

CREDIT AGREEMENT

THIS AGREEMENT is dated for reference as of the 27th day of October, 2021

AMONG:

IXM S.A. a company formed under the laws of Switzerland,
(the “**Lender**”)

AND:

TRIGON MINING (NAMIBIA) (PROPRIETARY) LIMITED,
a company formed under the laws of Namibia,
(the “**Borrower**”)

AND:

TRIGON METALS INC., a company incorporated under the
laws of Canada,
(the “**Guarantor**”)

WHEREAS the Lender has agreed to lend to the Borrower and the Borrower has agreed to borrow from the Lender the aggregate principal amount of up to the Maximum Amount, on the terms and subject to the conditions of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the mutual covenants and agreements herein contained, the parties agree as follows:

1. INTERPRETATION

1.1 Definitions. Where used in this Agreement, each of the following words and phrases shall have the meanings set out below:

- (a) “**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.
- (b) “**Amortization Schedule**” has the meaning ascribed thereto in Section 5.1.
- (c) “**Applicable Law**” means, at any time, with respect to any Person, property, transaction, event or other matter, as applicable, any law, rule, statute, regulation, treaty, order, judgement or decree, and any official request, directive, rule,

guideline, order, policy, practice or other requirement of any Governmental Body relating or applicable at such time to such Person, property, transaction, event or other matter which has the force of law, and shall also include any interpretation thereof by any Person having jurisdiction over it or charged with its administration or interpretation;

- (d) **“Applicable Margin”** means [REDACTED COMMERCIALY SENSITIVE INFORMATION] per annum.
- (e) **“Agreement”** means this credit agreement and all schedules and other attachments attached hereto, and all references to **“hereto”**, **“herein”**, **“hereof”**, **“hereby”** and **“hereunder”**, and to similar expressions, refer to this Agreement and not to any particular section or portion of it. References to **“paragraph”**, **“subparagraph”** or **“Schedule”** refer to the applicable paragraph, subparagraph or schedule of this Agreement, as the case may be;
- (f) **“Advance”** means, individually, the Initial Advance and the Subsequent Advance and **“Advances”** means the total of the Initial Advance and the Subsequent Advance;
- (g) **"Anti-Terrorist Financing and Anti-Money Laundering Laws"** means all Applicable Law concerning or related to money laundering or financing terrorism and which are applicable to the Lender, the Borrower, the Guarantor or any of their Affiliates, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).
- (h) **“Business Day”** means a day which is not a Saturday, Sunday or a statutory holiday in Geneva, Switzerland and which is also a day for trading by and between banks in U.S. Dollar deposits in the London interbank market.
- (i) **“Capital Stock”** means (i) common shares, preferred shares or other equivalent equity interests (howsoever designated) of capital stock of a body corporate, (ii) equity preferred or common interests in a limited liability company, (iii) member or shareholder interests in an unlimited company or unlimited liability company, (iv) any other interest that confers the right to receive a share of the profits and/or losses of, or the distribution of assets of, any Person, and (v) any other interest equivalent to any of the interests referred to in any of clauses (i), (ii), (iii) and (iv) of this definition;
- (j) **“Change of Control”** means an event or series of events by which any one of the following occur:
 - (i) the direct or indirect sale, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all the Borrower’s property or assets to another Person;
 - (ii) the acquisition by any Person or group of Persons, beneficially or otherwise (whether by purchase, exchange, merger, consolidation or

otherwise), directly or indirectly, in one transaction or in a series of transactions or related transactions of Voting Capital Stock comprising (or the right to exercise the voting rights with respect to Voting Capital Stock comprising) more than 50% of the Voting Capital Stock of the Borrower; or

- (iii) during any period of 12 consecutive months following the Closing Date, a majority of the members of the board of directors or other equivalent governing body of the Borrower cease to be composed of individuals who were members of that board or equivalent governing body on the first day of such period.
- (k) “**Closing Date**” means October 27, 2021;
- (l) “**Commitment Fee**” has the meaning set forth in paragraph 4.1 below;
- (m) “**Cost to Complete Disclosure**” has the meaning set forth in paragraph 7.1(n) below;
- (n) “**Draw Period End Date**” means December 31, 2021;
- (o) “**Event of Default**” has the meaning set forth in paragraph 10.1 below;
- (p) “**GAAP**” means generally accepted accounting principles applicable to publicly accountable enterprises from time to time approved by CPA Canada, or any successor institute, which for greater certainty shall be interpreted to include international Financial Reporting Standards;
- (q) “**Governmental Body**” means, when used with respect to any Person or its business affairs, any government, parliament, legislature, regulatory authority, agency, tribunal, department, commission, board, instrumentality, court, arbitration board or arbitrator or other law, regulation or rule making entity (including a Minister of the Crown, any central bank, Superintendent of Financial Institutions or other comparable authority or agency) having or purporting to have jurisdiction on behalf of, or pursuant to the laws of, Canada or any country in which such Person is incorporated, continued, amalgamated, merged or otherwise created or established or in which such Person has an undertaking, carries on business or holds property, including, without limitation, Namibia, or any province, territory, state, municipality, district or political subdivision of any such country or of any such province, territory or state of such country;
- (r) “**Guarantee**” has the meaning set forth in paragraph 6.1(c) below;
- (s) “**Initial Advance**” means the initial advance of the Loan of \$2,500,000;
- (t) “**Kombat Holdings Namibia**” means Kombat Holdings Namibia (Proprietary) Limited.

- (u) **“Kombat Mine”** means the prospecting and mining project conducted by the Borrower in respect of the “Locations” listed in Schedule “A”, as such list of locations may be expanded from time to time by the Lender in its sole discretion;
- (v) **“LIBO Rate”** means, for any Libor Interest Period:
 - (i) the rate of interest set by ICE Benchmark Administration Limited (or any successor to, or substitute for, such service, providing rate quotations comparable to those currently provided by ICE Benchmark Administration Limited) applicable to U.S. Dollar deposits in the London interbank market (as published by any service selected by the Lender that has been nominated by ICE Benchmark Administration (or any successor thereto) as an authorized information vendor for the purpose of displaying such rates), as determined by the Lender at approximately 11:55 a.m., London time, on the date that is two Business Days prior to the first day of such LIBOR Interest Period and having a maturity equal to such LIBOR Interest Period; or
 - (ii) in the event that no such rate is available to the Lender, the rate per annum determined by the Lender to be the rate at which deposits in U.S. Dollars, in the approximate amount of the applicable Advance and for a period equal to such Libor Interest Period, would be offered to the Lender by major banks in the London interbank market at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the first day of such Libor Interest Period;

provided that, in no event shall LIBO Rate for such Libor Interest Period be less than zero percent per annum.

- (w) **“Libor Interest Period”** means the period commencing on the date the relevant Advance is made and ending one (1) month thereafter;
- (x) **“Lien”** means any security interest, mortgage, debenture, pledge, hypothec, assignment (as security), lien (statutory or other), charge, title retention, consignment, lease or other security agreement or trust, right of set-off or other arrangement having the effect of security for the payment of any debt, liability or obligation and “Liens” shall have the corresponding meaning.
- (y) **“Loan”** means the loan in the aggregate principal amount of up to the Maximum Amount granted by the Lender to the Borrower pursuant to this Agreement;
- (z) **“Loan Documents”** means, collectively, this Agreement, the Security, and each other agreement, document, certificate or instrument delivered to or for the benefit of the Lender pursuant to or otherwise in connection with this Agreement or the Security;

- (aa) **“Loan Obligations”** means the Loan, the Commitment Fee, the Arrangement Fee and other obligations of the Borrower owing to the Lender incurred under or pursuant to this Agreement, and any item or part of any thereof;
- (bb) **“Material Adverse Effect”** means an effect which, (a) impairs, in a materially adverse way, the business, assets, liabilities, financial position, ownership or operations of the Borrower or the Guarantor, or (b) impairs, in a materially adverse way, the ability of the Borrower or the Guarantor to perform its obligations under this Agreement, the Security or the other Loan Documents, or (c) prejudices, restricts or renders unenforceable or ineffective, in a materially adverse way, any of the rights intended or purported to be granted under or pursuant to this Agreement or the Security to or for the benefit of the Lender;
- (cc) **“Maturity Date”** means the earliest of (i) the date which falls forty-two (42) months after the Initial Advance; and (ii) the occurrence and continuance of an Event of Default and a demand for payment by the Lender pursuant to paragraph 10.2 of this Agreement;
- (dd) **“Maximum Amount”** means \$5,000,000;
- (ee) **“Mine and Mineral Rights”** means the various *mineral licences* (the term “mineral licences” having the same meaning given thereto by the Namibian *Minerals (Prospecting and Mining) Act, 1992*) granted and issued by the Namibian Minister of Mines and Energy to the Borrower, and means, more specifically, mining licences ML 9, ML 16, ML 21 ML 73B and ML 73C and exclusive prospecting licence EPL 7525, the further details of which are set out in Schedule “A” and such other mineral licences existing from time to time and held by the Borrower in respect of the Kombat Mine;
- (ff) **“Namibian Segregated Account”** has its meaning set forth in paragraph 5.3 below;
- (gg) **“Off-Take Agreement”** means the agreement between the Lender and the Borrower effective as of the date of the Initial Advance in respect of the Lender’s purchase of certain copper concentrates produced at the Kombat Mine by the Borrower as the same may be amended, modified, restated or replaced from time to time;
- (hh) **“Operating Permits”** means all permits, licences, authorizations and similar authorizations required to exploit, mine and/or produce any or all of the minerals in respect of, and to operate, the Kombat Mine, including but not limited to any agreements with any owner of private land, in respect of which the Borrower holds a mineral licence, containing terms and conditions relating to the payment of compensation to such owner;
- (ii) **“Outstanding Balance”** has its meaning set forth in paragraph 5.1 below;

