

Announcement

RPM buys first ESG company and sets up separate ESG mining division.

16 June 2021

RPMGlobal Holdings Limited (ASX: RUL) [RPM ®] is pleased to announce it has entered into a share purchase agreement to acquire 100% of the issued share capital of Australian headquartered Environmental Social and Governance (**ESG**) services company, Nitro Solutions Pty Ltd (**Nitro**).

Privately-owned Nitro was founded in July 2015 by Ngaire Tranter who along with her experienced team of ESG professionals pride themselves on providing the mining industry with a quality focused ESG service in the areas of environmental approvals, impact assessment, regulatory advice, environmental audits, compliance reporting (due diligence) and environmental economics, policy & legislation advice.

This acquisition will be the catalyst to bring together all of RPM's ESG professionals who are spread across the globe into one division which will be headed by Ngaire.

Commenting on the acquisition, RPMGlobal CEO and Managing Director Richard Mathews said "whilst our mining advisory ESG professionals have been engaged to perform and manage numerous ESG mandates around the world, until now we have not had a dedicated division focused solely on ESG. Ngaire and her team have an excellent reputation within the mining ESG market which gives us great confidence that we can build a world class mining focused ESG business leveraging an ESG team that knows and understands mining from the ground up."

"This is just the start of RPM's ESG journey as we look to grow RPM's ESG mining services capabilities both organically and inorganically. We also intend to harness the deep ESG domain knowledge of the Nitro team to assist RPM's technology division to identify software products we can either acquire or alternatively build to service this accelerating market segment."

Founder of Nitro Ngaire Tranter said "I am very proud of the business we as a team have built over the last six years. With the speed of ESG adoption the opportunity to be part of a larger organisation with a global footprint allow us to assist the mining industry with the increasing requirements in this space right around the world."

"Richard is clearly intent on building a world class mining ESG business supported by state-of-the-art software products and I, together with the rest of the team, really look forward to joining RPM on this exciting journey. With organisations globally rising to the challenge of meeting increasing sustainability demands placed upon their organisations and operations, I see the merger of Nitro with RPM as an important step in the right direction with respect to supporting mining companies in their quest to meet decarbonisation requirements".

Total consideration for this transaction is expected to be approximately AUD\$2.1 million made up of a once-off cash payment of AUD\$1.68 million on completion plus AUD\$160,000 worth of RUL shares and a working capital adjustment sixty days after completion of approximately AUD\$259,000. The cash components of the acquisition consideration will be entirely funded from RPM's existing cash reserves.

As part of the acquisition consideration RPM will on completion of the acquisition issue 95,941 RUL shares (AUD\$160,000 worth of RUL shares issued at \$1.667 per share being the five day average volume weighted close price of RUL shares in the five trading days prior to the date of this announcement) to the outgoing shareholder of Nitro. Approximately one-half of the shares will be held in escrow for 12 months and a further one half for 24 months following completion of the acquisition. The RPM shares will be issued on completion using RPM's exiting capacity under Listing Rule 7.1. There are no changes to the RPM Board composition or Key Management Personnel as a result of this acquisition.

The acquisition is expected to close on 30 June 2021 subject to satisfaction of a number of conditions precedent and customary completion events.

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About RPM:

RPMGlobal Holdings Limited (ASX: RUL) [RPM®] was listed on the Australian Securities Exchange on 27 May 2008 and is a global leader in the provision and development of mining software solutions, advisory services and professional development to the mining industry.

With history stretching back to 1968, RPM has been trusted by mining companies of all sizes and commodities to support their growth. Our global expertise has been achieved over the past 50 years through our work in over 125 countries and our approach to the business of mining being strongly grounded in economic principles.

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