

# SHARE PURCHASE PLAN

## OFFER BOOKLET

### 8 July 2024

**This is an important document.** You should read the whole document before deciding whether to subscribe for shares. If you have any doubts about what to do, please consult your financial or legal adviser.

Apply online at <https://chathamrock.capitalraise.co.nz> by 5:00pm (New Zealand time) on 26 July 2024

This Offer Document is prepared in reliance upon clause 19 of Schedule 1 of the FMCA for an offer of up to 200,000,000 ordinary shares in Chatham Rock Phosphate Limited.

CRP is subject to a continuous disclosure obligation that requires it to notify certain material information through the NZX Market Announcement Platform. Market releases by CRP are available at [www.nzx.com](http://www.nzx.com) under ticker code CRP or at the website [www.rockphosphate.co.nz/](http://www.rockphosphate.co.nz/).

CRP may, during the period of the Offer, make additional releases through the NZX Market Announcement Platform. To the maximum extent permitted by applicable law, no release by CRP to the market via the NZX Market Announcement Platform will permit an applicant to withdraw any previously submitted application without CRP's prior written consent.

If you sell or have sold your Shares in Chatham Rock Phosphate Limited before 5pm on 5 July 2024 please send this Offer Booklet and the enclosed application form to the NZX Firm or other person through whom you made the sale requesting that they forward the documentation to the purchaser.

Only persons that hold Chatham Rock Phosphate Limited Shares at 5pm on 5 July 2024 will be eligible to participate in this Share Purchase Plan.

If you have any queries regarding this Offer you should Chatham Rock Phosphate Limited or your own NZX Firm, legal or financial adviser.

Dear Shareholder

## **Share Purchase Plan**

On behalf of the Directors of Chatham Rock Phosphate Limited (**CRP**), I am pleased to offer you an opportunity to participate in a Share Purchase Plan (**SPP**), where you can apply for up to 100,000 New Shares in CRP.

## **Capital Raised**

CRP recently closed the submission window for subscriptions to its non-brokered private placement of 878,000 Shares for gross proceeds of CA\$70,240 (NZ\$87,800), the latest in a series of such offers raising a total of CDN\$1,403,596 (NZ\$1,701,827) in the past 12 months.

The Company intends to primarily use the net proceeds raised from those placements and under this Offer for the following purposes:

- continuing the fast tracking of the development of the Korella North mine, the latter presently anticipated to be in production in Q4, 2024;
- completion of the permitting process for the Avenir Makatea onshore phosphate project in French Polynesia with expected operating cash flows in 2027; and
- general working capital.

It is anticipated that operating cash flows from the Korella North mine will, during late 2024 and 2025, provide working capital while also financing the development of our Korella South mine and the re-application for a Marine Consent (environmental permit) for our Chatham Rise project.

## **SPP Terms**

The maximum number of Shares available under this SPP is 200,000,000 Shares. Eligible Shareholders may apply for a minimum of 5,000 Shares and up to 100,000 Shares. If an Eligible Shareholder wishes to subscribe for more than 100,000 Shares they may apply for more Shares through the Oversubscription Facility (which in the event of excess demand may be subject to scaling in the manner described at clause 3.2 of the terms and conditions in this Offer Booklet).

The full terms and conditions of this SPP and how you can participate in it are contained in this Offer Booklet. You are encouraged to read these terms and conditions in their entirety before you decide whether to participate.

If you choose to apply for Shares under this SPP, please apply online at the following link <https://chathamrock.capitalraise.co.nz>. Eligible shareholders have until 5:00pm (New Zealand time) on 26 July 2024 to apply for New Shares under the SPP Offer.

On behalf of the Directors, I thank you for your support of CRP and invite you to consider this opportunity to participate in our growth.

Yours sincerely

Linda Sanders  
Chair

<b>WARNING</b>
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There is a risk to Eligible Shareholders that the market price for Shares may change between the Record Date, the date that you apply for Shares under this SPP and the Allotment Date. A change in market price during this period will not affect the Issue Price. The Issue Price may be greater or less than the market price of the Shares at the time of the allotment of New Shares to you.

If the market price of Shares falls below the Issue Price then an investor in this SPP may experience a fall in value of their New Shares after they are allotted. Alternatively, if the market price of Shares rises above the Issue Price then such investors may experience a capital gain from the New Shares after they are allotted.

