

Minmet PLC

Letter to Shareholders re notice of EGM, Legacy issues and Forward strategy

4 April 2008

Notice of Extraordinary General Meeting (“EGM”)

On 15th February 2008 the Company announced the requisition of an EGM. On 3rd March 2008 we sent you a letter enclosing a Notice of EGM together with the resolutions to be proposed. The accompanying letter included an update from me as CEO, on behalf of the Board explaining the Company’s position and strategy in the wider context.

The EGM was requisitioned by a group of shareholders who have raised a number of questions (“the Questions”) relating to certain transactions (“the Transactions”) occurring between August 2007 and January 2008 and subsequent announcements arising as a result of the Transactions.

Questions and Answers

The Schedule to this letter sets out the Questions and the Board’s detailed answers in respect of each Question (“the Answers”).

Given the complexity and length of the Questions and Answers, I would like to attempt to summarise the issues raised in the Questions and Answers. In addition, I also take the opportunity to report on progress in the development and execution of the Company’s new strategy and to confirm the Board’s belief that the new strategy has the potential to significantly enhance shareholder value.

I would remind Shareholders that there have been significant changes to the Board and although the new members of the Board were not necessarily in place when the Transactions were effected, the new Board members have satisfied themselves that the Transactions have created potentially valuable opportunities for your Company and the Board is actively engaged in developing the Transactions in order to deliver value for Shareholders.

Legacy Issues

The Board considers all matters arising out of the Company’s history, including the entering into of joint venture arrangements with Gold Oil Plc and the subsequent cancellation of such arrangements, the Transactions and the recent negative publicity and resulting consequences, as Legacy Issues which need to be addressed before the Board can focus on looking forward and developing real value for Shareholders.

The Company’s entry into the joint venture arrangements with Gold Oil Plc in February 2007 (“the Gold Oil Joint Venture”) caused significant shareholder dissatisfaction which was highlighted at the Annual General Meeting in August 2007. Since that time the Gold Oil Joint Venture has been cancelled and the Transactions have been effected.

The Questions focus primarily on the following Transactions:

- The payment of US\$4.35m by way of refundable deposit paid by Minmet to Carbon Energy Investments Limited to secure the purchase of Alaska Oil & Gas Resources Limited.
- The payment of US\$6m by way of refundable deposit paid by Minmet to Tucumcari Investments Limited for an option to acquire Tucumcari Exploration LLC (“TUCX”).
- The commitment of loans by Minmet totalling US\$3m to be advanced to TUCX to fund essential expenditure to preserve the value of TUCX and its assets.

In essence, the key issues raised in the Questions relate to why the Company entered into the Transactions, what due diligence was carried out, why returnable deposits were made, what security was provided for the return of those deposits and what happens if the Transactions do not proceed.

The Board is satisfied that the Answers provide full and frank responses to all of the Questions. In addition, the Answers have been reviewed and verified by the Company's professional advisers. In summary, the Answers explain that the Transactions were entered into in good faith with the intention of generating value for Shareholders and that security was provided. Additionally the Answers demonstrate that the Company has an alternative strategy for realising value from TUCX if the Transactions either are not approved by Shareholders or the Transactions do not proceed for whatever reason.

Consequences of the Legacy Issues

The Transactions have caused apparent dissatisfaction with a number of Shareholders.

There has also been substantial negative publicity about the Company and its activities in the press and on the internet which has been highly damaging to the Company and has adversely affected its ability to raise additional capital and to progress the Transactions.

As a result of the negative publicity and the prevailing market conditions the Board is reviewing its strategy.

