[Translation]

March 19, 2025

To whom it may concern:


Company Name: JX Advanced Metals Corporation
Representative: Hayashi Yoichi
President & Representative Director
(Code number: 5016, TSE Prime Market)
Contact Person: Yoneyama Manabu
Manager (Investor relations)
Public Relations & Investor Relations Department
(Telephone: +81-3-6433-6088)


# Announcement of the Details of Introduction of Employee Stock Ownership Plan (J-ESOP-RS)

JX Advanced Metals Corporation (President: Hayashi Yoichi; "JXAM") has announced that JXAM has decided to introduce an incentive plan called the "Employee Stock Ownership Plan (J-ESOP-RS)" (the "Plan"; the trust to be established pursuant to a trust agreement to be concluded with Mizuho Trust & Banking Co., Ltd. in connection with the Plan is referred to as the "Trust") to grant shares of JXAM to employees in managerial positions ("Eligible Employees") with a view to promoting their conduct of business activities aimed at improvement of JXAM's business performance and increase of its stock price, and to enhancing JXAM's corporate value in the medium to long term as a result thereof in the press release as of February 14, 2025, and JXAM hereby announces that it has determined the details of and introduced the J-ESOP-RS, as below.

## 1. Background to Introduction

The listing of shares of JXAM (the "Listing") on the Tokyo Stock Exchange was approved on February 14, 2025, and the shares of JXAM were subsequently listed today. Accordingly, JXAM introduced the J-ESOP-RS.

## 2. Overview of Plan

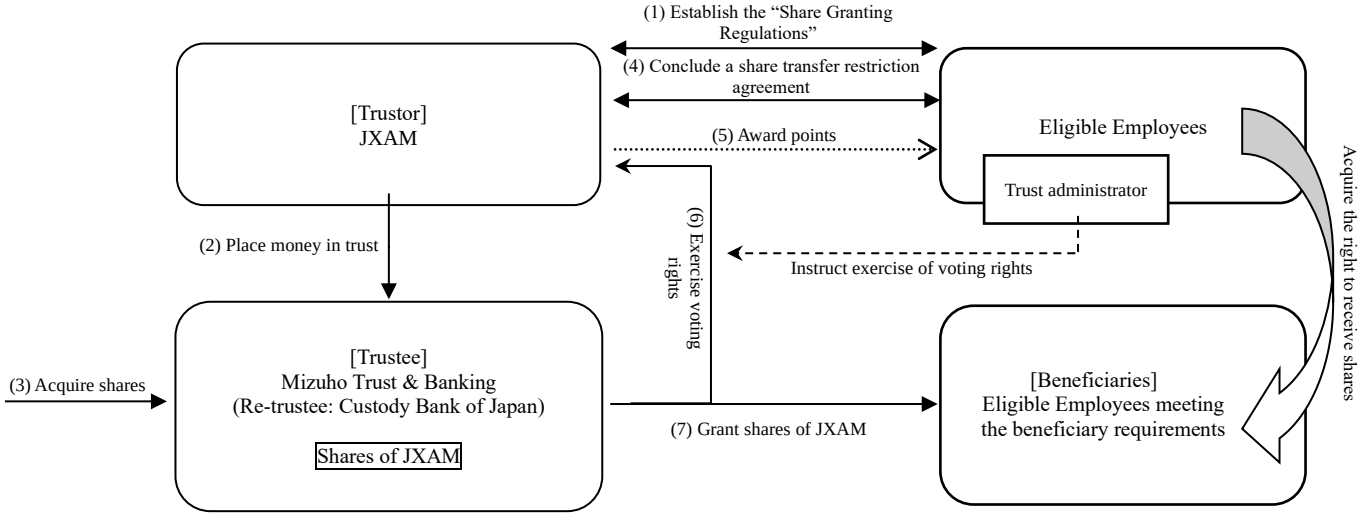
The Plan is a trust-type scheme modeled after employee stock ownership plan (ESOP) system in the United States and is a structure to grant shares of JXAM to Eligible Employees meeting certain requirements in accordance with the share granting regulations established in advance by JXAM.

JXAM will award points to Eligible Employees, and when they acquire the right to receive shares subject to certain conditions, JXAM will grant its shares equivalent to the amount of points awarded. If Eligible Employees receive shares of JXAM while they are employed by it, those employees shall conclude a share transfer restriction agreement with JXAM before they receive shares of JXAM. By doing so, shares of JXAM received by Eligible Employees during employment will be prohibited from being disposed of by transfer or other similar methods until those employees resign from JXAM.

Shares to be granted to Eligible Employees, including those to be granted in the future, will be acquired using money placed in trust beforehand and will be separately managed as trust property.

Introduction of the Plan can be expected to raise employee interest in improving stock price and its business performance of JXAM and to motivate them to engage in business activities more enthusiastically than ever.

<Plan Structure>




(1) JXAM will establish the "Share Granting Regulations" when introducing the Plan.
(2) JXAM will place money in trust (third-party-benefit trust) with Mizuho Trust & Banking (re-trustee: Custody Bank of Japan) in order to acquire in advance shares to be granted to Eligible Employees in the future in accordance with the Share Granting Regulations.
(3) The Trust will acquire shares of JXAM using money placed in trust in (2) through the exchange market, by subscribing for disposed shares of JXAM, or by other similar methods.
(4) In connection with shares of JXAM received during employment, Eligible Employees will conclude with JXAM a share transfer restriction agreement containing a clause prohibiting the disposition of shares by transfer or other similar methods until they resign from JXAM, a clause allowing JXAM to acquire shares without contribution to a certain extent, and other clauses.
(5) JXAM will award points to Eligible Employees in accordance with the Share Granting Regulations.
(6) The Trust will exercise voting rights in accordance with the instruction of the trust administrator.
(7) The Trust will grant shares of JXAM to Eligible Employees meeting the beneficiary requirements set forth in the Share Granting Regulations (the "Beneficiaries") equivalent to the amount of points awarded to the Beneficiaries.

3. Overview of the Trust

| | | |
|---|---|---|
| (1) | Name: | J-ESOP-RS |
| (2) | Settlor: | JXAM |
| (3) | Trustee: | Mizuho Trust & Banking<br>(re-trustee: Custody Bank of Japan) |
| (4) | Beneficiaries: | Employees meeting the beneficiary requirements set forth in the Share Granting Regulations |
| (5) | Trust administrator: | Selected among employees |
| (6) | Type of the Trust: | Trust of cash other than money trust (third-party benefit trust) |
| (7) | Purpose of the Trust: | To provide the shares of JXAM, which are the trust assets, to the Beneficiaries in accordance with the Share Granting Regulations |
| (8) | Contract date of the Trust: | March 4, 2025 |
| (9) | Date of placing money in trust: | March 4, 2025 |
| (10) | Trust period: | From March 4, 2025 to the day of termination of the Trust<br>(No specific termination date will be determined, the Trust will continue as long as the J-ESOP-RS continues.) |

4. The acquisition details of JXAM's shares under the Trust

| | | |
|---|---|---|
| (1) | Type of shares acquired: | Common stock of JXAM |
| (2) | The amount entrusted for acquisition funds of the shares: | 999,990,000 yen |
| (3) | The number of shares acquired: | 1,219,500 shares |
| (4) | Acquisition method of shares: | The purchase made through the Japanese offering by purchase and underwriting by underwriters (*oyabike*) carried out along with the Listing |
| (5) | Timing of share acquisition: | March 19, 2025 |

End