



LIMITED LIABILITY COMPANY ("NAAMLOZE VENNOOTSCHAP")
Registered Office: Zinkstraat 1, 2490 Balen, Belgium
Company Number VAT BE 0888.728.945 RPR/RPM Antwerp, division Turnhout

EXPLANATORY NOTE

ANNUAL GENERAL MEETING

to be held on Tuesday 25 June 2019 at 11:00 a.m. CEST

Introduction

This explanatory note has been prepared on behalf of the Board of Directors of Nyrstar NV (the "Company") in connection with the various items on the agenda of the annual general shareholders' meeting of the Company, to be held on Tuesday 25 June 2019. Pursuant to Article 533bis, §2, d) of the Belgian Companies Code, this note contains for each of the items on the agenda of the aforementioned annual general shareholders' meeting a proposed resolution or, if the item does not require a resolution, a commentary on behalf of the Board of Directors.

For further information on date, hour and venue of the annual general shareholders' meeting, the manner in which the holders of securities issued by the Company can participate to the meeting and the background documentation regarding the meeting, reference can be made to the notice convening the annual general shareholders' meeting.

ANNUAL GENERAL MEETING

Agenda and proposed resolutions: The agenda and proposed resolutions of the annual general shareholders' meeting of the Company, which, as the case may be, can be amended at the meeting on behalf of the Board of Directors, are as follows:

1. Reports on the statutory financial statements

Explanation: This agenda item relates to the submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the statutory financial statements for the financial year ended on 31 December 2018. Copies of these documents are available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual general shareholders' meeting.

Submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the statutory financial statements for the financial year ended on 31 December 2018.

2. Approval of the statutory financial statements

Explanation: This agenda item relates to the approval of the statutory financial statements for the financial year ended on 31 December 2018, and of the proposed allocation of the result. Pursuant to the Belgian Companies Code, the annual general shareholders' meeting must decide on the approval of the statutory financial statements and the proposed allocation of the Company's profit or loss. A copy of this document is available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual general shareholders' meeting.

Approval of the statutory financial statements for the financial year ended on 31 December 2018, and of the proposed allocation of the result.

Proposed resolution: The general shareholders' meeting approves the statutory financial statements for the financial year ended on 31 December 2018, as well as the allocation of the result as proposed by the Board of Directors.

3. Reports on the consolidated financial statements

Explanation: This agenda item relates to the submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the consolidated financial statements for the financial year ended on 31 December 2018. Copies of these documents are available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual general shareholders' meeting.

Submission of, and discussion on, the annual report of the Board of Directors and the report of the Statutory Auditor on the consolidated financial statements for the financial year ended on 31 December 2018.

4. Consolidated financial statements

Explanation: This agenda item relates to the submission of the consolidated financial statements for the financial year ended on 31 December 2018. A copy of this document is available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual general shareholders' meeting.

Submission of the consolidated financial statements for the financial year ended on 31 December 2018.

5. Discharge and interim discharge from liability of the Directors

Explanation: This agenda item relates to the release from liability for the Directors for the performance of their mandate during 2018 as well as the interim discharge from liability to Mr. Jesús Fernandez Lopez who was in office since the end of the previous financial year until his voluntary resignation on 25 February 2019 with immediate effect, for the performance of his mandate during said period. Pursuant to the Belgian Companies Code, the annual general shareholders' meeting must each year, after the approval of the statutory financial statements, decide separately on the release from liability of the Directors. In the event a Director resigns, the general shareholders' meeting can decide separately on the interim release from the liability of the director for the period until his or her resignation. For an overview of the Directors who were in office in 2018, reference can be made to the Corporate Governance Statement included in the annual report of the Board of Directors that is referred to in item 1 of the agenda of the annual general shareholders' meeting.

5.1 Proposed resolution: The general shareholders' meeting grants discharge from liability to each of the Directors who was in office during the previous financial year, for the performance of his or her mandate during that financial year.

5.2 Proposed resolution: The general shareholders' meeting grants interim discharge from liability to Mr. Jesús Fernandez Lopez who was in office since the end of the previous financial year until his voluntary resignation on 25 February 2019 with immediate effect, for the performance of his mandate during said period.

6. Discharge from liability of the Statutory Auditor

Explanation: This agenda item relates to the release from liability for the Statutory Auditor for the performance of its mandate during 2018. Pursuant to the Belgian Companies Code, the annual general shareholders' meeting must each year, after the approval of the statutory financial statements, decide on the release from liability of the Statutory Auditor.

Proposed resolution: The general shareholders' meeting grants discharge from liability to the Statutory Auditor which was in office during the previous financial year, for the performance of its mandate during that financial year.