Forward Strategy

In order to address the Legacy Issues and to pursue its objectives of creation of value for Shareholders, the Board is currently considering adopting the following revised strategy:

- In the short term, to revert to the Company's former incubator strategy.
- Arrange for the spin off and separate listing of TUCX by (i) transferring Minmet's 25% interest in TUCX and (ii) assigning the benefit of the Company's option to acquire the remaining 75% of TUCX to a separate vehicle to be listed, while retaining its interest in TUCX through a shareholding in the listed vehicle. In connection with the Tucumcari Basin, Shareholders may like to refer to an article, recently published in "Explorer", the publication of the American Association of Petroleum Geologists: <http://www.aapg.org/explorer/2008/04apr/tucumcari.cfm>.
- Continue the promotion of a spin off and separate listing of Alaska Oil & Gas Resources Limited.
- Secure the recovery of the returnable deposits advanced to Carbon Energy Investments Limited and Tucumcari Investments Limited and the loans advanced to TUCX through either the spin off strategy or by enforcing the Company's security.
- Demonstrate to the market that the Board can deliver value to Shareholders so that the Company's growth is no longer constrained by Legacy Issues.

The above strategy will take time to implement, particularly having regard to current market conditions.

It is intended that a further announcement regarding the Board's strategy will be made to coincide with the EGM.

Consequences of Forward Strategy

As a result of the above revised strategy, if and when implemented, Minmet would have the following assets:

- Cash of +/- US\$13.5m as a result of the return of the deposits and loans;
- Quoted securities/other assets to the value of approximately US\$17m;
- Significant quoted minority carried interest in TUCX;
- Significant quoted minority carried interest in Alaska Oil & Gas Resources Limited.

The net effect of these proposals would be to reinstate Minmet in cash terms approximately to where it was in August 2007. The Company would also have the benefit of the carried interests in TUCX and Alaska Oil & Gas Resources Limited with the potential for a significant enhancement of Net Asset Value if the listings and subsequent business operations prove to be successful. In addition, Minmet would not need to raise significant new equity funds at a discounted share price, thereby avoiding possible dilution for Shareholders.

It must be noted that, in pursuing this strategy, the Company would have missed the opportunity to benefit from a direct investment in TUCX and any direct value increase, other than through the Company's carried interest.

Conclusions

By reading the Answers, Shareholders have the opportunity to satisfy themselves that the Transactions were entered into on a reasonable and proper basis with the intention of benefiting all Shareholders.

Having done so we invite Shareholders to focus on the Board's forward looking strategy to create value for Shareholders.

Notwithstanding the proposed variation of strategy, the Board remains committed to creating value for Shareholders in the medium term.

Recommendation

In our letter of 3rd March 2008 we strongly recommended that Shareholders take no action in relation to the EGM until they receive this letter. We also explained that we would set out your Board's recommendation as to voting.

Given that (i) the Board has now provided Answers to the Questions, as required by Resolution 1; (ii) the Board is considering a change of strategy whereby the Tucumcari Option would not be exercised and (iii) an Extraordinary General Meeting would be required in any event to approve exercise of the Tucumcari Option and a Reverse Take Over under the AIM Rules, **your Board's view is that the EGM resolutions have been substantially superseded by events.**

If Shareholders nevertheless wish to vote on the Resolutions, we would recommend that Shareholders vote in favour of Resolution 1 and either vote against or abstain in relation to Resolution 2.

Shareholders who wish to vote are reminded to return their proxies as soon as possible so as to arrive with the Registrars not later than 48 hours prior to the time set for the EGM.

Yours faithfully,

Jon King
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Minmet Plc

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Schedule

Answers to Questions

a. Question

What was the rationale behind paying Carbon US\$4.35 million prior to shareholder approval for such a substantial deal?

Answer

The payment was a returnable deposit (hereinafter the "Alaska Deposit") to secure the purchase of Alaska Oil & Gas Resources Limited ("Alaska"). The Board at the time felt that this transaction represented an attractive opportunity to acquire exploration assets at a substantially discounted price. The Alaska Deposit was also tendered to allow Minmet plc ("Minmet" or the "Company") the necessary time to carry out full due diligence before completing the acquisition, which is normal commercial practice. As the advance of the Alaska Deposit constituted a substantial transaction (not a reverse takeover) under the AIM Rules for Companies (the "AIM Rules"), the Company was not required to seek advance shareholder approval.

b. Question

What was the rationale behind agreeing a US\$87.5 million valuation on a set of high risk licences which have been available for farm-in for years with little interest shown. What evidence is there for such a valuation?