- (jj) **“Permitted Liens”** means, as of any particular time in respect of any particular asset owned by the Borrower or the Guarantor, any of the following:
- (i) Liens for taxes, assessments or governmental charges or levies not at the time due and delinquent or the validity of which is being contested in good faith at the time by the Borrower and in respect of which the Borrower has set aside on its books reserves reasonably considered by it to be adequate therefore, and provided that the Lender is satisfied with the adequacy of such reserves;
 - (ii) the Lien of any judgment rendered or claim filed against the Borrower which it is contesting in good faith at the time and in respect of which it has set aside on its books reserves reasonably considered by it to be adequate therefore, and provided that the Lender is satisfied with the adequacy of such reserves;
 - (iii) undetermined or inchoate Liens and charges incidental to current construction or repairs or current operations which have not at the time been filed pursuant to law against the Borrower or which relate to obligations not due or delinquent;
 - (iv) maritime, warehousemen’s, woodsmen’s, carriers’, materialmen’s, repairmen’s, mechanics’ and other similar Liens which relate to obligations not due or delinquent;
 - (v) the encumbrance resulting from the deposit of cash or obligations as security when the Borrower is required to do so by a Governmental Body or by normal business practice in connection with contracts, licences or tenders or similar matters in the ordinary course of business and for the purpose of carrying on the same or to secure workers’ compensation, employment insurance, surety or appeal bonds or to secure costs of litigation when required by law;
 - (vi) public and statutory obligations which are not due or delinquent, and security given to a public utility or any Governmental Body when required by such utility or other authority in connection with the operations of the Borrower;
 - (vii) easements, rights-of-way or similar rights in real property granted to or reserved by other Persons which do not materially impair the usefulness of such real property in connection with the Project;
 - (viii) rights reserved to or vested in any Governmental Body by any lease, licence, franchise, grant, permit or statutory provision to terminate any lease, licence, franchise, grant or permit, or to require annual or other periodic payments as a condition of the continuance thereof;

- (ix) reservations, limitations, provisos and conditions expressed in any original grant from a Governmental Body of real property;
- (x) Liens in respect of the Guarantor which do not attach to assets relating to the Kombat Mine;
- (xi) Purchase Money Obligations;
- (xii) equipment leases entered into in the ordinary course of business, not to exceed \$50,000,000 in total;
- (xiii) Liens in favour of the Lender and those liens listed on Schedule "B" hereto; and
- (xiv) those Liens with the prior written consent of the Lender.
- (kk) "**Person**" means an individual, corporation, estate, partnership, trust, joint venture, other legal entity, unincorporated association or Governmental Body;
- (ll) "**Project**" means the re-start of mining activities, development and operations of the Kombat Mine;
- (mm) "**Project Plan**" means the project plan as set out within the financial model delivered by the Borrower to the Lender, and any other documentation concerning expected progress of the Project, as accepted by IXM Industry Team, as amended, restated, supplemented and/or re-delivered from time to time, provided that such plan is delivered in accordance with this Agreement;
- (nn) "**Purchase Money Obligation**" means indebtedness of a Person incurred or assumed to finance the acquisition, construction or installation of, or improvements to, any property, provided that such indebtedness is incurred or assumed substantially concurrently with, such acquisition, construction, installation or improvement, and includes any extension, renewal or refunding of any such indebtedness so long as the principal amount thereof outstanding on the date of such extension, renewal or refunding is not increased;
- (oo) "**Sanctions**" means any Applicable Law governing transactions in controlled goods or technologies or dealings with countries, entities, organizations, or individuals subject to economic sanctions and similar measures, including, without limitation, the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Freezing Assets of Corrupt Foreign Officials Act* (Canada), Part II.1 of the *Criminal Code* (Canada), and the *Export and Import Permits Act* (Canada), and any regulations thereunder;
- (pp) "**Security**" has its meaning set forth in paragraph 6.1 below;

- (qq) **“Subsequent Advance”** means one additional advance subsequent to the Initial Advance, but prior to the Draw Period End Date, of the balance of the Loan not drawn under the Initial Advance;
- (rr) **“Term Sheet”** means the proposal dated May 7, 2021 issued by the Lender; and
- (ss) **“Voting Capital Stock”** means Capital Stock of a Person which carries voting rights.

1.2 Currency. All references to dollars or currency in this Agreement are to US dollars unless otherwise stated.

1.3 Extended Meanings. In the Loan Documents, except to the extent the context otherwise requires: (a) any reference to an Article, a Section, a Schedule or an Exhibit is a reference to an article or section thereof, or a schedule or an exhibit thereto, respectively, and to a subsection or a clause is, unless otherwise stated, a reference to a subsection or a clause of the Section or subsection in which the reference appears; (b) the words **“hereof,” “herein,” “hereto,” “hereunder”** and the like mean and refer to this Agreement or any other Loan Document as a whole and not merely to the specific Article, Section, subsection, paragraph or clause in which the respective word appears; (c) the meaning of defined terms shall be equally applicable to both the singular and plural forms of the terms defined; (d) the words **“including,” “includes”** and **“include”** shall be deemed to be followed by the words **“without limitation;”** (e) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of the Loan Documents; (f) references to statutes or regulations are to be construed as including all statutory and regulatory provisions consolidating, amending, supplementing, interpreting or replacing the statute or regulation referred to; (g) any table of contents, captions and headings are for convenience of reference only and shall not affect the construction of this Agreement or any other Loan Document; and (h) in the computation of periods of time from a specified date to a later specified date, the word **“from”** means **“from and including”**; the words **“to”** and **“until”** each mean **“to but excluding”**; and the word **“through”** means **“to and including.”**

1.4 Headings. The headings to the clauses of this Agreement are inserted for convenience only and shall not affect the construction or interpretation hereof. The terms **“this Agreement,” “hereof,” “hereunder”** and similar expressions refer to this Agreement and not to any particular Article, Section, Subsection, paragraph, subparagraph, clause or other portion hereof and include any agreement supplemental hereto. Save as expressly provided herein, references herein to Articles and Sections are to Articles and Section of this Agreement.

1.5 Accounting Terminology and Practices. All accounting terms not defined in this Agreement shall have those meanings generally ascribed to them in accordance with GAAP. Where financial data is to be submitted pursuant to this Agreement, or the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made, for the purposes of this Agreement and any other Loan Document, including the contents of any certificate to be delivered hereunder, such determination, consolidation or computation shall, unless the parties

otherwise agree or the context otherwise require, be made in accordance with GAAP applied on a consistent basis.

1.6 Per Annum Calculations. Unless otherwise stated, wherever in this Agreement or any other Loan Document reference is made to a rate of interest “per annum” or a similar expression is used, such interest shall be calculated (i) where such interest references the LIBO Rate, on the basis of a 360-day year and the actual number of days elapsed and, otherwise, (ii) using the nominal rate method, and not the effective rate method, of calculation and on the basis of a calendar year of 365 days or 366 days, as the case may be.

2. LOAN

2.1 Initial Advance. Subject to and upon the fulfilment of the conditions precedent contained in paragraph 7.1 of this Agreement, with three Business Days’ prior notice the Lender will advance to the Borrower on such Business Day as requested by the Borrower, and provided such Business Day is on or before the Draw Period End Date, the amount of the Initial Advance requested by the Borrower.

2.2 Subsequent Advance. Provided an Event of Default has not occurred and is continuing, the Borrower is in compliance with all terms and conditions herein contained and subject to and fulfilment of the conditions precedent contained in paragraph 7.2 of this Agreement, with three Business Days prior notice the Lender will advance to the Borrower the amount of the Subsequent Advance requested by the Borrower on a Business Day requested by the Borrower, provided such Business Day is on or before the Draw Period End Date.

2.3 Use of Proceeds. The Borrower covenants and agrees with the Lender that the Loan will be only used by the Borrower for capital expenditures, operating expenses and general working capital relating to the re-start of mining activities, development and operation of the Kombat Mine and for no other purpose whatsoever without the express written consent of the Lender.

3. FUNDING

3.1 Funds. Each Advance shall be advanced in US dollars by direct deposit or wire transfer, to the account set out by the Borrower in a written notice to the Lender unless otherwise agreed to by the Borrower and Lender.

4. FEES

4.1 Commitment Fee. In consideration of the Lender agreeing to enter into this Agreement, the Borrower shall pay to the Lender a fee equal to 3.2% of the Maximum Amount, which shall be fully earned, due, and payable pro rata based on the amount of the Initial Advance and the Subsequent Advance on the date of the Initial Advance and the Subsequent Advance, respectively (the “**Commitment Fee**”). The Commitment Fee shall be non-refundable.