7. Approval of the remuneration report

Explanation: This agenda item relates to the submission of, discussion on and approval of the remuneration report prepared by the Nomination and Remuneration Committee. Pursuant to the Belgian Companies Code, the annual general shareholders' meeting must decide separately on the approval of the remuneration report. The remuneration report is included in the annual report of the Board of Directors that is referred to in item 1 of the agenda of the annual general shareholders' meeting.

Submission of, discussion on and approval of the remuneration report prepared by the Nomination and Remuneration Committee, and included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

Proposed resolution: The general shareholders' meeting approves the remuneration report included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

8. Acknowledgement of resignation of Mr. Jesús Fernandez Lopez

Explanation: This agenda item relates to the resignation of Mr. Jesús Fernandez Lopez as director of the Company, with effect since 25 February 2019.

Proposed resolution: The general shareholders' meeting acknowledges the voluntary resignation of Mr. Jesús Fernandez Lopez as director of the Company, with effect since 25 February 2019.

9. Re-appointment of Mr. Christopher Cox

Explanation: This agenda item relates to the proposed re-appointment of Mr. Christopher Cox as Director of the Company for a term of 4 years in view of the expiry of his previous mandate.

Taking into account the advice of the Nomination and Remuneration Committee, the Board of Directors recommends that Mr. Christopher Cox be re-appointed as Director of the Company for a term of 4 years. For further information regarding Mr. Christopher Cox and his resume, reference is made to the corporate governance statement included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

Proposed resolution: Mr. Christopher Cox is re-appointed as Director for a term up to and including the closing of the annual general shareholders' meeting to be held in 2023 which will have decided upon the financial statements for the financial year ended on 31 December 2022. Unless decided otherwise by the general shareholders' meeting, the mandate shall be remunerated as set out in relation to non-executive Directors in the remuneration report included in the annual report of the Board of Directors for the financial year ended on 31 December 2018, and pursuant to the principles as approved by the shareholders at the general shareholders' meeting held on 27 April 2011, as amended and supplemented from time to time.

10. Re-appointment of Mr. Martyn Konig

Explanation: This agenda item relates to the proposed re-appointment of Mr. Martyn Konig as Director of the Company for a term of 4 years in view of the expiry of his previous mandate.

Taking into account the advice of the Nomination and Remuneration Committee, the Board of Directors recommends that Mr. Martyn Konig be re-appointed as Director of the Company for a term of 4 years. For further information regarding Mr. Martyn Konig and his resume, reference is made to the corporate governance statement included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

Proposed resolution: Mr. Martyn Konig is re-appointed as Director for a term up to and including the closing of the annual general shareholders' meeting to be held in 2023 which will have decided upon the financial statements for the financial year ended on 31 December 2022. Unless decided otherwise by the general shareholders' meeting, the mandate shall be remunerated as set out in relation to the Chairman in the remuneration report included in the annual report of the Board of Directors for the financial year ended on 31 December 2018, and pursuant to the principles as approved by the shareholders at the general shareholders' meeting held on 27 April 2011, as amended and supplemented from time to time.

11. Additional remuneration of Ms. Jane Moriarty and Mr. Martyn Konig

Explanation: This agenda item relates to the proposed additional remuneration to be paid to Ms. Jane Moriarty and Mr. Martyn Konig as respectively Independent Director and Chairman, given the substantial time and effort Ms. Moriarty and Mr. Martyn Konig specifically are and are expected to continue to be dedicating to the implementation of the Restructuring (as defined below).

Taking into account the advice of the Nomination and Remuneration Committee, the Board of Directors recommends that Ms. Jane Moriarty as independent Director and Mr. Martyn Konig as Chairman are paid additional remuneration, given the substantial time and effort Ms. Moriarty and Mr. Martyn Konig specifically are and are expected to continue to be dedicating to the implementation of the restructuring that was announced by the Company on 15 April 2019 (the "**Restructuring**"), including as director of a wholly owned English direct subsidiary of the Company ("**NewCo 1**") and of a wholly owned English direct subsidiary of NewCo 1 (and thus indirect subsidiary of the Company) ("**NewCo 2**"), both incorporated around the date of this invitation to facilitate the implementation of the Restructuring. For further information regarding the remuneration of the Directors, reference is made to the remuneration report included in the annual report of the Board of Directors for the financial year ended on 31 December 2018.

11.1 Proposed resolution: The general shareholders' meeting approves the additional remuneration to be paid to Ms. Jane Moriarty as independent Director in the following amounts: (i) £48,333 payable following approval of the annual general shareholders' meeting, (ii) £40,000 immediately payable on the later of (a) posting of the explanatory statement to the creditors of the Scheme of Arrangement under the UK Companies Act 2006 by NewCo 2 for the implementation of the Restructuring; and (b) approval of the annual general shareholders' meeting; (iii) £3,333 per additional month that Ms Jane Moriarty is a director of NewCo 1 (to be pro rated); and (iv) £5,000 per additional month that Ms Jane Moriarty is a director of NewCo 2 (to be pro rated).