Answer

There has been interest from third parties in the Alaskan assets. The assets were valued for one of the interested parties by an investment bank at US\$153 million in 2006. As announced by the Company on 21st January 2008, the transaction generating the payment of the Alaska Deposit has been cancelled and the Board now intends to derive value for the Company through the retention of a carried interest in the Alaskan assets whilst spinning them out in a separately listed vehicle.

c. Question

What, if any, connection is there between Carbon and members of the board or major shareholders in Minmet?

Answer

In the announcement of 21st January 2008, the transaction between Carbon Energy Investments Limited ("Carbon") and Minmet was classified as a substantial transaction under the AIM Rules. The transaction did not constitute a related party transaction under the AIM Rules because any commonality of either management or ownership between Carbon and Minmet is below the requisite threshold to give rise to a related party relationship under the AIM Rules. (Peter Maddocks, the Company's Chairman, holds a 5% beneficial interest in Carbon).

d. Question

Why has Minmet handed a returnable deposit to a company which clearly is unable to return it immediately, other than in hugely over-valued shares?

Answer

The rationale for the payment of the Alaska Deposit is set out in Answer (a), above. For valuation of the asset please refer to Answer (b), above. As announced on the 21st January 2008, under the terms of an agreement between the Company and Carbon dated 31st December 2007 ("the Alaska Cancellation Agreement"), Carbon agreed to repay the Alaska Deposit to Minmet within 180 days of 31st December 2007, together with interest which accrued from 1st March 2008 until repayment. As an alternative to repayment of the Alaska Deposit in cash, Minmet may, at its sole discretion, elect to accept repayment together with accrued interest in new ordinary shares in a new vehicle, intended to be listed on a public market or sold, which Carbon intends to promote to acquire the Alaska licences (the "Alaska Vehicle").

In addition, Carbon has agreed to pay a premium as consideration for the Alaska Cancellation Agreement in the form of new ordinary shares in the Alaska Vehicle equivalent in value to a further US\$4.35 million.

Under the terms of the Alaska Cancellation Agreement, Carbon has also procured that the share charge granted by Tucumcari Investments Limited ("TIL") over its shares in Tucumcari Exploration LLC ("TUCX") in favour of Minmet (as announced on 2nd November 2007) be extended by TIL to include Carbon's liability to repay the Alaska Deposit.

In summary, the Board is satisfied that there was a genuine commercial rationale to pay the Alaska Deposit.

e. Question

What has happened to the US\$4.35 million? What was it to be used for and has it been spent? If soon what?

Answer

The funds were paid to Carbon as a returnable deposit for the sale and purchase of Alaska. Carbon was not obliged to use the money in any particular way.

f. Question

What security did the Board ask for in return for the US\$4.35m loan?

Answer

The Alaska Deposit was not a loan, but rather a returnable deposit. The Board requested, and was given, security over TIL's interest in TUCX. This was announced on 21st January 2008 as referred to in Answer (d) above.

g. Question

Who are the registered and beneficial owners of Charms Investments Limited ("CIL") and what, if any, connection is there between CIL and the members of the board or major shareholders in Minmet?

Answer

The Company is not obliged to disclose the ultimate beneficial ownership of CIL, a privately owned corporation. All related party transactions have already been disclosed in accordance with the AIM Rules. However, SEC filings in the United States disclose that Clinton Greyling is the sole registered and beneficial owner of CIL. As far as the Board is aware, there is no connection between CIL and the members of the Board or major shareholders in Minmet, save that CIL owns 25% of Westcoast Group Limited ("Westcoast Group"), which itself has been a substantial shareholder in the Company within the last twelve months.

h. Question

Who are the registered and beneficial owners of Westcoast Group and what, if any, connection is there between Westcoast Group and the members of the board or major shareholders in Minmet?