4.2 Arrangement Fee. In consideration of the Lender entering into this Agreement, the Borrower shall pay to the Lender a fee equal to 1% of the Maximum Amount which shall be fully earned, due, and payable pro rata based on the amount of the Initial Advance and the

Subsequent Advance on the date of the Initial Advance and the Subsequent Advance, respectively (the “**Arrangement Fee**”). The Arrangement Fee shall be non-refundable.

5. PAYMENT

5.1 Repayment. The principal amount of the Advances, together with all accrued but unpaid interest, bonus and all other sums due and payable from time to time pursuant to the terms of this Agreement (collectively the “**Outstanding Balance**”), shall be payable by the Borrower to the Lender in thirty-six (36) equal monthly instalments on the last Business Day of each month commencing on the date which is six (6) months following the Initial Advance, together with a further final payment of all outstanding principal and interest on the Loan, and all other then outstanding Loan Obligations, on the Maturity Date (the date and amounts of such payments are referred to as the “**Amortization Schedule**”); *provided that*, notwithstanding timing of repayment of the principal amount of the Advances, interest on such Advances shall be payable by the Borrower to the Lender monthly on the last Business Day of every month as set out in paragraph 5.5.1 below.

5.2 Permitted Prepayment. The Borrower may prepay in whole or in part, and without notice, bonus or penalty, any portion of the Loan at any time provided that each such prepayment amount must be in an amount equal to or in excess of \$250,000. Any such prepayment proceeds shall be applied to the Loan Obligations when and in the manner determined by the Lender in its sole and absolute discretion, and any such proceeds applied to principal repayments shall be applied to principal repayment Loan Obligations in the reverse order of the Amortization Schedule, such that the first dollar of such repayment shall be applied to the last required principal payment in respect of the Amortization Schedule.

5.3 Manner of Payments under the Off-Take Agreement and this Agreement. All payments to be made under the Off-Take Agreement shall be deposited into a bank account in Namibia of the Borrower, which is controlled by the Lender in a manner satisfactory to the Lender (the “**Namibian Segregated Account**”). For greater certainty, the Namibian Segregated Account shall form part of the collateral encumbered by the Notarial Bond. The Lender shall at any time direct payment of funds in the Namibian Segregated Account to satisfy Loan Obligations and any other obligations due to it by the Borrower, including but not limited to under the Off-Take Agreement, with the balance of any funds in the Namibian Segregated Account at the time of such transfer to be sent to an account of the Borrower’s, if sufficient wire details for which have been provided by the Borrower to the Lender reasonably in advance of such transfer. The rights of the Lender under this paragraph are in addition to any other rights and remedies available to them (including, without limitation, other rights of set-off, consolidation of accounts or bankers' Liens).

5.4 Reduction of Loan.

Voluntary prepayments by the Borrower of Advances shall permanently reduce the Loan and such amounts cannot be re-borrowed. Each prepayment of the Loan pursuant to

this paragraph shall be applied to the instalments of the Loan pro rata in inverse order of maturity.

5.5 Interest.

5.5.1 Interest will accrue on the Outstanding Balance from the date of each Advance during each applicable Libor Interest Period at the rate per annum equal to the sum of (i) the LIBO Rate in effect from time to time during such Libor Interest Period and (ii) the Applicable Margin calculated daily, both before and after maturity, default or judgment, and be payable by the Borrower to the Lender monthly in arrears on the last Business Day of every month.

5.5.2 For the purposes of the *Interest Act* (Canada) and disclosure under such Act:

- (a) wherever interest to be paid under this Agreement is to be calculated on the basis of any period of time that is less than a calendar year (a "deemed year"), such rate of interest shall be expressed as a yearly rate by multiplying such rate of interest for the deemed year by the actual number of days in the calendar year in which the rate is to be ascertained and dividing it by the number of days in the deemed year; and
- (b) each of the Borrower and the Guarantor confirms that it fully understands and is able to calculate the rate of interest applicable to the Loan based on the methodology for calculating per annum rates provided for in this Agreement. The Lender agrees that, if requested in writing by the Borrower, it shall calculate the nominal and effective per annum rate of interest on any Advance outstanding at any time and provide such information to the Borrower promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve the Borrower or the Guarantor of any of its obligations under this Agreement or any other Loan Document, nor result in any liability to the Lender. Each of the Borrower and the Guarantor hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to the Loan Documents, that the interest payable under the Loan Documents and the calculation thereof has not been adequately disclosed to the Borrower and Guarantor, whether pursuant to Section 4 of the *Interest Act* (Canada) or any other applicable law or legal principle.

5.5.3 Each determination by the Lender of an interest rate or calculation of a fee hereunder shall be conclusive and binding for all purposes, absent manifest mathematical error in calculating such amount.

5.5.4 Notwithstanding any other provision hereof but subject to clause (d) below,

- (a) if all or any portion of any amount due hereunder (including any amounts of principal or interest, and any fee or other amount payable) is not paid when due, whether at stated maturity, by acceleration or otherwise, the Borrower shall pay interest on such overdue amount (including interest on interest) if, and to the fullest extent, permitted by Applicable Law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such

payment if the payment is made before 1:00 p.m. (Geneva, Switzerland time) to the Lender on the date of such payment), at a rate of interest per annum equal to LIBO Rate plus the Applicable Margin plus 5% per annum (the “**Default Rate**”).

- (b) Upon the occurrence and during the continuation of any Event of Default, the Borrower shall pay interest on all outstanding Loan Obligations at the Default Rate to the fullest extent permitted by Applicable Law.
- (c) Interest under this paragraph shall be calculated daily and payable on demand in US dollars, both before and after maturity, default and judgment.
- (d) Notwithstanding anything to the contrary contained in any Loan Document, to the extent that the charges and security interests securing the Loan Obligations create a charge or any other interest in real property, such charges and security interests shall secure interest after the occurrence of an Event of Default at the same rates as those in effect prior to such occurrence.

5.5.5 **Effect of Benchmark Transition Event.**

- (a) **Benchmark Replacement** . Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Lender may amend this Agreement to replace LIBO Rate with a Benchmark Replacement. Any such amendment will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Lender has provided such proposed amendment to the Borrower without any further action or consent of the Borrower. No replacement of LIBO Rate with a Benchmark Replacement pursuant to this Section titled “Effect of Benchmark Transition Event” will occur prior to the applicable Benchmark Transition Start Date.
- (b) **Benchmark Replacement Conforming Changes**. In connection with the implementation of a Benchmark Replacement, the Lender will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of the Borrower.
- (c) **Notices; Standards for Decisions and Determinations**. The Lender will promptly notify the Borrower of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date and Benchmark Transition Start Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes and (iv) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Section titled “Effect of Benchmark Transition Event”, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event,

circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in the Lender's sole discretion and without consent from the Borrower, except, in each case, as expressly required pursuant to this Section titled "Effect of Benchmark Transition Event".

- (d) **Certain Defined Terms.** As used in this Section titled "Effect of Benchmark Transition Event":

"Benchmark Replacement" means the sum of: (a) the alternate benchmark rate (which may include without limitation, Term SOFR, Ameribor, or BSBY) that has been selected by the Lender giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement to LIBO Rate for U.S. dollar-denominated syndicated or bilateral credit facilities and (b) the Benchmark Replacement Adjustment; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

"Benchmark Replacement Adjustment" means, with respect to any replacement of LIBO Rate with an Unadjusted Benchmark Replacement for each applicable Libor Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBO Rate with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBO Rate with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated or bilateral credit facilities at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including the definition of "Libor Interest Period", timing and frequency of determining rates and making payments of interest and other administrative matters) that the Lender decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or if the Lender determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Lender decides is reasonably necessary in connection with the administration of this Agreement).

“Benchmark Replacement Date” means the earlier to occur of the following events with respect to LIBO Rate:

(A) in the case of Clause (A) or (B) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of LIBO Rate permanently or indefinitely ceases to provide LIBO Rate; or

(B) in the case of Clause (C) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to LIBO Rate:

(A) a public statement or publication of information by or on behalf of the administrator of LIBO Rate announcing that such administrator has ceased or will cease to provide LIBO Rate, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBO Rate;

(B) a public statement or publication of information by the regulatory supervisor for the administrator of LIBO Rate, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for LIBO Rate, a resolution authority with jurisdiction over the administrator for LIBO Rate or a court or an entity with similar insolvency or resolution authority over the administrator for LIBO Rate, which states that the administrator of LIBO Rate has ceased or will cease to provide LIBO Rate permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBO Rate; or

(C) a public statement or publication of information by the regulatory supervisor for the administrator of LIBO Rate announcing that LIBO Rate is no longer representative.

“Benchmark Transition Start Date” means (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) and (b) in the case of an Early Opt-in Election, the date specified by the Lender by notice to the Borrower.

“Benchmark Unavailability Period” means, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBO

Rate and solely to the extent that LIBO Rate has not been replaced with a Benchmark Replacement, the period (x) beginning at the time that such Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced LIBO Rate for all purposes hereunder in accordance with the Section titled “Effect of Benchmark Transition Event” and (y) ending at the time that a Benchmark Replacement has replaced LIBO Rate for all purposes hereunder pursuant to the Section titled “Effect of Benchmark Transition Event.”

“**Early Opt-in Election**” means the occurrence of:

(A) determination by the Lender that at least five (5) currently outstanding U.S. dollar-denominated syndicated or bilateral credit facilities at such time contain (as a result of amendment or as originally executed) as a benchmark interest rate, in lieu of LIBO Rate, a new benchmark interest rate to replace LIBO Rate, and

(B) the election by the Lender to declare that an Early Opt-in Election has occurred and the provision by the Lender of written notice of such election to the Borrower.

