegraphic transfer to the Company's account of the aggregate Subscription Price for the number of Warrant Shares specified in the relevant exercise notice.
11. Upon completion of an allotment and issue of Warrant Shares, the Company shall:

- allot and issue to GIS (or its nominee) the number of Warrant Shares for which it is exercising its Subscription Rights;
- enter GIS (or its nominee, as appropriate) in the Company's register of members as the holder of the number of Warrant Shares issued to it; and
- deliver to GIS a duly executed share certificate for the number of Warrant Shares issued to it.

12. The Warrant Shares issued under this schedule shall:

- be issued fully paid;
- rank pari passu and form one class with the fully paid shares of the same class then in issue, subject to the Articles; and
- entitle the registered holder to receive any dividend or other distribution announced or declared on or after the date of issue of the relevant Warrant Shares.

13. If, while any Subscription Rights remain exercisable, there is:

- a subdivision, consolidation or reclassification of the Shares;
- a reduction of capital (of whatever nature, but excluding a cancellation of capital that is lost or not represented by available assets), or any other reduction in the number of Equity Shares in issue from time to time;
- an issue of Equity Shares by way of dividend or distribution;
- an issue of Equity Shares by way of capitalisation of profits or reserves (including share premium account and any capital redemption reserve); or
- a consolidation, amalgamation or merger of the Company with or into another entity (other than a consolidation, amalgamation or merger following which the Company is the surviving entity and which does not result in any reclassification of, or change in, the Shares),

then the Company shall adjust the Subscription Rights and/or the Subscription Price, conditional on any such event occurring, but with effect from the date of the relevant event or, if earlier, the record date for the event (an **Adjustment**) so that, after such Adjustment:

- the total number of Warrant Shares for which the outstanding Subscription Rights would then be capable of being exercised carry as nearly as possible (and in any event not less than) the same proportion of the voting rights attached to the fully diluted share capital of the Company and the same entitlement to participate in the profits and assets of the Company (including on liquidation) as if there had been no such event giving rise to the Adjustment and the Company shall update the Register accordingly; and
- the aggregate price payable for all Warrant Shares subject to outstanding Subscription Rights shall equal the same aggregate price as would be payable for the number of Warrant Shares subject to outstanding

Subscription Rights immediately before the occurrence of the event giving rise to the Adjustment.

14. Following an Adjustment the Company shall issue a replacement certificate for all the Warrants then registered in GIS's name.
15. The Company shall give GIS written notice of any event described in this schedule, together with details of the relevant Adjustment, at the time of, or as soon as reasonably possible after the occurrence of such event.