Answer

Save for CIL's interest in Westcoast Group disclosed at Answer (g) above, the Company is not obliged, nor is at liberty, to disclose the ultimate beneficial ownership of Westcoast Group. All related party transactions have already been disclosed in accordance with the AIM Rules.

i. Question

Who are the registered and beneficial owners of TUCX and what, if any, connection is there between TUCX and the members of the board or major shareholders in Minmet?

Answer

The registered and beneficial owners of TUCX are TIL as to 75% and Minmet as to 25%. TIL's sole director and registered shareholder is Peter Maddocks. This was disclosed in the announcement of 21st January 2008 whereby TIL was treated as a related party. Peter Maddocks holds these shares on trust for a number of beneficiaries. The Company is not obliged, nor is at liberty, to disclose the ultimate beneficial ownership of TIL, save that it can disclose that Peter Maddocks' beneficial ownership of TIL is 2%

j. Question

What is the connection between Tucumcari and Carbon and why is one party willing to undertake the liabilities of the other?

Answer

As disclosed under Answers (c) and (i) above, Peter Maddocks has beneficial interests in both TIL (of which he is a Director), the owner of 75% of TUCX, and Carbon. In addition to Peter Maddocks' interests, the Board understands that there is some commonality of beneficial ownership between TIL and Carbon, which may explain such an arrangement.

k. Question

How much was paid by CIL/TIL/TUCX for the TUCX Asset when it was acquired?

Answer

The TUCX Assets comprise *inter alia* the assets purchased by TUCX pursuant to the Chapter 11 Plan, the pipeline and other incidental assets. Total payments made by the Company to TIL and TUCX to date amount to US\$8 million, with a further commitment of up to US\$1 million. TIL has to date invested approximately US\$4.5 million (with no further commitments) in the TUCX Assets. The Company is unable to comment on any payments or commitments made with respect to the TUCX Assets by CIL. Under the terms of the Chapter 11 Plan, TUCX has committed to make further payments not expected to exceed US\$10 million to the Chapter 11 Trustee to be satisfied by way of royalty payments based on production from wells drilled and to be drilled by TUCX in the Tucumcari Basin.

l. Question

Why did Minmet advance US\$6 million to TIL by way of returnable deposit on 10th October 2007 when it had no apparent direct interest in TUCX at that time? How was this to benefit to Minmet shareholders?

Answer

The Board of Minmet at the time approved the advance of US\$6 million to TIL (the "TIL Deposit") to secure the option to purchase TUCX (the "Tucumcari Option"). As announced on 21st January 2008, the TIL Deposit is secured by way of a charge over TIL's shares in TUCX. The TIL Deposit was also tendered to allow Minmet the time to carry out full due diligence, which is normal commercial practice. The Board believes that Minmet's shareholders will benefit from the Company's participation (whether direct or indirect) in the development of the TUCX Assets.

m. Question

Why was the loan not announced to the market on 10th October 2007, particularly since it was a related party transaction and involved a large portion of Minmet's liquid funds?

Answer

The payment of the TIL Deposit was not a loan, but rather a returnable deposit. The Board agrees that the TIL Deposit should have been announced by the Company at the time when it was first advanced. However, given the considerable focus of attention on the dissolution of arrangements with Gold Oil, and the various Board changes during October and November 2007, the then Board took time to explain and provide the new nominated adviser with all the background information necessary to prepare and sanction the appropriate regulatory announcement. Such information, including disclosure and clarification of related parties, was subsequently provided by the Board to the new nominated adviser. As soon as the Company's new nominated adviser had sufficient information to understand the nature and extent of this and other transactions, it contacted AIM Regulation seeking a precautionary suspension of the Company's shares, which was duly granted, so that further clarificatory work could be carried out and a suitable announcement made. This announcement was duly made on 21st January 2008.

n. Question

Should the reverse take over not be approved by shareholders, what implications, if any, are Minmet contracted to fulfil? Are there any financial implications that Minmet shareholders will face should they wish to reject the option of purchasing a greater interest?