“**Federal Reserve Bank of New York’s Website**” means the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“**Relevant Governmental Body**” means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

“**SOFR**” with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website.

“**Term SOFR**” means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“**Unadjusted Benchmark Replacement**” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

6. SECURITY

6.1 Security. The performance by the Borrower of all of its obligations to the Lender hereunder, including, without limitation, the repayment of the Loan together with interest thereon and all other amounts payable hereunder, shall be secured in particular by the following:

- (a) the Borrower will grant to the Lender a first ranking general covering notarial bond over all of its movable property, meaning every kind of property and every

right or interest which is not immovable property as defined in section 2 of the *Insolvency Act 24 of 1936*, and such as the Borrower now possesses or may at any time in the future become possessed of, but excluding the Mineral Licences, to a secured value not exceeding \$5,000,000 (Five Million United States Dollars) (the “**Notarial Bond**”);

- (b) a guarantee and cession in security, in terms whereof Kombat Holdings Namibia guarantees to the Lender the punctual performance by the Borrower of all the obligations owed by the Borrower to the Lender under this Agreement and pledges and cedes in security (*in securitatem debiti*) all of its shares, its current and future claims of whatsoever nature against Borrower, whether in the form of shareholder loans, or otherwise and related rights with regard to the aforesaid shares and claims (the “**Pledge**”); and
- (c) an unlimited guarantee granted by the Guarantor of all present and future debts and obligations of the Borrower to the Lender relating to this Agreement and the Off-Take Agreement which shall terminate coterminously with this Agreement (the “**Guarantee**”);

all in form and on terms satisfactory to the Lender, acting reasonably (collectively, the “**Security**”).

7. **CONDITIONS PRECEDENT**

7.1 **Conditions Precedent to Initial Advance.** As conditions precedent to the Initial Advance:

- (a) all Operating Permits, including all governmental, regulatory, shareholder and third-party consents and approvals, necessary or desirable in connection with the re-start of mining activities and continuing operation of the Kombat Mine, entering into this Agreement and transactions contemplated hereby, and the continuing operations of the Borrower, Guarantor, and their Subsidiaries and the transaction contemplated hereby shall have been obtained and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent or otherwise impose adverse conditions on the re-start of mining activities and/or operation of the Kombat Mine and/or the financing contemplated hereby;
- (b) receipt by the Lender of written confirmation by the Borrower and the Guarantor that the representations and warranties of the Borrower and the Guarantor contained in paragraph 8.1 are true and correct in all material respects as of the date of this Agreement and the Borrower and the Guarantor will have complied in all material respects with all covenants required to be complied with by each of them under this Agreement and all other Loan Documents on such date;
- (c) the Lender shall have received evidence of insurance coverage in form, scope and substance satisfactory to the Lender, acting reasonably, and otherwise in compliance with the terms of paragraph 9.1(j) of this Agreement;

- (d) the Lender shall have received a copy of the sustainability policy of the Borrower in form and substance satisfactory to the Lender;
- (e) the Borrower and the Guarantor shall have delivered to the Lender certified copies of the constating documents for each of the Borrower and the Guarantor and all amendments thereto, and certified copies of the required resolutions of the directors of the Borrower and the Guarantor authorizing the transactions contemplated hereunder, including the entering into by the Borrower and the Guarantor of this Agreement, the grant of the Security, and the execution and delivery in favour of the Lender of this Agreement and all agreements, documents and instruments referred to herein, all in form and substance satisfactory to the Lender;
- (f) all Loan Documents, other than those set out in Section 7.2 and Section 7.5 below, shall have been executed and delivered and all filings, registrations and recordings and legal opinions necessary or desirable in connection therewith shall have been made;
- (g) The following documents of title and related documents in relation to shares that are subject to the Pledge:
 - (i) the original share certificates in respect of the shares which are subject to the Pledge;
 - (ii) an original securities transfer form duly executed by Kombat Holdings Namibia (undated and left blank as to the transferee); and
 - (iii) all other documents of title required to be provided under the Pledge.
- (h) A copy of all notices required to be sent, acknowledgements required to be delivered and other documents required to be executed under the Pledge and the Notarial Bond, duly executed by the persons party thereto;
- (i) receipt by the Lender of the Off-Take Agreement, in form and substance satisfactory to the Lender in its sole discretion;
- (j) completion of all due diligence on the Borrower and the Guarantor to the satisfaction of the Lender and its legal counsel, including a review of all:
 - (i) material contracts of the Borrower;
 - (ii) leases, licences, permits, filings and registrations, including Operating Permits, and including without limitation certification that the primary mining licenses in respect of the Kombat Mine continue (A) in the case of the mining licence, for a period of at least 10 years after June 3, 2023, (B) in the case of the prospective licence, until at least January 16, 2023 and (C) in the case of the environmental clearance certificates, until at least June 7, 2024 (MLs 73B, 73C, 21, 16 and 9 (mining and dewatering

exploration activities)), November 16, 2023 (MLs 73B, 73C, 21, 16 and 9 (exploration)) and June 14, 2024 (EPL7525 (exploration)), as applicable;

- (iii) pro-forma financial statements of the Borrower and the Guarantor, on a consolidated basis; and
- (iv) the Borrower's business plan and budget in connection with the Project, including current cost estimates and completion modeling to be approved by the Lender's Industry team;
- (k) receipt of all applicable stock exchange and other regulatory approvals to the completion of this Agreement and the Guarantee;
- (l) receipt of approval by the Bank of Namibia, such approval to be in form and substance satisfactory to the Lender in its sole discretion;
- (m) the Borrower shall have opened the Namibian Segregated Account governed by terms, and operated in a manner, satisfactory to the Lender;
- (n) the Borrower shall have provided disclosure to the Lender, in form and substance satisfactory to the Lender's industry team or an independent technical consultant appointed by the Lender in its sole discretion (the "**Cost to Complete Disclosure**"), evidencing, as at the date of such notice:
 - (i) all Project expenditures;
 - (ii) an estimate of all costs associated with completion of the Project; and
 - (iii) an estimate of timing to completion of the Project;
- (o) evidence satisfactory to the Lender, in its sole and absolute discretion, that all of the Borrower's sources of financing, including equity contributions, have been fully drawn, or are irrevocably available to be drawn, and applied to expenditures relating to the re-start of mining activities and operation of the Kombat Mine;
- (p) the Lender shall have received all fees required to be paid, and all expenses for which invoices have been presented (including the fees and expenses of legal counsel);
- (q) the Lender shall have received all "know your client", anti-money laundering or similar identification information reasonably requested by the Lender in order for the Lender to comply with all applicable Sanctions and Anti-Terrorist Financing and Anti-Money Laundering Laws;
- (r) a drawdown request, in form and substance satisfactory to the Lender;
- (s) on the date of the Initial Advance, the Lender shall have received a certificate from an officer of the Borrower in form and substance satisfactory to the Lender,

certifying that each of the representations and warranties made by the Borrower in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date;

- (t) on the date of the Initial Advance, the Lender shall have received a certificate from an officer of the Guarantor in form and substance satisfactory to the Lender, certifying that each of the representations and warranties made by the Guarantor in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date;
- (u) on the date of the Initial Advance no Event of Default and no Material Adverse Effect shall have occurred and be continuing or will occur after giving effect to the Initial Advance requested, and a certificate from an officer of the Borrower confirming such non-occurrence;
- (v) the Lender will have reviewed and, in its sole and absolute discretion, be satisfied with an environmental remediation plan with respect to the Project and all of the liabilities and costs in connection therewith;
- (w) such additional evidence, documents and undertakings as the Lender may request, acting reasonably, to complete the transactions contemplated hereunder and reasonable evidence of compliance with the conditions set forth in this Agreement shall have been furnished to the Lender;
- (x) the Lender will, in its sole and absolute discretion, be satisfied as to the creditworthiness of the Borrower and the Guarantor and the adequacy of the collateral security contemplated herein; and
- (y) such other conditions precedent the Lender may require based on its due diligence review.

7.2 Conditions Precedent to Subsequent Advance. As conditions precedent to the Subsequent Advance by the Lender:

- (a) all conditions precedent to the Initial Advance, as set out in paragraph 7.1, shall have been met;
- (b) an updated Cost to Complete Disclosure, in form and substance satisfactory to the Lender which also evidences the irrevocable availability of funds, including but not limited to funds advanced under this Agreement and equity contributions, and/or evidence of the draw and application of funds to the re-start of mining activities and the operation of the Kombat Mine, totalling an amount which is sufficient for completion of the Project;
- (c) a drawdown request, in form and substance satisfactory to the Lender;
- (d) on the date of the Subsequent Advance, the Lender shall have received a certificate from an officer of the Borrower in form and substance satisfactory to

the Lender, certifying that each of the representations and warranties made by the Borrower in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date;

- (e) on the date of the Subsequent Advance, the Lender shall have received a certificate from an officer of the Guarantor in form and substance satisfactory to the Lender, certifying that each of the representations and warranties made by the Guarantor in or pursuant to the Loan Documents shall be true and correct in all material respects on and as of such date as if made on and as of such date;
- (f) on the date of the Subsequent Advance no Event of Default and no Material Adverse Effect shall have occurred and be continuing or will occur after giving effect to the Initial Advance requested, and a certificate from an officer of the Borrower confirming such non-occurrence;
- (g) the Lender, in its sole and absolute discretion, being satisfied as to the creditworthiness of the Borrower and the Guarantor and the adequacy of the collateral security contemplated herein; and
- (h) evidence satisfactory to the Lender:
 - (i) of a minimum raise of \$1,000,000 in additional Project financing between the Closing Date and the date of the drawdown request for the Subsequent Advance;
 - (ii) that all milestones with respect to financing and specific capital expenditures, as set out in the Project Plan, and as confirmed by the Lender's industry team or an independent technical consultant appointed by the Lender in its sole discretion, which are required to be met by the date of the Subsequent Advance, have been reached; and
 - (iii) that the Loan, together with sources of funding disclosed to and approved by the Lender, will finance the re-start of mining activities of the Kombat Mine and commercial production of copper therefrom, without the need for any other sources of funds.

