



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

EXTRAORDINARY GENERAL MEETING

to be held on 9 December 2019 at 01.00 p.m. CET

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 extraordinary general shareholders' meeting of the Company, to be held on 9 December 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 extraordinary 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 extraordinary general shareholders' meeting, the manner in which the holders of shares 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 extraordinary general shareholders' meeting.

AGENDA

Agenda and proposed resolutions: The agenda and proposed resolutions of the extraordinary 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. Special report

Explanation: This agenda item relates to the submission of the special report of the Board of Directors in accordance with Article 633 of the Belgian Companies Code in relation to the proposal to continue the operations of the Company, as set out in item 2 of the agenda of the extraordinary general shareholders' meeting. A copy of the special report is available on the Company's website and at the Company's registered office, as indicated in the notice convening the annual and extraordinary general shareholders' meetings.

Submission of the special report of the Board of Directors in accordance with Article 633 of the Belgian Companies Code in relation to the proposal to continue the operations of the Company, as set out below in item 2 of the agenda of the extraordinary general shareholders' meeting.

2. Deliberation on proposal of the Board of Directors to continue the operations of the Company

Explanation: This agenda item relates to the proposal to continue the operations of the Company. For more information on the proposal, reference is made to the special report referred to in item 1 of the agenda of the extraordinary general shareholders' meeting.

In accordance with Article 633 of the Belgian Companies Code the general meeting is to deliberate and resolve, as the case may be, on the dissolution of the Company and possibly on other measures announced in the agenda. In view of the extensive steps taken by the Company and its subsidiaries (together, the "Group") to review the capital structure and the restructuring of the Group to redress the Company's financial situation, the Board of Directors proposes to continue the Company's operations. For more information on the measures the Board of Directors has taken and proposes to take to redress the financial situation of the Company, and its proposal to continue the operations of the Company, reference is also made to the special report of the Board of Directors referred to in item 1 of the agenda of the extraordinary general shareholders' meeting.

Proposed resolution: The general shareholders' meeting resolves to approve the proposal set out in the special report of the Board of Directors, prepared in accordance with Article 633 of the Belgian Companies Code, to continue the operations of the Company.

3. **Absorption of losses through a decrease of legal reserve, issue premiums and share capital**

Explanation: This agenda item relates to the proposed absorption of losses through a decrease of legal reserve, issue premiums and share capital.

Proposed resolution: The general shareholders' meeting resolves to absorb existing losses of the Company in an amount of EUR 1,334,363,197.73, and resolves, in implementation hereof, as follows:

- (a) Reduction of legal reserve: Existing losses incurred by the Company in an amount of EUR 1,334,363,197.73 (as appear from the statutory (non-consolidated) financial statements for the financial year ended on 31 December 2018), shall be absorbed with an amount of EUR 15,127,531.08 by reducing the legal reserve of the Company (as appears from the statutory (non-consolidated) financial statements for the financial year ended on 31 December 2018), with an amount of EUR 15,127,531.08 in total so that the legal reserve will be reduced from EUR 16,257,028.06 to EUR 1,129,496.98.
- (b) Reduction of issue premiums: Subsequent to the aforementioned reduction of the legal reserve, existing losses incurred by the Company in an amount of EUR 1,319,235,666.65 (as appear from the statutory (non-consolidated) financial statements for the financial year ended on 31 December 2018, but taking into account the aforementioned reduction of the legal reserve) shall be absorbed with an amount of EUR 1,216,395,875.47 by reducing the issue premiums of the Company (as appear from the statutory (non-consolidated) financial statements for the financial year ended on 31 December 2018) with an amount of EUR 1,216,395,875.47 in total so that the issue premiums will be reduced to nil.
- (c) Reduction of share capital: Subsequent to the aforementioned reductions of the legal reserve and the issue premiums, the remaining balance of the existing losses incurred by the Company in an amount of EUR 102,839,791.18 (as appear from the statutory (non-consolidated) financial statements for the financial year ended on 31 December 2018, but taking into account the aforementioned reductions of the legal reserve and issue premiums) shall be absorbed with an amount of EUR 102,839,791.18 by reducing the share capital of the Company (as appears from the statutory (non-consolidated) financial statements for the financial year ended on 31 December 2018), with an amount of EUR 102,839,791.18 in total so that the share capital will be reduced from EUR 114,134,760.97 to EUR 11,294,969.79.
- (d) No cancellation of existing shares: The aforementioned reduction of share capital shall occur without cancellation of existing shares of the Company and shall be borne by each of the existing shares in the same manner. The fractional value of each share shall be adjusted to (rounded) EUR 0.10 per share as a consequence of the aforementioned share capital reduction.

- (e) Amendment of articles of association: Article 5 of the Company's articles of association will be amended to align it to the aforementioned reduction of share capital.

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Done on 8 November 2019

On behalf of the Board of Directors