Answer

As stated in the Company's announcement of 21st January 2008, Minmet has contracted to fund TUCX's immediate and ongoing financial needs up to a level of US\$3 million by way of a loan to TUCX with such sum being secured by way of a charge over TIL's shares in TUCX. In the event that the Company does not proceed with the reverse takeover, the Board would seek to recover the TIL Deposit and recover the loans to TUCX (if necessary enforcing its security). In addition, the Company would seek to realise its 25% interest in TUCX through a number of means including a possible sale or spin off of part or whole of TUCX or its assets. Nonetheless, the Board considers that the exercise of the Tucumcari Option would be in the best interests of shareholders as this represents the best opportunity to participate fully in the development of the TUCX Assets.

o. Question

Why is Minmet funding the entire cash spending on the Tucumcari Asset when it only owns 25%?

Answer

Minmet is not funding the entire cash spending on the TUCX Assets. TIL has already incurred substantial cost in acquiring the TUCX Assets, having itself provided part of the US\$6.5 million expenditure to date, as referred to in Answer (k) above. Minmet has committed the loans of up to US\$3 million by way of secured loan to TUCX to fund its ongoing needs (of which US\$2 million has been advanced to date, as referred to in Answer (q), below). The loan shall be deducted from the purchase price if and when the Tucumcari Option is exercised. In the event of exercise of the Tucumcari Option, Minmet would consolidate the remaining 75% of TUCX at a price discounted to the value to be attributed by independent valuers. As part of the commitment the Board has taken control of the TUCX project, including ongoing evaluation of and due diligence into the TUCX Assets. Minmet has been given effective control of the TUCX project ahead of legal control. If the Board decides to exercise the Tucumcari Option, further details would be sent to shareholders to give them full opportunity to approve the exercise of the Tucumcari Option at the relevant time.

p. Question

How is it in Minmet's interest to fund all spending on an asset in order to increase its value to the seller of the remaining 75% when vested back into Minmet?

Answer

As indicated in Answer (o) above, Minmet has not funded all spending on the TUCX Assets. The Board believes that the spending has not necessarily increased the value of the TUCX Assets but preserved their existing value i.e. the monies have been applied towards discharging various TIL and TUCX liabilities. The US\$3 million committed to TUCX will be deducted from the consideration to be paid to TIL in the event of exercise of the Tucumcari Option. Separately, the Board believes that it is in Minmet's interests to preserve the value of the TUCX Assets as the Company has a 25% interest in TUCX.

q. Question

How much is Minmet further committed to spending?

Answer

Please refer to Answers (k) and (n), above. Of the US\$3m committed US\$2 million has already been advanced. In addition, as referred to in Answer (k) above, under the Chapter 11 Plan, TUCX will be required to make further payments estimated not to exceed US\$10 million to the Chapter 11 Bankruptcy Trustee by way of royalties, based on production from wells drilled and to be drilled by TUCX in the Tucumcari Basin.

r. Question

Should Minmet not invoke its option to acquire 75% of Tucumcari, is there any reason to believe that all loans will not be immediately repaid by TIL?

Answer

As explained under Answer (n), above, the Board believes that the Company would have a number of options to realise value from TUCX, although these may not be immediate.

s. Question

What due diligence has been performed to establish the value of the TUCX Assets so that their suitability as security over the loans could be assessed?

Answer

The then Board reviewed available information, including legal information and data prepared in connection with the Chapter 11 proceedings, geological and engineering information relating to gas-in-place and recoverability and commercial feasibility including the ability to deliver gas to the market. The Company has also commissioned its own Competent Persons Report ("CPR"), in accordance with the AIM Rules, as announced on 21st January 2008, in connection with the possible exercise, subject to shareholder approval, of the Tucumcari Option to acquire the remaining 75% of TUCX which it does not already own. The CPR has yet to be completed.

t. Question

How has the US\$2.75 million and the US\$6 million been spent? Who are the technical team supporting TUCX and who controls the budget that they have?