7.3 No Obligation to Advance. Without limiting the obligation of the Borrower to pay for the Lender's legal fees and other costs, charges and expenses in accordance with paragraph 12.2 hereof, the Lender shall not be required to make an Advance at any time if:

- (a) an Event of Default has occurred that is continuing;
- (b) the Lender is not satisfied, acting reasonably, as to the accuracy or completeness of the material delivered to it as a condition precedent to such Advance; or
- (c) in the opinion of the Lender, an event has occurred, or there is any action, proceeding or investigation pending or threatened against the Borrower or the

Guarantor, that would have a Material Adverse Effect on the Borrower or the Guarantor.

7.4 Waiver. The conditions set forth in Sections 7.1, and 7.2 are inserted for the sole benefit of the Lender and may be waived by the Lender, in whole or in part (with or without terms or conditions).

8. REPRESENTATIONS AND WARRANTIES

8.1 Representations. Each of the Borrower and the Guarantor represents and warrants as follows to the Lender and acknowledges and confirms that the Lender is relying upon such representations and warranties:

- (a) **Existence and Good Standing.** Each of the Borrower and the Guarantor is a corporation duly and validly incorporated, organized and existing under the laws of its jurisdiction of incorporation and has the legal capacity and right thereunder to carry on its business and to own its assets and has the right to carry on its business and to own its assets in each other jurisdiction in which it carries on business or where any of its assets are located.
- (b) **Authority.** Each of the Borrower and the Guarantor has the legal capacity and right to enter into this Agreement and the Security to which it is a party and do all acts and things and execute and deliver all agreements, documents and instruments as are required thereunder to be done, observed or performed by it in accordance with the terms and conditions thereof.
- (c) **Due Authorization.** Each of the Borrower and the Guarantor has taken all necessary action to authorize the execution and delivery of each Loan Document to which it is a party, the creation and performance of its obligations thereunder and the consummation of the transactions contemplated thereby.
- (d) **Due Execution.** Each of the Borrower and the Guarantor has duly executed and delivered each Loan Document to which it is a party.
- (e) **Enforceability.** Each Loan Document to which the Borrower and the Guarantor, or any of them, is a party constitutes a valid and legally binding obligation enforceable against the Borrower and the Guarantor, as applicable, in accordance with its terms, subject only to bankruptcy, insolvency, winding-up, dissolution, reorganization, arrangement or other statutes or judicial decisions affecting the enforcement of creditors' rights in general and general principles of equity.
- (f) **Absence of Litigation.** There is no existing, pending or threatened litigation against any of the Borrower or the Guarantor that if adversely determined against either of them, either alone or when aggregated with all other such litigation, has or would reasonably be expected to have a Material Adverse Effect.
- (g) **Financial Statements.** Each financial report and financial statement of the Borrower or the Guarantor delivered to the Lender pursuant to or in connection

with this Agreement has been prepared in accordance with GAAP and presents fairly in all material respects the financial information and the financial condition and results of operations of the Borrower or the Guarantor contained therein as at their respective preparation dates.

- (h) **Accuracy of Information.** No information furnished by the Borrower or the Guarantor to the Lender as required by any of the Loan Documents contains any material misstatement of fact, or omits to state a material fact, necessary to make the statements contained therein not misleading, in light of the circumstances in which they were made and as of the date made.
- (i) **No Material Adverse Effect.** Since March 31, 2021, the consolidated financial statements of the Guarantor provided to the Lender, there has been no fact, event, state or condition, or any change in any fact, event, state or condition that has or would reasonably be expected to have a Material Adverse Effect.
- (j) **Compliance with Laws.** Each of the Borrower and the Guarantor is in compliance in all material respects with all Applicable Laws applicable to, respectively the Borrower or Guarantor, except for any non-compliance which has not and would not reasonably be expected to have a Material Adverse Effect on the Borrower and the Guarantor or any of them.
- (k) **No Event of Default.** No Event of Default has occurred which has not been expressly waived by the Lender in writing.
- (l) **Taxes.** Each of the Borrower and the Guarantor has:
 - (i) delivered or caused to be delivered all returns for income taxes, royalty payments and other taxes which are now due to the appropriate Governmental Body;
 - (ii) paid and discharged all taxes payable by it when due;
 - (iii) made provision for appropriate amounts in respect of any taxes exigible in accordance with GAAP;
 - (iv) withheld and collected all taxes required to be withheld and collected by it and remitted such taxes to the appropriate Governmental Body when due; and
 - (v) paid and discharged all obligations incidental to any statutory Lien or deemed trust imposed upon it by Applicable Law (including obligations respecting wages, vacation pay, workers' compensation and unemployment insurance) which, if unpaid, might become a Lien on any of its assets other than any Lien which would be a Permitted Lien;

and no assessment or appeal is, to its knowledge, being asserted or processed with respect to any material taxes.

- (m) **Solvency.** Each of the Borrower and the Guarantor is (i) solvent, and (ii) has an amount of capital which is reasonably adequate for carrying out its business as conducted and as proposed to be conducted.
- (n) **Environmental Laws.** The assets and the operation of the Project are in compliance with all environmental laws and all other Applicable Law.
- (o) **Mineral Licences:** Schedule “A” completely, accurately and without omission describes all Mineral Licences held by the Borrower and associated with the Kombat Mine, and all ownership rights, property rights, leases, licences or other rights of the Borrower to exploit the Kombat Mine in the manner contemplated by the Borrower in the mine plan and reports provided by the Borrower to the Lender from time to time.

8.2 Repetition of Representations and Warranties. The representations and warranties made in Section 8.1 shall be deemed to be repeated by the Borrower and the Guarantor on the date of each Advance in relation to facts and circumstances existing on the date of each such Advance.

9. COVENANTS

9.1 Affirmative Covenants. So long as any Loan Obligations remain payable, the Borrower and the Guarantor, as applicable, covenant and agree with the Lender that they will duly perform and comply with each of the following affirmative covenants:

- (a) **Punctual Payment.** The Borrower will duly and punctually pay each sum payable by it under this Agreement at the time and place and in the manner provided for in this Agreement.
- (b) **Existence and Conduct of Business.** Each of the Borrower and the Guarantor will maintain in good standing and full force and effect its legal existence in its present jurisdiction of incorporation or formation and obtain, maintain and preserve all material authorizations, registrations, rights and qualifications necessary, as well as the legal capacity necessary, to carry on its business and own its assets in each jurisdiction in which it carries on business or owns any assets. Each of the Borrower and the Guarantor will carry on its business affairs in a proper manner in accordance with prudent industry standards.
- (c) **Compliance with Applicable Laws.** Each of the Borrower and the Guarantor will comply with all Applicable Laws.
- (d) **Financial Covenants.** The Borrower and the Guarantor, as applicable, shall at all times maintain the following financial covenants:
 - (i) **Debt Service Coverage Ratio:** The Borrower shall maintain a Debt Service Coverage Ratio of 1.5 or greater, as measured on a quarterly basis on the last day of each fiscal quarter of the Borrower beginning with the fiscal quarter ending December 31, 2022.

For purposes of this financial covenant, “**Debt Service Coverage Ratio**” means net operating income for the previous twelve-month period, divided by total debt service for such period.

(ii) **Balance Sheet Covenants.**

(A) **Minimum Tangible Net Worth.** The Borrower and the Guarantor shall, on a consolidated basis maintain a minimum Tangible Net Worth of

(I) **[REDACTED COMMERCIALLY SENSITIVE INFORMATION]** from the date of this Agreement until but not including January 31, 2022;

(II) **[REDACTED COMMERCIALLY SENSITIVE INFORMATION]** upon and following January 31, 2022, until but not including on March 31, 2022; and

(III) **[REDACTED COMMERCIALLY SENSITIVE INFORMATION]** upon and following March 31, 2022.

in each case net of any third party loans and guarantees, including but not limited to loans and guarantees to related companies.

For purposes of this financial covenant, “**Tangible Net Worth**” means book net worth deducting intangibles and non-trade receivables from shareholders and related companies.

(B) **Leverage Ratios.** The Borrower shall maintain a ratio of Total Debts to Tangible Net Worth of at least:

(I) 2.5:1 from the date of this Agreement until but not including January 31, 2022;

(II) 1:1 upon and following January 31, 2022, until but not including March 31, 2022; and

(III) 0.5 upon and following March 31, 2022.