<b>How Eligible Shareholders can Participate in this SPP</b>
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Shareholders have the following options under this SPP with the Issue Price per Share being NZ\$0.10 under each of the subscription options:

- **Oversubscription:** Subscribe for 100,000 Shares (NZ\$10,000) and apply for such additional number of Shares as you wish at NZD\$0.10 per Share through the Oversubscription Facility (which may be subject to scaling).
- **Full Application:** Subscribe for 100,000 Shares (NZ\$10,000). Your application will not be scaled.
- **Specified Application:** Subscribe for between 5,000 Shares (NZ\$500) and 100,000 Shares (NZ\$10,000). Your application will not be scaled and any Shares not applied for will form part of the Oversubscription Facility.
- **Minimum Application:** Subscribe for the minimum application amount under this SPP of 5,000 Shares (NZ\$500). Your application will not be scaled and any Shares not applied for from your allocation of 5,000 Shares will form part of the Oversubscription Facility.
- **No Application:** Do nothing and your ability to apply for Shares under this SPP will lapse. Your allocation of 100,000 Shares will form part of the Oversubscription Facility.

<b>SPP TIMETABLE</b>
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Event	Date
Record Date (5pm)	Friday 5 July, 2024
SPP opens and Offer Booklet sent to Eligible Shareholders	Monday 8 July 2024
Closing Date for SPP	Friday 26 July 2024
Allotment of New Shares	On or before Friday 2 August 2024
Holding statements sent to Shareholders	Within five business days of Friday 2 August 2024

**TERMS AND CONDITIONS**

*Capitalised terms have the meaning attributed to them in the Glossary at the end of this Offer Booklet.*

**1. Eligible Shareholders**

- 1.1 You may participate in this SPP only if you are an Eligible Shareholder. An Eligible Shareholder is a person who, at 5.00pm on the Record Date, was recorded in CRP's share register as being a registered holder of Shares and is resident in New Zealand.
- 1.2 Joint holders of Shares are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and the certification on the Application Form is taken to have been given by all of them.
- 1.3 If you are an Eligible Shareholder, your right to participate in this SPP is personal to you and non-renounceable.
- 1.4 CRP reserves the right to extend this SPP to Shareholders in a jurisdiction outside New Zealand in circumstances where it considers that so extending the offer will not breach the legal requirements of that jurisdiction.

**2. Issue Price and Shares**

- 2.1 The Issue Price for Shares under this SPP is NZD\$0.10 per Share.
- 2.2 If you are an Eligible Shareholder you have the options available to participate or not participate in this SPP as are outlined on page 3 of this Offer Booklet (under the heading "How Eligible Shareholders can Participate in this SPP").
- 2.3 CRP has limited the number of Shares available under this SPP to 200,000,000, having an aggregate value of NZD\$20,000,000 at the Allotment Date.

**3. Oversubscription Facility**

- 3.1 Applicants who apply for 100,000 Shares may also apply for additional Shares at the Issue Price pursuant to the Oversubscription Facility. Applicants may apply for any number of Shares however the Oversubscription Facility is subject to Shortfall availability.
- 3.2 In the event that the total number of Shares for which Oversubscription Facility applications are received exceed the total number of Shares in the Oversubscription Facility, CRP will scale back applications pro-rata (by reference to the number of Shares applied for) by applying the following formula:

$$Y = (B \div A) \times N$$

Where:

- Y is the number of scaled back Shares that an Eligible Shareholder will be allotted from the Oversubscription Facility.
- B is the aggregate number of Shares available in the Oversubscription Facility.

- A is the aggregate number of Shares applied for in the Oversubscription Facility.
- N is the number of Shares applied for by an Eligible Shareholder from the Oversubscription Facility prior to scaling.

If the calculation above produces a fractional number, the number of Shares you will be allotted will be rounded down to the nearest whole number of Shares. If a scale back is applied, application monies received may be greater than the value of the Shares actually allotted. The difference between the value of the Shares allotted and application monies received will be refunded to applicants within 10 Business Days of the Closing Date. No interest will be paid on refunded monies.

#### 4. Custodian

##### 4.1 Any Eligible Shareholder that:

- (a) is a trustee corporation or a nominee company and holds Shares in CRP by reason only of acting for another person in the ordinary course of business of that trustee corporation or nominee company; or
- (b) holds Shares in CRP by reason only of being a bare trustee of a trust to which the Shares are subject,

is a custodian (**Custodian**) under this SPP.

##### 4.2 Custodians may apply to purchase more than 100,000 Shares under this SPP without having to apply through the Oversubscription Facility but only up to the total value of Shares applied for by each beneficial owner for which the Custodian acts as a Custodian. Custodians may confirm to CRP that they are holding Shares as a Custodian for beneficial owners by providing the written certification to CRP described in clause 4.3 below. Each beneficial owner may direct the Custodian to apply on behalf of that beneficial owner for one of the parcels described or referred to in clause 2.2. A separate Application Form must be completed for each beneficial owner. Where two or more beneficial holders (in respect of Shares held in the name of a Custodian) are the same natural person, only one application per natural person may be made by a Custodian.

