

Nyrstar provides an update with regards to recent litigation and FSMA investigations

1 June 2020 at 23.30 CEST

Nyrstar NV (the “Company”) today provides an update on recent litigation initiated against the Company and its Board of Directors by certain shareholders of the Company and the investigation by the FSMA. This includes (i) the emergency appeal lodged by certain shareholders of the Company with the highest Belgian administrative court (Conseil d’Etat – Raad van State) against the Royal Decree no. 4 of 9 April 2020 that was rejected; (ii) the expanded FSMA investigation of certain information disclosure by the Company; and (iv) the writ of summons issued on 29 May 2020 against among others the Company and its current directors by certain shareholders.

(i) Emergency appeal lodged by certain shareholders of the Company against the Royal Decree no. 4 of 9 April 2020

On the morning of Saturday 30 May 2020, the Company’s counsel was made aware that Quanteus group BV, Mr. Kris Vansanten and Ms. Evelyne Van Wassenhove, shareholders in the Company, had launched an emergency appeal with the highest Belgian administrative court (Conseil d’Etat – Raad van State) against the Royal Decree no. 4 of 9 April 2020 containing various provisions on co-ownership and company and association law in the context of the fight against the Covid-19 pandemic (the “Royal Decree no. 4”). The Royal Decree no. 4 is the basis for organising Nyrstar’s upcoming shareholders’ meetings of 2 June 2020 and 30 June 2020. The plaintiffs alleged that the decree infringes property rights of shareholders by allowing a board of directors to organize the general meeting of shareholders in accordance with the modalities provided by the Royal Decree no. 4.

In a judgment issued earlier today, the Conseil d’Etat – Raad van State has dismissed the emergency appeal. The court ruled against the plaintiffs on the grounds that they had not acted with the required diligence and that the harm allegedly suffered by the plaintiffs is hypothetical.

As previously announced by the Company on 27 May 2020, the Company published on 29 May 2020 the invitation to the ordinary general meeting of shareholders of 2019 to be held on 30 June 2020. This annual meeting had initially been convened for 16 April 2020, but also had to be postponed in view of the coronavirus pandemic. 30 June 2020 is the date of the annual meeting of the Company as included in the Company’s articles of associations. With respect to the annual general shareholders’ meeting, Nyrstar had already announced on 27 May 2020, two days before the plaintiff’s lodged their appeal with the Conseil d’Etat – Raad van State, that this meeting will be held virtually with applications allowing a Q&A session by which shareholders have the opportunity to submit questions via a chatbox, and electronic voting during the shareholders meeting in accordance with Royal Decree no. 4.

(ii) FSMA’s continued investigation of the Company

The Company notes that a press statement was issued by the FSMA on 29 May 2020 stating that it was to broaden its investigation into the Company. As stated in the FSMA’s press release, the Management Committee of the FSMA decided in September 2019 to commence an investigation of the provision of information by the Company. The FSMA has noted that this initial investigation focused on the information provided concerning the commercial relationship with Trafigura. The broadened investigation announced by the FSMA on 29 May 2020 will now include the provision of information about the expected profit contribution from and the total costs for the Port Pirie smelter in Australia, and of information about the Company’s solvency and liquidity position at the end of 2018.

The Company believes that it has at all times properly disclosed the information required by the relevant financial regulations and legislation and will continue to fully cooperate with the investigation.

(iii) Writ of summons issued among others against the Company and the Board of Directors

The Company advises that on Friday 29 May 2020 a group of minority shareholders of the Company, including Mr. Kris Vansanten, issued among others the Company and its directors with a writ of summons to appear before the Turnhout commercial court in Antwerp, Belgium. This writ follows a notice of default that was received by the directors and certain senior managers of the Company on 17 March 2020. The plaintiffs in this writ of summons on the merits bring the following liability claims:

- I. a derivative liability claim on behalf of the Company against among others the incumbent directors for shortcomings in their management as well as violations of the Companies Code and the articles of association of Nyrstar. The plaintiffs demand that the defendants be ordered jointly and severally to pay the Company damages provisionally estimated at least at EUR 982 million.
- II. a direct liability claim against among others the incumbent directors for errors as a result of which the applicants (allegedly) suffered individual damages. On this basis, the plaintiffs claim personal compensation estimated provisionally at EUR 1.
- III. A liability claim against the Company to cover any of the plaintiffs' expenses that will not be reimbursed by the other defendants.

The Company and its Board of Directors strongly refute the claims in the writ of summons and note that they will strongly defend themselves against such claims in the court process.

The plaintiffs further request that these proceedings on the merits be stayed until a judgment has been rendered on the request of the same plaintiffs for the appointment of a panel of company law experts. The appointment of a panel of experts is an item that Mr. Kris Vansanten and other minority shareholders are in the process of seeking via summary proceedings against the Company that have been introduced by subpoena on 27 April 2020. The court will hear this case on 15 September 2020. The Company intends to vigorously contest the appointment of the panel of experts.

About Nyrstar

The Company is incorporated in Belgium and, following completion of the recapitalisation/restructuring has a 2% shareholding in the Nyrstar group. The Company is listed on Euronext Brussels under the symbol NYR. For further information please visit the Nyrstar website: www.nyrstar.be.

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