For purposes of this financial covenant, “**Total Debts**” means all interest-bearing liabilities, including but not limited to short term bank loans, bills payables, current portion of long term bank loans, long term loans and other interest bearing liabilities.

For purposes of this financial covenant, “**Tangible Net Worth**” means book net worth deducting intangibles and non-trade receivables from shareholders and related companies.

- (C) **Minimum Liquidity.** The Guarantor shall maintain cash or cash equivalents in the amount of at least [REDACTED COMMERCIAL SENSITIVE INFORMATION].
- (e) **Financial Records.** Each of the Borrower and the Guarantor will maintain in all material respects complete records and books of account.
- (f) **Financial Statements and Other Information.** Each of the Borrower and the Guarantor will deliver or cause to be delivered to the Lender:
- (i) within 120 days after the end of its fiscal year, the annual consolidated financial statements of the Guarantor approved by its board of directors, and audited by its auditors (without qualification relating to ability to continue as a going concern, a limited scope of examination or independence), prepared in accordance with GAAP;
 - (ii) within 60 days after the end of each of its first three fiscal quarters of its fiscal year, the Guarantor's unaudited quarterly consolidated financial statements for its current fiscal year to such fiscal quarter end, signed and approved by a senior officer or director, prepared in accordance with GAAP (subject to annual audit adjustments and in respect of such consolidated statements, the absence of note disclosure) consisting in each case of a balance sheet and statements of income and retained earnings (or deficit) and of changes in financial position; and
 - (iii) within 20 days after the end of each month, such information as the Lender may request, including but not limited to:
 - (A) monthly financial reports and financial summaries for the Borrower consisting of a balance sheet and income statements, debt amortisation & cash flow information, statements of aged trade payables and an update on expenses relative to budget;
 - (B) information required to feed the IXM Industry Dashboard template related to key performance indicators for the re-starting of the Kombat Mine, including reconciliation factors such as tons and grades, cash cost calculation and by-products credits; and
 - (C) mine plans and daily production reports for the Kombat Mine, as well as the raw data used to produce the same, including data template field items defined by the Lender in form and substance satisfactory to the Lender;
 - (iv) from time to time and promptly upon request from the Lender, technical information for the Kombat Mine, including life of mine plans along with annual exploration program, annual budget and forecast mine plans, including design criteria and inputs in form and substance satisfactory to the Lender;

- (v) from time to time and promptly upon request from the Lender, budget and forecast cost estimate for the re-starting of the Kombat Mine, including operational expenditures and capital expenditures in form and substance satisfactory to the Lender; and

from time to time, such additional information regarding the business affairs of the Borrower and the Guarantor as the Lender may reasonably request.

- (g) **Access to Premises and Management.** Borrower shall, with respect to each of its owned, leased or controlled properties, during normal business hours and upon reasonable advance notice (unless an Event of Default shall have occurred and be continuing, in which event no notice shall be required and Lender shall have access at any and all times) provide access to (i) such property to the Lender once per fiscal quarter of the Borrower; and (ii) any of the Borrower's officers, employees and agents as frequently as the Lender determines to be appropriate (each, a "**Field Examination**"), and the Borrower agrees to render to the Lender, at the Borrower's cost and expenses, such clerical and other assistance as may be reasonably required with regard thereto.
- (h) **Notice of Litigation.** Each of the Borrower and the Guarantor will give notice to the Lender as soon as it obtains knowledge of the commencement of any litigation or dispute affecting either of them or any of their business affairs that, either alone or when aggregated with all other such litigation, has or would reasonably be expected to have a Material Adverse Effect;
- (i) **Notice of Governmental Action.** Each of the Borrower and the Guarantor will give notice to the Lender as soon as it obtains knowledge of any Applicable Law that is proposed, introduced or applied by any Governmental Body which has or could reasonably be expected to have a Material Adverse Effect.
- (j) **Notice of an Event of Default.** Each of the Borrower and the Guarantor will give notice to the Lender as soon as it obtains knowledge of any Event of Default and outline in reasonable detail in such notice the action it is taking to remedy any such Event of Default.
- (k) **Maintenance of Insurance.** The Borrower will insure and keep insured all of its business assets which are of an insurable nature against such risks, in such amounts and in such manner as is customary and prudent in the case of an entity carrying on similar businesses or holding similar assets in the jurisdiction in which the Borrower operates, as well as maintain comprehensive general public liability coverage in such amounts and in such manner as is customary and prudent in the case of entities carrying on similar businesses or holding similar assets, all with such financially sound and reputable insurance companies or associations as it may select in the jurisdiction in which the Borrower operates. The Guarantor shall continue to maintain director liability insurance.

- (l) **Comply with Environmental Laws.** Each of the Borrower and the Guarantor will: (i) manage and operate its business assets and business affairs in material compliance with all environmental laws; (ii) obtain and maintain all authorizations and make all material registrations required under all environmental laws in relation to its business assets and business affairs as and when required and remain in compliance therewith; and (iii) store, treat, transport, generate, otherwise handle and dispose of all hazardous materials and waste owned, managed or controlled by it in material compliance with all environmental laws.
- (m) **Environmental Compliance Orders.** Each of the Borrower and the Guarantor will provide the Lender with copies of all material written orders, control orders, directions, action requests, claims, complaints, notices or inquiries received by it: (i) relating to environmental condition of any of its business assets or the conduct of its business affairs; or (ii) relating to compliance or non-compliance with any environmental laws; and proceed diligently to comply with or resolve any such written orders, control orders, directions, action request, claims, complaints, notices or inquiries relating to compliance or non-compliance with environmental laws where the failure to do so would be reasonably expected to have a Material Adverse Effect.
- (n) **Records.** Each of the Borrower and the Guarantor will keep in all material respects adequate records and books of account reflecting all financial transactions in conformity with GAAP and, when requested so to do, and with prior written notice, forthwith make available for inspection by duly authorized representatives of the Lender any of its books and records and furnish the Lender with any information regarding its business affairs and financial condition.

9.2 Negative Covenants. So long as any Loan Obligations remain payable, the Borrower and the Guarantor covenant and agree with the Lender that it will duly perform and comply with each of the following negative covenants:

- (a) **No Sale of Business Assets.** The Borrower and, if applicable, the Guarantor will not sell, transfer, assign, convey or otherwise dispose of any of the business assets of the Borrower or the Guarantor, except (i) in the ordinary course (including, without limitation, obsolete or unnecessary equipment in the ordinary course) and (ii) the Guarantor's disposition of its interest in research permit numbers 3941611, 3941612, 3941613, 3941614 and 3941615 relating to mining projects in Tamdout, Morocco.
- (b) **No Incurring Indebtedness.** The Borrower and the Guarantor will not, without the prior written consent of the Lender, create, issue, incur, assume or permit to exist any indebtedness or contingent liabilities, in any manner, whether directly or indirectly, in respect of its business assets except (i) obligations in favour of the Lender, (ii) such indebtedness or liabilities incurred in the ordinary course of their business affairs (including, without limitation, indebtedness associated with capital equipment leases incurred from time to time) and (iii) indebtedness or

liabilities of the Borrower or Guarantor to a subsidiary of the Guarantor, provided that (A) no Event of Default has occurred and is continuing or would be caused by such investment, loan or guarantee, and (B) such indebtedness or liability is subordinated and postponed to payment of the Lender on terms satisfactory to the Lender, including but not limited to that no principal amount of such indebtedness or liabilities shall be repaid without the Lender's consent and (iv) indebtedness or liabilities of the Guarantor not to exceed \$15,000,000.

- (c) **No Investments or Guarantees.** The Borrower and the Guarantor will not, directly or indirectly, make any investments in, or loans to, or guarantee the obligation of, any other Person, other than (i) investments by the Guarantor in subsidiaries or loans of the Guarantor to its subsidiaries (ii) to the extent that no Event of Default has occurred and is continuing or would be caused by such investment, loan or guarantee, (iii) and which are subordinated and postponed on terms satisfactory to the Lender, including but not limited to that in no event shall any principal amount be repaid in respect of such investment, loan or guaranteed obligation of the Guarantor.
- (d) **Restricted Payments.** The Borrower and the Guarantor: (A) will not make any payment or distribution to any shareholder, Affiliate or employee of the Borrower or the Guarantor, other than salaries and bonuses consistent with industry norms and the issuance of shares including shares associated with stock options (at volumes consistent with industry norms)] and other stock based payments; (B) will not repay all or any portion of any loans owed now or hereafter to the shareholders of the Borrower or the Guarantor; and (C) will not purchase or redeem any or all of its shares or otherwise reduce its share capital, in each case without the prior written consent of the Lender.
- (e) **No Merger, Amalgamation.** The Borrower and the Guarantor will not enter into any merger, amalgamation, arrangement, consolidation, liquidation, winding-up, dissolution or similar transaction, nor dispose of (in one transaction or a series of transactions) all or substantially all of its business assets to, any Person other than any amalgamation, merger or arrangement involving the Guarantor and any subsidiary of the Guarantor other than the Borrower whereby the Guarantor is the surviving entity.
- (f) **No Amendment to Agreements.** The Borrower will not amend or waive any provision under, or permit any alteration, amendment or waiver of any provision under, any material agreement to which the Borrower is a party and will not permit any assignment of the interest of the Borrower therein which may have a Material Adverse Effect on the business affairs of the Borrower, the Security and/or the repayment of the Loan Obligations.
- (g) **Non-Arm's Length Transactions.** The Borrower and the Guarantor will not enter into, any contract whatsoever with an Affiliate for the sale, purchase, lease or other dealing in any property relating to the Borrower or the Kombat Mine other than at a consideration which equals the fair value of such property or other

than at a fair market rental as regards leased property, and shall not enter into any contract for the provision of services or employment with such persons other than at commercially reasonable rates or values given the nature of the services to be provided, which, in each case, would adversely affect the business affairs of the Borrower and the Guarantor, or either of them, the Security and/or repayment of the Loan Obligations.