Answer

In March 2006, Minmet acquired a 25% interest in, and advanced funds by way of a shareholder loan to, TIL for an aggregate investment of approximately US\$2.75 million. These funds enabled TIL to purchase the TUCX Assets in accordance with the Chapter 11 Plan. The second commitment was the TIL Deposit when US\$6 million was paid as a returnable deposit to secure the option to purchase TUCX. There was no legal obligation imposed upon TIL to use the TIL Deposit in any particular manner, and its use and application is solely a matter for TIL.

The technical team supporting TUCX comprises external advisers, geologists and geophysicists with significant knowledge of the Tucumcari Basin. The Board controls the budget which is managed and administered by the CEO of TUCX who has been appointed by the Company to oversee the TUCX project.

u. Question

Why is the reverse takeover being proposed at such a narrow discount (25%) to a subjective NPV whilst Minmet shares are being valued at market price rather than a highly transparent NAV?

Answer

In the CPR, the TUCX Assets will be valued on a net present value basis consistent with AIM requirements. The discount of 25% was considered fair as it would be based on the lowest point of a valuation range to be assessed by independent professional advisers (i.e. an objective valuation) in the CPR.

v. Question

Having committed such large loans on the TUCX Assets, why is it only now that a Competent Persons Report is being prepared? Should this have happened before any funds were advanced?

Answer

The TIL Deposit and the loans to date to TUCX have been made based on the due diligence described in Answer (s) above. It is an AIM requirement that an up-to-date CPR is prepared prior to an exercise of the Tucumcari Option as it would be a reverse takeover under AIM Rules. There was no obligation to obtain a CPR prior to commitment of initial funds.

w. Question

It appears that loans/payments/promises of US\$4.35 million, US\$2.75 million, US\$6 million and US\$3 million have been given, representing a total of US\$16.1 million which is the majority of Minmet's cash balances. Why has none of this been announced to the market before now since it is clearly material?

Answer

In March 2006 under the direction of a wholly different Board, Minmet acquired a 25% interest in, and advanced funds by way of a loan to, TIL for an aggregate investment of approximately US\$2.75 million, which Minmet had advanced by way of a shareholder loan. This was referred to in the Review of Operations contained within the announcement of Minmet's final results for the year ended 31st December 2005, which was released on 23rd May 2006.

Please refer to Answer (m) above for a description of the circumstances leading to the making of the announcement of 21st January 2008 concerning the US\$6 million returnable deposit paid to TIL. In relation to the US\$4.35 million returnable deposit paid to Carbon for Alaska, the Board agrees that the transaction should have been announced at the time the transaction was entered into on 23rd August 2007.

The US\$3 million loan was committed and announced on 21st January 2008.

x. Question

How much cash is left and how much is committed in total?

Answer

As to the amounts committed please refer to Answers (k), (n) and (q) above. Cash reserves available to the Company as at the date hereof amount to approximately US\$700,000.

y. Question

Why did the previous nominated adviser resign abruptly and what reasons, if any, were given at the time or subsequently? In particular, what concerns did IEX advisor and broker Davy express about concert party issues?

Answer

The Board underwent significant change, in terms of personnel, during 2007 and it was a decision of the then Board to appoint a new nominated adviser on 23rd October 2007. The former nominated adviser did not resign abruptly, but rather by agreement and at the request of the Board. Davy resigned as IEX Adviser and Broker and indicated that providing ongoing advice to the Company did not fit with Davy's overall strategy. Davy have not provided any formal reasons in writing for their resignation.

z. Question

Since the entire board has changed since the last AGM, can you please specify exactly who the current directors are and what roles they perform.

