



9 March 2021

## **FAQ - Capital Reorganisation and Notice of General Meeting**

W Resources Plc (AIM:WRES), yesterday announced a proposed reorganisation of the Company's share capital with a notice of General Meeting which will be held at 10.00 a.m. on Wednesday, 31 March 2021.

The Company sets out below an example of how the share reorganisation will work and answers to some frequently asked questions.

### **What will be the resulting Share Capital post reorganisation?**

The issued share capital of the Company immediately following the Capital Reorganisation, assuming that it is approved by the Shareholders and that no further Existing Ordinary Shares are issued before the General Meeting, is expected to comprise 77,099,358 New Ordinary Shares along with the Deferred Shares.

The New Ordinary Shares arising upon implementation of the Capital Reorganisation will have the same rights as the Existing Ordinary Shares including voting, dividend and other rights.

### **Can you give an example of how it might work?**

#### **1. Pre- Consolidation**

Shareholder A, has:

1,000,000 Existing Ordinary Shares of £0.001 each valued at a mid-market price of £0.00095 valuing the investment at £950.

#### **2. Subdivision**

Shareholder approval will be sought for the subdivision of each of the Ordinary Shares into one Redenominated Ordinary Share of £0.00001 and one Deferred Share of £0.00099. Thereafter Shareholder approval will be sought for the creation of the Deferred Shares as a new class of shares. Being Resolutions 1 and 2.

#### **3. Consolidation**

Subject to and conditional upon the passing of resolutions 1 and 2, shareholder approval will be sought for the consolidation of each 100 Redenominated Ordinary Shares of £0.00001 into 1 New Ordinary Share of £0.001.

#### **4. Post Consolidation**

Shareholder A will have:

- 10,000 New Ordinary Shares of £0.001 each. Assuming a mid-market price of £0.095 each, the investment would be valued at £950;
- 1,000,000 Deferred Shares of no economic value.

#### **5. How will fractional entitlements be dealt with?**

If Shareholder B had 1,000,050 Ordinary Shares of £0.001 each, post re-organisation they would have, like Shareholder A, 10,000 New Ordinary Shares of £0.001 each and 1,000,000 Deferred Shares. The 50 Existing Ordinary Shares of £0.001, worth circa 4.75p, being less than 100 shares, would be aggregated with other fractions, converted to New Ordinary Shares and sold with the proceeds going to charity.

#### **6. What rights will the Deferred Shares have?**

The Deferred Shares will not be admitted to trading on AIM (or any other investment exchange) and will have limited rights and will be subject the restrictions as set out in the amended Company Articles. The Directors consider the Deferred Shares, so created, to be of no economic value.

**7. How many Ordinary Shares be in issue following the reorganisation?**

The total number of New Ordinary Shares in issue following the Capital Reorganisation is 77,099,358.

**8. How many Deferred Shares will be in issue following the reorganisation?**

The total number of Deferred Shares in issue following the Capital Reorganisation is 7,709,935,800.

Should Shareholders have any further questions, please contact the Company: [investor@wresources.com](mailto:investor@wresources.com).