

ECORA RESOURCES PLC



POLICY ON RELATED PARTY TRANSACTIONS



1 Introduction

- 1.1 This document sets out Ecora Resources PLC’s (the **Company**) policy for identifying and complying with the rules, regulations and guidance on related party transactions contained in: (i) Rule 7.3 (DTR 7.3) of the Financial Conduct Authority’s (**FCA**) Disclosure Guidance and Transparency Rules (**DTRs**), which the Company is legally required to comply with; (ii) Chapter 11 (**LR 11**) of the FCA’s Listing Rules (**LRs**), which the Company complies with on a voluntary basis; and (iii) applicable Canadian securities laws.
- 1.2 The Company is required by DTR 7.3 to establish and maintain adequate procedures, systems and controls to enable it to assess whether a transaction or arrangement with a related party is in the ordinary course of business and has been concluded on normal market terms. The establishment of such procedures, systems and controls is the responsibility of the board of directors of the Company (the **Board**) and the Board is committed to complying with them.
- 1.3 Resulting from its status as a designated foreign issuer under applicable Canadian securities laws, Canadian securities laws relating to related party transactions and business combinations do not currently apply to the Company.
- 1.4 The relevant provisions of the LRs and DTRs apply not only to transactions or arrangements involving the Company itself but also to transactions or arrangements involving other member(s) of the Group. References in this policy to transactions or arrangements by or involving the Company should therefore always be read as including reference to transactions or arrangements by or involving other member(s) of the Group.

2 Identification of related parties

The Disclosure Committee will be responsible for maintaining a list of related parties for the purposes of both the LRs and the DTRs and ensuring its periodic review and updating. Directors and other employees should not, however, assume that this list is exhaustive and should always consider whether any of the parties involved in (or benefitting from) a transaction or arrangement could constitute a related party. In cases of any doubt, the issue should be reported to the Company Secretary or the General Counsel who will, if necessary, escalate the matter to the Disclosure Committee without delay and before any transaction documents are entered into.

Questions	
	Does a potential transaction/arrangement involve a related party?
	Is the contracting party on list of related parties maintained by the Disclosure Committee?

	Have you notified the Company Secretary?
	Is a related party to be excluded from discussions about a related party transaction/arrangement?

3 Who is a related party?

The Disclosure Committee maintains a list of related parties. Who is a related party is complex and has different meanings under DTR 7.3 and LR11.

Any concerns that a potential party is believed to be a related party and is not on the related parties list should be raised with the Company Secretary or the General Counsel.

Examples of related parties include:

- a person or a close member of that person's family, if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel;
- an entity that is a parent, subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party;
- a person who is (or was within the 12 months before the date of the transaction or arrangement) a substantial shareholder (i.e. a person owning or controlling ten per cent or more of the issued ordinary share capital of the listed company or any of its subsidiary undertakings); and
- a person who is (or was within the 12 months before the date of the transaction or arrangement) a director or shadow director of the listed company or of any other company which is (and, if he has ceased to be such, was while he was a director or shadow director of such other company) its subsidiary undertaking or parent undertaking or a fellow subsidiary undertaking of its parent undertaking.

4 What is a related party transaction?

Related party transactions are broadly defined as:

- Transactions (other than transactions in the ordinary course of business) between the Company and a related party;
- Arrangements (other than arrangements in the ordinary course of business) pursuant to which the Company and a related party each invest in/provide finance to another undertaking or asset; or
- Any similar transaction or arrangement (other than in the ordinary course of business) between the Company and any other person, the purpose and effect of which is to benefit the related party.

5 The Role of the Disclosure Committee

- The Board's responsibility for the oversight of control and notification of related party transactions is delegated to the Disclosure Committee.

- The Disclosure Committee has the Board's authority to determine whether the transaction/arrangement is a related party transaction and will approve the issue of regulatory announcements, circulars and other related documents. The Disclosure Committee may seek advice from the Company's external advisers, including from a sponsor or financial adviser, as it considers appropriate.
- The Disclosure Committee should report all matters relating to related party transactions to the Board. A draft of any disclosure to be made in connection with the transaction will be circulated to the Board to give an opportunity for comment.

The role of the Disclosure Committee is described in the Disclosure Committee terms of reference which are set out in Schedule 3 of the Inside Information Policy.

6 Procedure for dealing with a related party transaction

- First check the list of related parties maintained by the Company Secretary and General Counsel on behalf of the Disclosure Committee.
- Any transactions/arrangements to be entered into by the Company that an employee believes could be a related party transaction/arrangement or a transaction/arrangement for the benefit of a related party should be reported without delay to the Company Secretary or General Counsel.
- The Company Secretary or General Counsel will determine whether such transaction/arrangement is to be reported to the Disclosure Committee.
- A related party must be excluded from any considerations about a related party transaction/arrangement between the Company and a related party and must not vote on the relevant Board resolution.
- The Disclosure Committee, and when required the Company's financial advisor, will determine the applicability and interaction of determining metrics, aggregation rules and exemptions on a particular related party transaction/arrangement.
- Where it has been determined that a transaction to be entered into will be a related party transaction and disclosure is required, the Company Secretary or General Counsel or, in their absence, the Chief Executive Officer is authorised to instruct and arrange disclosure to the London Stock Exchange (the LSE) on behalf of the Board via an RIS announcement. In appropriate circumstances and when a RIS is not open for business, the Company may determine that it is appropriate to use the "out of hours" procedure in the DTRs. If Board or shareholder approval is required for the transaction, then the individuals responsible for negotiating the transaction must ensure that legally binding agreements are not entered into unless they are conditional on the requisite Board or shareholder approval, as applicable.
- The Disclosure Committee should ensure that appropriate written internal records are kept documenting all decisions. This will be particularly relevant in situations involving a finely balanced decision (and records should reflect any external advice received). The Disclosure Committee will determine on a case-by-case basis what records it is appropriate to keep and the level of detail may vary depending on the circumstances.

7 Consequences of entering into a related party transaction/arrangement

- The Company may be required to publish an announcement as soon as possible after the terms of the transaction/arrangement are agreed and/or obtain shareholder approval.
- Any material change to the terms of the transaction/arrangement following Board or shareholder approval but before completion may require further approval/s.

- Failure to notify or gain relevant approvals would mean that the Company could be held to be in breach of compliance with the rules, regulations and guidance on related party transactions.

8 Review and updating of policy

- The Disclosure Committee will be responsible for regularly reviewing this policy and for determining whether any updating of this policy is required.
- If it is determined that this policy needs to be updated, the Disclosure Committee, following recommendation to, and approval by, the Board, will be responsible for ensuring that such changes are made and implemented accordingly.

9 Provision of information and training

- Each member of the Disclosure Committee will be provided with a copy of this policy and the document titled Details in Support of Policy on Related Party Transactions.
- Each member of the Disclosure Committee will be provided with training on the characteristics and regulatory requirements associated with related party transactions.
- Training updates will be provided to the Disclosure Committee as deemed appropriate by the Company Secretary and General Counsel.
- The Company Secretary and the General Counsel will also have responsibility for assessing whether further training is required for relevant employees.

10 Further details

Contact the Company Secretary or the General Counsel for further details about related party transactions/arrangements.