- (h) **No Liens.** The Borrower and the Guarantor will not enter into, create, issue, incur, assume or permit to exist any Lien against any of its assets, or any part thereof, other than Permitted Liens.
- (i) **Management Services.** The Borrower and the Guarantor will not enter into any agreement for the provision of operating, management or maintenance services to the Borrower or the Guarantor outside of the ordinary course of business without the prior written consent of the Lender and the provision of such services will not have a Material Adverse Effect on the business affairs or business assets of the Borrower and the Guarantor, or either of them, the Security and/or the Borrower's ability to repay the Loan Obligations.
- (j) **No Change in Business.** The Borrower and the Guarantor will continue to diligently and earnestly pursue the re-start of the Kombat Mine in accordance with the plan for such re-start provided to the Lender, as such plan may be updated from time to time, and will not abandon their respective business affairs as currently conducted, or deviate in any material respect from the nature of their current business.
- (k) **Fiscal Year.** The Borrower and the Guarantor will not change their fiscal year end without the consent of the Lender, such consent not to be unreasonably withheld.

10. EVENTS OF DEFAULT

10.1 Events of Default. Each and every of the events set forth in this paragraph will be an event of default (“Event of Default”):

- (a) if the Borrower fails to make any payment to the Lender when due hereunder;
- (b) if the Borrower defaults in observing or performing any material term, covenant or condition of this Agreement (including, for certainty, any payment in 10.1(a) above), the Security documents or any other collateral document delivered hereunder or in connection with the Loan on its part to be observed or performed;
- (c) if any of the Borrower's representations, warranties or other statements in this Agreement or any other collateral document delivered hereunder or in connection with the Loan (including without limitation the Security) were at the time given false or misleading in any material respect;

- (d) if the Borrower defaults in observing or performing any term, covenant or condition of any material debt obligation by which it is bound;
- (e) if the Borrower defaults in observing or performing any term, covenant or condition under any applicable Operating Permits which would result in the counterparty being able to revoke, suspend or terminate the Operating Permit or any Operating Permit is revoked, suspended, not renewed or amended in any way that could reasonably in the determination of the Lender, be considered to have a material negative impact on the ability of the Borrower to advance the re-start of the Kombat Mine in accordance with the then existing plan and budget;
- (f) if the Borrower permits any sum, which has been admitted as due by it, or is not disputed to be due by it, and which forms or is capable of being made a charge upon any of its assets or undertaking, to remain unpaid or not challenged for 30 days after proceedings have been taken to enforce the same;
- (g) if the Borrower ceases or threatens to cease to carry on business;
- (h) if any order is made or issued by a competent regulatory authority prohibiting the trading in shares of the Guarantor or any successor thereof provided that such order is not removed within one Business Day;
- (i) if a Material Adverse Effect occurs;
- (j) if the Borrower petitions or applies to any tribunal for the appointment of a trustee, receiver or liquidator or commences any proceedings under any bankruptcy, insolvency, readjustment of debt or liquidation law of any jurisdiction, whether now or hereafter in effect;
- (k) if any petition or application for appointment of a trustee, receiver or liquidator is filed, or any proceedings under any bankruptcy, insolvency, readjustment of debt or liquidation law are commenced, against the Borrower which is not opposed by the Borrower in good faith, or an order, judgment or decree is entered appointing any such trustee, receiver, or liquidator, or approving the petition in any such proceeding;
- (l) there is a Change of Control of the Borrower;
- (m) any default occurs and is continuing under the Off-Take Agreement which is not waived by the Lender or other purchaser thereunder;
- (n) the conditions precedent to the Subsequent Advance as set out in paragraph 7.2 are not satisfied, or waived by the Lender, by January 31, 2022; or
- (o) financial reporting delivered by the Borrower and the Guarantor evidences (i) variation from the technical or financial plan budgeted and/or forecasted, as delivered pursuant to paragraph 9.1(f), of more than 20% and/or (ii) any milestone set out in the Project Plan, and as confirmed by the Lender's industry team or an

independent technical consultant appointed by the Lender in its sole discretion, or set out in any budget or other plan for the Project delivered to the Lender, is delayed by more than 6 months.

10.2 Termination and Acceleration. Upon the occurrence of an Event of Default which is continuing and at any time thereafter, the Lender may do any one or more of the following:

- (a) declare the Loan to be cancelled, terminated or reduced, whereupon the Lender shall not be required to make any further Advance hereunder;
- (b) enforce any rights the Lender may have in respect of any Security including making demand under the Guarantee;
- (c) accelerate the maturity of all or any item or part of the payment obligations of the Borrower hereunder and declare them to be immediately due and payable, whereupon they shall be so accelerated and become so due and payable;
- (d) suspend any rights of the Borrower and the Guarantor under any Loan Document, whereupon such rights shall be so suspended;
- (e) take any other action, commence any other suit, action or proceeding or exercise such other rights as may be permitted by Applicable Law (whether or not provided for in any Loan Document) at such times and in such manner as the Lender may consider expedient,

all without any additional notice, demand, presentment for payment, protest, notice of protest, dishonour, notice of dishonour or any other action being required.

11. INDEMNITY

11.1 Indemnity. The Borrower and Guarantor each jointly and severally agree to indemnify and save harmless the Lender and each of its directors, officers, employees and agents (the “**indemnified persons**”) from and against all liabilities, claims, losses, damages and costs and expenses (including the fees, charges and disbursements of any counsel for any indemnified person, and shall indemnify and hold harmless each indemnified person from all allocated costs of internal counsel for such indemnified person), incurred by or asserted against any indemnified person by any Person in any way caused by or arising directly or indirectly from or in consequence of:

- (a) the execution or delivery of any Loan Document or any agreement or instrument contemplated in any Loan Document, the performance by the parties thereto of their respective obligations under any Loan Document or the consummation of the transactions contemplated by the Loan Documents;
- (b) the occurrence of any Event of Default under this Agreement;
- (c) any Advance or the actual or proposed use of the proceeds therefrom;

- (d) any actual or alleged presence or release of hazardous materials on or from any property currently or formerly owned or operated by the Borrower or any of its subsidiaries, or any environmental liability related to the Borrower or any of its subsidiaries in any way, including any environmental condition relating to the Kombat Mine in existence at any time before, at or after the Closing Date and/or any release of contaminants on, in, under or into the environment from the Kombat Mine; or
- (e) any actual or prospective claim, investigation, litigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or the Guarantor, and regardless of whether any indemnified person is a party thereto, including but not limited to any actual or prospective claim, investigation, litigation or proceeding relating to any re-settlement or re-location plan connected to the Project;

provided that, such indemnity shall not be available to any indemnified person to the extent that such claims, damages, losses, liabilities or related expenses (A) are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or wilful misconduct of such indemnified person, or (B) result from a claim brought by the Borrower or the Guarantor against any indemnified person for breach in bad faith of such indemnified person's obligations under any Loan Document, if a court of competent jurisdiction has rendered a final and non-appealable judgment in favour of the Borrower or the Guarantor on such claim.

12. TAX GROSS-UP AND INDEMNITIES

12.1 Definitions.

12.1.1 For purposes of this Article 12:

“FATCA” means

- (i) sections 1471 to 1474 of the Code or any associated regulations;
- (ii) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a); or
- (iii) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction;

“FATCA Application Date” means:

- (i) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014;
- (ii) in relation to a "withholdable payment" described in section 1473(1)(A)(ii) of the Code (which relates to "gross proceeds" from the disposition of property of a type that can produce interest from sources within the US), 1 January 2019; or
- (iii) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraphs (a) or (b), 1 January 2019,

or, in each case, such other date from which such payment may become subject to a deduction or withholding required by FATCA as a result of any change in FATCA after the Signature Date;

"FATCA Deduction" means a deduction or withholding from a payment under a Finance Document required by FATCA;

"FATCA Exempt Party" means a Party that is entitled to receive payments free from any FATCA Deduction.

"Finance Document" means this Agreement, the Notarial Bond, the Pledge, the Guarantee, and any such further and other security that the Lender may reasonably require;

"Obligor" means the Borrower, the Guarantor and Kombat Holdings Namibia (and Obligor, as the context requires, means any of them);

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Tax Credit" means a credit against, relief or remission for, or repayment of any Tax;

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction;

"Tax Payment" means either the increase in a payment made by an Obligor to the Lender under Clause 12.2 or a payment under Clause 12.3 below.

"VAT" means value added tax as provided for in Value-Added Tax Act 10 of 2000 and any general service Tax or other Tax of a similar nature;

12.1.2 Unless a contrary indication appears, in this Article 12 a reference to "determines" or "determined" means a determination made in the absolute discretion of the person making the determination.