##### 4.3 If a Custodian applies to purchase Shares on behalf of a beneficial owner, the Custodian must certify to CRP in writing together with the application:

- (a) that the Custodian holds Shares directly or indirectly as a Custodian for beneficial owners;
- (b) the number of those beneficial owners;
- (c) in respect of each of the beneficial owners, how many Shares the beneficial owner or the beneficial owner's agent has instructed the Custodian to accept on behalf of that beneficial owner; and
- (d) that the beneficial owner on whose behalf the Custodian is submitting an application is not making an application themselves as an Eligible Shareholder for Shares under this SPP, and no other Custodian is submitting an application under the SPP for that beneficial owner.

## **5. Completing the Application Form and Paying for Shares**

- 5.1 If you wish to participate in this SPP, application is made via online at <https://chathamrock.capitalraise.co.nz>. Payment instructions will be provided. Eligible Shareholders should make payment for the exact dollar amount applied for on the application.
- 5.2 Payment for applications made online must be by direct debit.
- 5.3 To be valid, applications must be received by the Registry by 5.00pm on 26 July 2024. Application Forms received after that date will only be accepted at CRP's discretion.
- 5.4 Subject to applicable law or regulation the Board of CRP may, at its sole discretion extend or bring forward the Closing Date. Any such change will be communicated to shareholders through CRP making a market announcement to NZX.

## **6. CRP's Discretion to Accept or Reject Applications**

- 6.1 CRP has discretion to accept or reject your application to purchase Shares under this SPP, including (without limitation) if:
- (a) your Application Form is incorrectly completed, incomplete or otherwise determined by CRP to be invalid;
  - (b) your direct debit is dishonored or has not been completed correctly;
  - (c) your bank deposit is not in New Zealand dollars for the exact amount of the parcel that you have selected on the Application Form;
  - (d) your Application Form is received after the Closing Date. While CRP has discretion to accept late Application Forms and payment, there is no assurance that it will do so;
  - (e) CRP believes that you are not an Eligible Shareholder or Custodian; or
  - (f) CRP considers that your application does not comply with these terms and conditions.
- 6.2 Where CRP rejects an application under the terms and conditions of this SPP, any application monies received in respect of the rejected application will be refunded to the affected applicants within 10 Business Days of the Closing Date. No interest will be paid on any such refunded monies.

## **7. Significance of Sending in an Application**

- 7.1 If you apply to participate in the SPP by completing and returning the Application Form:
- (a) your application, on these terms and conditions, will be irrevocable and unconditional (i.e. cannot be withdrawn);
  - (b) you certify to CRP that you are an Eligible Shareholder entitled to apply for Shares under these terms and conditions;
  - (c) you agree to be bound by the constitution of CRP;

- (d) you authorise CRP (and its officers or agents) to correct any error in, or omission from, your Application Form and to complete the Application Form by the insertion of any missing details;
- (e) you acknowledge that CRP may at any time irrevocably determine that your Application Form is valid, in accordance with these terms and conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- (f) you agree to indemnify CRP for, and to pay to CRP within five Business Days of demand, any dishonor fees or other costs CRP may incur in presenting a direct debit for payment which is dishonored;
- (g) you acknowledge that none of CRP, its advisers or agents has provided you with investment advice or financial product advice, and that none of them has an obligation to provide advice concerning your decision to apply for and purchase Shares under this Offer;
- (h) you acknowledge the risk that the market price for the Shares may change between the Record Date, the date that you apply for Shares under this SPP and the Allotment Date. A change in market price during this period will not affect the Issue Price but may affect the value of the Shares you receive under this Offer;
- (i) you acknowledge that CRP is not liable for any exercise of its discretions referred to in these terms and conditions; and
- (j) you irrevocably and unconditionally agree to these terms and conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of this SPP.

7.2 If a Custodian applies to purchase Shares under this SPP for a beneficial owner pursuant to clause 4.2, the matters referred to in clause 7.1 will be taken to be given by each beneficial owner on whose behalf the Custodian is applying to purchase Shares.

## **8. The Shares**

8.1 New Shares issued under this SPP will rank equally with each other and will have the same voting rights, dividend rights and other entitlements as existing fully paid Shares in CRP.

## **9. Financial Statements**

9.1 You may obtain free of charge the most recent annual report and financial statements of CRP by contacting CRP (see the Company Directory for details), or you may download these reports from the CRP website at [www.rockphosphate.co.nz/](http://www.rockphosphate.co.nz/).

