



ABOUT

PepinNini Minerals Limited is a diversified ASX listed Australian Exploration Company focused on exploring, discovering and developing a significant mineral resource. PepinNini has exploration tenements prospective for Kaolin on the Eyre Peninsula and nickel-copper-cobalt-PGE in the Musgrave Province of South Australia and hold a Minerals brine resource in Salta Province, Argentina. The company also holds a copper-gold exploration project in Salta Province, Argentina

DIRECTORS

Rebecca Holland-Kennedy

Managing Director

Luis Kennedy

Non-Executive Director

Robert (Wei) Sun

Non-Executive Director

James Moses

Non-Executive Director

Pamela Sayers

Company Secretary

CONTACT

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FURTHER INFORMATION

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Shareholder Letter

PepinNini Minerals Ltd (PepinNini) advises the letter attached has been sent to all shareholders.

For further information please contact:

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Note: Additional information on PNN is available at www.pepinnini.com.au

21 June 2021

Dear Shareholder

We are writing to bring you up to date with matters concerning the 9 July 2021 meeting of shareholders of PepinNini Minerals Limited (PepinNini, the Company) that has been requisitioned by Mr Peter Proksa (the "Requisitioning Shareholder"), one of the Company's approximately 3,000 shareholders. The notice of meeting for that meeting of shareholders has been dispatched to shareholders. We encourage you to read that notice in full, as it contains all information that the Board of the Company considers is necessary for shareholders to make a decision on how to vote on the resolutions to be put to that meeting.

The Requisitioning Shareholder, who became a shareholder only recently, has proposed resolutions seeking to remove from the Board Mr Robert (Wei) Sun, and appoint to the Board both Mr Stephen Michael Ross and Mr Mena Habib.

Though the Requisitioning Shareholder holds only 5.2% of PepinNini shares, the impact of the resolutions, if passed by shareholders at the meeting, is that the Requisitioning Shareholder would see his nominees holding three of the five board positions¹, meaning that those nominees would have practical control of the Board and, hence, practical control of the Company.

The board views this as a control transaction and notes that usually a change-of-control would occur by way of a takeover offer where all shareholders received an offer for their shares, typically priced at a 30 to 50% premium to the current share price. In this case, however, the Requisitioning Shareholder is not offering shareholders anything.

In support of his resolutions, one might think that the Requisitioning Shareholder would provide information to shareholders to enable them to be fully informed before they vote. This would presumably include information on what has precipitated their action, and information on the Board Nominees Messrs Ross and Habib, including their board experience, ASX-listed company experience, exploration experience, lithium and/or kaolin experience, as well as their plans for running the Company moving forward.

It is now more than three weeks since the Requisitioning Shareholder provided the meeting requisition notice to the Company and around three weeks until the shareholders' meeting, yet no such information has been forthcoming from the Requisitioning Shareholder. The Board considers that supporting the Requisitioning Shareholder by voting in favour of the resolutions to be put to the meeting without any such information would expose the Company and all its shareholders to considerable risk.

It is important that we note that the Board is not oblivious to the concerns of shareholders.

We know that some shareholders have expressed concern about exploration progress, shareholder communication and share price performance. We acknowledge this and take full responsibility.

Without seeking to make excuses, there have been unplanned delays to tenement granting due to legislative changes to the *Mining Act 1971* (SA) in South Australia and delays due to COVID-19 in both Australia and Argentina. Also, a key issue has been the fact that we have unfortunately for an

¹ As recently as 4 May 2021, the Requisitioning Shareholder threatened to launch a proxy fight to appoint Mr James Moses to the Board. In order to avoid the cost and disruption of the proposed shareholder's meeting, the Board instead acceded to the Requisitioning Shareholder's request and appointed Mr Moses to the Board. Accordingly, Mr Moses is also a Nominee of the Requisitioning Shareholder.

extended period had to endure somewhat of a hand-to-mouth existence, with exploration activity only taking place when funds became available. Given that we genuinely believe our various projects have considerable prospectivity, this has been a source of great disappointment for the Board as no doubt for you as shareholders.

A flow-on effect of the lack of exploration activity has been that we have not had much to report to shareholders, which, of course, has had an adverse impact on share price.

Pleasingly, the Board has recently been able to secure additional funds such that, as at 31 March 2021, PepinNini had approximately \$3.2 million at its disposal. As longstanding shareholders will be aware, it has been a long time since the Company was in such a good financial position.

Accordingly, this means that exploration activity on our long-held projects (Salta Lithium, Musgrave Nickel-Copper and Santa-Ines Copper-Gold) as well as our newly acquired Eyre Peninsula Kaolin Project can now proceed apace (subject to the tenements for that project being granted).

As shareholders are aware, PepinNini's two key projects – Salta and Eyre Peninsula – are seeking to exploit mineral commodities – lithium and kaolin, respectively – that are relatively uncommon and where specialist skills are problematic to be come by.

Accordingly, we were delighted to announce on 15 June 2021 that, after a comprehensive search, we had identified a Board appointee with exceptional background and expertise in these two commodities.

Mr David Turvey, a geologist, has more than 35 years' experience in the resources industry, including in exploration, business development, mergers and acquisitions, capital raising, economic evaluation, conducting feasibility studies, in management, and as a director of ASX-listed companies.

However, where Mr Turvey can arguably add the most value to PepinNini is the fact that he has considerable experience in both lithium, including brine lithium projects such as for Salta, and kaolin, where he was closely involved in the discovery and evaluation of the project which is adjacent to and analogous with the Company's Eyre Peninsula Kaolin Project.

We ask, do the Requisitioning Shareholder's Board Nominees, Messrs Ross or Habib, have skills that even come close to those of Mr Turvey? If so, please inform us!

Whilst the Board is in agreement that the appointment of Mr Turvey as a Director will help take PepinNini forward, so as to respect the rights of all shareholders, including the Requisitioning Shareholder, the resolution to appoint him as a Director will not be put to the Board until after the shareholders' meeting on 9 July.

If the majority of shareholders support the current Board and vote against the three resolutions, the Board intends to proceed to appoint Mr Turvey's as a director immediately after the shareholders' meeting.

However, if the majority of shareholders support the Requisitioning Shareholder, there is a risk that Mr Turvey's appointment will never occur.

Finally, you would have seen that, on 16 June 2021, we announced to the ASX the earlier appointment of Sefiani Communications Group to provide investor communication services to the Company. This will address our shareholder communications requirements going forward.

To conclude, you're the shareholders, it's your Company, we hear you.

For all the reasons set out above, the Board seeks your support by voting **AGAINST** each of the three resolutions. You can do so by completing the returning the **Green Proxy Form** enclosed.

Remember, every single vote is important, no matter how big or small your shareholding.

We offer our sincerest thanks for your ongoing support.

Yours sincerely

The Board of PepinNini Minerals Limited