Answer

The Board comprises Peter Maddocks (Chairman), Jon King (CEO), Denis Barrett (Group Finance Director) and Peter Gardener (Non Executive Director). All of these appointments have been announced.

aa. Question

What role does Julian Hamilton Barns of GSC Solicitors, play at Minmet? Why is he playing a central role at Minmet when he is not on the board?

Answer

Mr Hamilton Barns and his firm, GSC Solicitors, have represented Minmet in various transactions including the dissolution of the arrangements with Gold Oil plc ("Gold Oil") and Minmet's transactions involving Carbon and TIL. Mr Hamilton Barns has a very detailed knowledge of TUCX's affairs and he has been advising the Board to effect an orderly handover of the TUCX business and assets, having regard to applicable obligations and commitments under the Chapter 11 Plan.

bb. Question

What interest does Leslie Greyling have in Minmet or any of the companies that it has invested in? What links does he have to anyone connected to Minmet and/or CIL?

Answer

The Board is not aware of any interest held by Leslie Greyling in Minmet or the companies that it has invested in. Clinton Greyling, Leslie Greyling's son, is the sole registered and beneficial owner of CIL; please see Answer (g) above.

cc. Question

Of the loans made to the various companies named, has all of this money been spent on the assets concerned or has any gone towards paying off debt that those companies held on their balance sheet? Have any directors of Minmet or large shareholders been the ultimate beneficiaries if that is the case?

Answer

Please refer to Answers (c) and (i) above. Minmet cannot comment on how each of the counterparties accounted for or dealt with the funds advanced to them except in the case of TUCX, where monies advanced have been applied in meeting TUCX's immediate and ongoing needs such as legacy Chapter 11 obligations. The Directors of Minmet have not personally been beneficiaries of the Alaska Deposit, the TIL Deposit or the Advances, and they do not know the ultimate beneficiaries of these sums.

dd. Question

The Announcement on 2nd November 2007 gave details of the reversal of the Gold Oil deal and details of how proceeds from share sales should be split. Of the 8,300,000 shares deposited with a broker by Gold Oil on Minmet's behalf, have any of these shares been sold? If not, who currently holds the voting rights to these shares in the event of an EGM being called?

Answer

As at the date of this document, none of the shares have been sold. As a matter of administrative convenience, the shares are held in Mr Hamilton Barns' stockbroking account with Fiske plc, in a nominee account. Mr Hamilton Barns currently holds the voting rights to such shares and has undertaken to exercise these rights in accordance with the directions of the Minmet Board.

ee. Question

Why has the related party transaction, again involving Peter Maddocks with Crucial Plan PLC ("CPN") not been announced to the market and how can the Board justify an investment in CPN as being of benefit to the shareholders of Minmet?

Answer

Minmet was not obliged under the AIM Rules to make an announcement due to the size of the investment. The rationale behind the transaction was that CPN is effectively an AIM quoted shell which Minmet was seeking to use for another proposed transaction.

ff. Question

Why is it the case that Minmet currently has no Irish resident director?

Answer

There is no requirement to have an Irish resident director.

gg. Question

Describe the sequence of transactions/private disposals which has led to Westcoast, Ridgelane and Mr Kevin Anderson each now holding precisely 31.4% of Minmet.

Answer

Initially, Westcoast Group acquired 6.9 million shares from Jermyn Business Limited, as announced on 22nd August 2007.

Westcoast Group subsequently sold 3.45 million shares back to Jermyn Business Limited.

Westcoast Group then purchased 14.45 million shares from Gold Oil, as announced on 2nd November 2007.

Westcoast Group subsequently sold 10 million shares to Kevin Anderson, as announced on 14th December 2007.

The Board does not believe that the aggregate holdings held by Westcoast Group, Ridgelane Limited and Mr Kevin Anderson amount to 31.4% of Minmet.

hh. Question

Please furnish us with an up to date statement of Minmet's affairs detailing current cash balances and identify the financial institutions at which they are held.

Answer

Please refer to Answer (x) above for the Company's cash balance information. Cash balances are held at a number of authorised financial institutions.