11.2 Proposed resolution: The general shareholders' meeting approves the additional remuneration to be paid to Mr. Martyn Konig as Chairman in the following amounts: (i) £48,333 payable following approval of the annual general shareholders' meeting, (ii) £40,000 immediately payable on the later of (a) posting of the explanatory statement to the creditors of the Scheme of Arrangement under the UK Companies Act 2006 by NewCo 2 for the implementation of the Restructuring; and (b) approval of the annual general shareholders' meeting; (iii) £3,333 per additional month that Mr. Martyn Konig is a director of NewCo 1 (to be pro rated); and (iv) £5,000 per additional month that Mr. Martyn Konig is a director of NewCo 2 (to be pro rated).

12. Share based remuneration for Mr. Christopher Cox

Explanation: This agenda item relates to the proposed share based remuneration to be paid to Mr. Christopher Cox for his Director's mandate for the period as of this general shareholders' meeting until the annual general shareholders' meeting of 2020 in the form of "deferred shares units" of the Company.

The Board of Directors believes that granting Mr. Christopher Cox the opportunity to be remunerated in deferred shares of the Company rather than in cash enables Mr. Christopher Cox to link his effective remuneration to the future performance of Nyrstar and to strengthen the alignment of his interests with the interests of the Company's shareholders. In view hereof, taking into account the advice of the Nomination and Remuneration Committee, and taking into account the decision of last year's annual general shareholders' meeting, the Board of Directors submits the following resolution for approval by the general shareholders' meeting.

Proposed resolution: The general shareholders' meeting approves that Mr. Christopher Cox (the "Eligible Director") will be remunerated for his Director's mandate for the period as of this general shareholders' meeting until the annual general shareholders' meeting of 2020 in the form of "deferred shares units" of the Company, and not in cash, subject to the conditions set out below. The remuneration in shares shall for the Eligible Director be limited to 100% (the "Eligible Share Remuneration") of the aggregate remuneration that applies to the Director's mandate of the Eligible Director in accordance with the principles that have been determined by the annual general shareholders' meeting of the Company held on 27 April 2011, as amended and supplemented from time to time and that otherwise would have been payable in cash (the "Eligible Remuneration"). The shares will not vest immediately, but will effectively vest and be delivered on the earlier of (i) the end of the Director's mandate of the Eligible Director, and (ii) a change of control over the Company. The shares are granted for free (i.e. for no additional consideration payable by the Eligible Director). The number of shares to be granted to the Eligible Director shall be equal to (i) the amount of the Eligible Share Remuneration that would otherwise have been paid in cash (save for this decision by the general shareholders' meeting), divided by (ii) the average closing price of the Company's shares during the ten trading days preceding the date of this general shareholders' meeting, whereby the result is rounded down to the nearest whole number. Subject to applicable legal provisions, the shares can also be issued in consideration of a contribution in kind of the relevant Eligible Remuneration. The general shareholders' meeting approves that the shares can be definitively and fully acquired by the Eligible Director prior to the end of the third year referred to in Article 520ter of the Belgian Companies Code. The general shareholders' meeting also approves, as far as needed and applicable in accordance with Article 556 of the Belgian Companies Code, that the shares can be delivered upon the occurrence of a change of control over the Company. As far as needed and applicable, the general shareholders' meeting acknowledges that the shares shall not be considered as "variable remuneration", nor as "fixed remuneration", pursuant to the Belgian Companies Code (such as Articles 96, 520bis, 520ter, 524bis, 525, 526quater and 554 (as applicable) of the Belgian Companies Code) and equivalent or similar provisions of the Belgian Corporate Governance Code of 12 March 2009, and Provision 7.7 of the Belgian Corporate Governance Code of 12 March 2009. The Company's Nomination and Remuneration Committee shall be authorised to further document the grant and, subject to the aforementioned provisions, to determine the terms and conditions of the grant, which shall contain customary adjustment clauses to take into account and mitigate the effect of corporate actions, dilutive transactions and similar events, such as (but not limited to) stock splits, reverse stock splits, mergers and de-mergers, dividend payments, other distributions on shares, rights offerings, and share buy-backs. The general shareholders' meeting further grants a special power of attorney to each Director of the Company and the Company Secretary, acting singly and with the power of substitution, to perform the formalities required by Article 556 of the Belgian Companies Code with respect to this resolution.

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Done on 24 May 2019

On behalf of the Board of Directors