## **10. Amendments to the SPP and Waiver of Compliance**

10.1 Notwithstanding any other term or condition of this SPP and/or the Application Form, CRP may, at its discretion:

- (a) make non-material modifications to this SPP or such terms and conditions (in which applications for Shares under this SPP will remain binding on the applicant notwithstanding such modification and irrespective of whether an

Application Form was received by the Registry before or after such modification is made); and/or

- (b) suspend or terminate this SPP at any time prior to the allotment of the Shares under this SPP. If this SPP is terminated, application monies will be refunded to applicants within 10 Business Days of the Offer being withdrawn. No interest will be paid on refunded monies.

- 10.2 Subject to law and the NZX Listing Rules, CRP reserves the right to waive compliance with any provision of these terms and conditions. If CRP waives compliance with any provision of these terms and conditions, such waiver will apply to all Eligible Shareholders.

## **11. Governing Law**

- 11.1 These terms and conditions shall be governed by and construed in accordance with the laws of New Zealand.

## **12. Dispute Resolution**

- 12.1 If any dispute arises in connection with this Offer, CRP may settle it in any manner it thinks fit. It may do so generally or in relation to any particular participant, application or Share. CRP's decision will be final and binding.

## **13. Inconsistency**

- 13.1 Unless otherwise determined by the Directors, in the event of any inconsistency between the terms and conditions of this Offer and CRP's constitution, CRP's constitution shall prevail.

<b>ADDITIONAL INFORMATION</b>
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## **Terms and Ranking of New Shares**

New Shares issued will be fully paid and shall rank equally in all respects with other Shares on issue in CRP and will give the holder the right to one vote on a resolution at a meeting of shareholders (subject to any restrictions in CRP's constitution or the NZX Listing Rules), the rights to dividends authorised by the Board and the right to a proportionate share in any distribution of surplus assets of CRP on any liquidation.

## **Dividend Policy**

At present, CRP does not intend to make dividend payments. The Directors expect that the payment of dividends may commence when one or more of CRP's proposed phosphate mines in New Zealand, Australia or French Polynesia becomes profitable and CRP will review this position on any such achievement. The Directors reserve the right to amend the dividend policy at any time.



<b>GLOSSARY</b>
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<b>Allotment Date</b>	By 2 August 2024.
<b>Applicant</b>	An investor whose application for Shares (and payment of the corresponding Issue Price) has been received by the Registry prior to the Closing Date.
<b>Application Form</b>	The personalised application form relating to this SPP that you received with this Offer Booklet, including the instructions on the reverse of that form.
<b>Board</b>	The board of directors of CRP.
<b>Business Day</b>	Has the meaning given to it in the NZX Listing Rules.
<b>Closing Date</b>	5pm 26 July 2024.
<b>CRP</b>	Chatham Rock Phosphate Limited (NZCN 1508940)
<b>Custodian</b>	See clause 4.1 of the Terms and Conditions for the definition of "Custodian".
<b>Directors</b>	The directors of CRP.
<b>Eligible Shareholder</b>	Subject to clause 1.4 of the Terms and Conditions, a person who, at 5.00pm on the Record Date, was recorded in CRP's share register as being a registered holder of Shares and is resident in New Zealand.
<b>FMCA</b>	Financial Markets Conduct Act 2013.
<b>Issue Price</b>	The price at which the Shares will be issued pursuant to this SPP being NZ\$0.10 per Share.
<b>New Shares</b>	Up to approximately 200,000,000 fully paid ordinary shares in CRP comprised in the Shares under this Offer and would rank equally in all respects with Shares if issued.
<b>NZX Listing Rules</b>	The NZX listing rules as amended from time to time.
<b>Offer</b>	The offer to Eligible Shareholders to subscribe for Shares, pursuant to the SPP.
<b>Offer Booklet</b>	This Booklet containing the SPP offer to Eligible Shareholders.
<b>Opening Date</b>	8 July 2024.
<b>Oversubscription Facility</b>	The facility described on page 4 and comprising of all Shares that are Shortfall.
<b>Record Date</b>	5pm on 5 July 2024.
<b>Registry</b>	CRP's share registry, MUFG Corporate Markets.
<b>Shares</b>	Ordinary shares of CRP which are, or once allotted under this SPP will be, quoted on the NZX Main Board under the code "CRP".
<b>Shortfall</b>	Any Shares available under this Offer that are not subscribed for by Applicants.
<b>SPP</b>	The Share Purchase Plan detailed in this Offer Booklet where Eligible Shareholders may subscribe for Shares at the Issue Price.

<b>COMPANY DIRECTORY</b>
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Apply online at <https://chathamrock.capitalraise.co.nz> by 5pm (NZ time) on 26 July 2024.

**Chatham Rock Phosphate Limited**

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**Directors**

Robert Mark Goodden  
Christopher David Castle  
Jill Elizabeth Hatchwell  
Linda Jane Sanders  
Colin Randall  
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Georg Hochwimmer

**Share Registrar**

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