12.2 Tax gross-up.

12.2.1 Each Obligor shall make all payments to be made by it free and clear of and without any Tax Deduction unless a Tax Deduction is required by law.

12.2.2 Kombat Holdings Namibia shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly.

12.2.3 If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

12.2.4 If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

12.2.5 Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Lender evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

12.3 Tax indemnity

12.3.1 Each Obligor shall (within three Business Days of demand by the Lender) indemnify the Lender against, and shall pay to the Lender an amount equal to the loss, liability or cost which the Lender determines will be or has been (directly or indirectly) suffered for or on account of Tax by the Lender in respect of a Finance Document.

12.3.2 Clause 12.3.1 above shall not apply:

- (a) with respect to any Tax assessed on the Lender: (A) under the law of the jurisdiction in which the Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which the Lender is treated as resident for tax purposes or (B) under the law of the jurisdiction in which the Lender's facility office is located in respect of amounts received or receivable in that jurisdiction, if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by the Lender;
- (b) to the extent a loss, liability or cost is compensated for by an increased payment under 12.2 (Tax gross-up) or relates to a FATCA Deduction required to be made by a Party.

12.3.3 The Lender making, or intending to make a claim under Clause 12.3.1 above, shall notify the relevant Obligor as soon as reasonably practicable of the event which will give, or has given, rise to the claim.

12.4 Tax Credit. If an Obligor makes a Tax Payment and the Lender determines that:

- (a) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and
- (b) the Lender has obtained, utilised and retained that Tax Credit,

the Lender shall pay an amount to that Obligor, as soon as reasonably practicable, which the Lender determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

12.5 Stamp Taxes.

Each Obligor shall (within three Business Days of demand) indemnify the Lender against, and shall pay to the Lender, any cost, loss or liability that the Lender incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

12.6 Value added tax.

12.6.1 All amounts set out or expressed to be payable under a Finance Document by any party thereto to the Lender which (in whole or in part) constitute the consideration for a supply or supplies for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply or supplies, and accordingly, subject to Clause 12.6.2 below, if VAT is or becomes chargeable on any supply made by the Lender to any party under a Finance Document, that party shall pay to the Lender (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of such VAT (and the Lender shall provide an appropriate VAT invoice to such party as soon as reasonably practicable).

12.6.2 Notwithstanding anything to the contrary contained in this Clause 12.6 (Value Added Tax), each Obligor irrevocably and unconditionally appoints the Lender as its representative and agent to, in its name place and stead, and for and on its behalf, make payment of all expenses directly to such third parties, which amounts shall be immediately due and recoverable from the relevant Obligor on demand.

12.6.3 Where a Finance Document requires any party thereto to reimburse or indemnify the Lender for any costs or expenses, that party shall reimburse or indemnify (as the case may be) the Lender for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that the Lender reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

12.7 FATCA Deduction.

12.7.1 Each party hereto may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no party hereto is required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction

12.7.2 Each party hereto must, promptly on becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the party to whom it is making the payment.

13. GENERAL

13.1 Severability. If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

13.2 Lender's Fees and Field Examination Costs. Whether or not any Advance is made hereunder, the Borrower will pay to the Lender all of the Lender's legal fees (on a solicitor and own client basis) and other costs, charges and expenses (including due diligence expenses) of and incidental to the due diligence review in connection with the preparation, execution, completion and enforcement of this Agreement and the Security, including the Guarantee, hereunder. Amounts payable under this Section 12.2 shall be payable upon presentment of an invoice. If such amounts not paid within 30 days of presentment of an invoice, such amounts may be added to and form part of the principal amount of the Loan and shall accrue interest from such date as if it had been advanced by the Lender to the Borrower hereunder, if applicable. Notwithstanding whether an invoice has been issued, if any amounts are payable under this Section 12.2 at the time any Advance is made, such amounts shall be deducted from such Advance in satisfaction of such amounts. Without limiting the foregoing, the Borrower will reimburse the Lender for the costs (including reasonable out of pocket expenses plus applicable taxes) related to Field Examinations, as defined in Section 9.1(g) of this Agreement.

13.3 Further Assurances. The Borrower will from time to time, whether before or after the occurrence of an Event of Default, do all such acts and things and execute and deliver all such documents, deeds, transfers, assignments and instruments as the Lender may require for perfecting the Security granted or to be granted pursuant to this Agreement. The Borrower covenants and agrees with the Lender to discharge or cause to be discharged forthwith any encumbrances which may rank equal or in priority to the Lender's Security referred to herein. The Borrower covenants and agrees to take all steps and proceedings as may be necessary to give effect to this Agreement.

13.4 Notices. In this Agreement:

- (a) any notice or communication required or permitted to be given under this Agreement will be in writing and will be considered to have been given if delivered by hand, or email if sent to the Borrower or Guarantor, or mailed by prepaid registered post to the address of each party set out below:

- (i) if to the Lender:

IXM S.A.
rue de Lausanne 15,
1201 Geneva, Switzerland

Attention: [REDACTED PERSONAL INFORMATION]

if to the Borrower and the Guarantor:

c/o Trigon Metals Inc.

130 Queens Quay East, Suite 1224, Toronto, Ontario M5A 0P6

Attention: Chief Executive Officer

Email: [REDACTED PERSONAL INFORMATION]

or to such other address as any party may designate in the manner set out above;
and

- (b) notice or communication will be considered to have been received:
- (i) if delivered by hand during business hours on a Business Day, upon receipt by a responsible representative of the receiver, and if not delivered during business hours, upon the commencement of business on the next Business Day;
 - (ii) if sent by facsimile transmission during business hours on a Business Day, upon the sender receiving confirmation of the transmission, and if not transmitted during business hours, upon the commencement of business on the next Business Day;
 - (iii) if mailed by prepaid registered post upon the fifth Business Day following posting; except that, in the case of a disruption or an impending or threatened disruption in postal services every notice or communication will be delivered by hand or sent by facsimile transmission; and
 - (iv) if sent by email, during business hours on a Business Day, and if not delivered during business hours, upon the commencement of business on the next Business Day.

13.5 Assignment. Neither the Lender or the Borrower may assign all or part of this Agreement or any collateral agreements without the consent of the other party. Notwithstanding the foregoing, the Lender shall be entitled to assign all or part of this Agreement or the collateral agreements without the consent of the Borrower and at its own cost and expense to (i) an affiliate of the Lender, (ii) any financial institution having combined capital and surplus of not less than \$500,000,000 and (iii) a private equity fund or hedge fund for whom a material part of its business includes investing in equity and debt of mining companies (but for certainty not including “vulture funds”). Notwithstanding anything to the contrary in this Section, on the occurrence and during the continuance of an Event of Default, the Lender may assign all or part of this Agreement or any collateral agreements without the consent of the Borrower.

13.6 Agreement to Pay. Upon receipt of written notice and direction from the Lender, the Borrower covenants and agrees to make all payments of interest, principal, structuring fees and other amounts due under this Agreement to the Lender and any assignee, pro rata in accordance with their respective proportionate interests in the Loan as set out in such written notice and direction, absent which all such payments may be made to the Lender.

13.7 Appropriation of Payments. Any and all payments made in respect of the Outstanding Balance from time to time and monies realized from any security held therefore (including without limitation the Security) may be applied to such part or parts of the Outstanding Balance as the Lender may see fit and the Lender may at all times and from time to time change any appropriation as the Lender may see fit.

13.8 Enurement. This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

13.9 Waivers. No failure or delay on the Lender's part in exercising any power or right hereunder will operate as a waiver thereof.

13.10 Judgment Currency.

13.10.1 If, for the purpose of obtaining a judgment in any court, it is necessary to convert a sum due to the Lender in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Lender may purchase the Original Currency with the Other Currency on the Business Day preceding the day on which the final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.

13.10.2 The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lender under any of the Loan Documents shall, notwithstanding any judgment in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lender of any sum adjudged to be so due in the Other Currency, the Lender may, in accordance with normal banking procedures, purchase the Original Currency with the Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lender against any loss and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, the Lender shall remit such excess to the Borrower.

13.11 Remedies are Cumulative. The Lender's rights and remedies hereunder are cumulative and not exclusive of any rights or remedies at law or in equity.

13.12 Time. Time is of the essence of this Agreement and all documents or instruments delivered hereunder.

13.13 Criminal Code Compliance. In this paragraph the terms "interest", "criminal rate" and "credit advanced" have the meanings ascribed to them in Section 347 of the *Criminal Code* (Canada) as amended from time to time. The Borrower and the Lender agree that, notwithstanding any agreement to the contrary, no interest on the Loan or the credit advanced by the Lender under this Agreement will be payable in excess of that permitted under the laws of Canada. If the effective rate of interest, calculated in accordance with generally accepted actuarial practices and principles, would exceed the criminal rate on the credit advanced, then:

- (a) the elements of return which fall within the term “interest” will be reduced to the extent necessary to eliminate such excess;
- (b) any remaining excess that has been paid will be credited towards prepayment of the Loan; and
- (c) any overpayment that may remain after such crediting will be returned forthwith to the Borrower upon demand, and, in the event of dispute, a Fellow of the Canadian Institute of Actuaries appointed by the Lender will perform the relevant calculations and determine the reductions, modifications and credits necessary to effect the foregoing and the same will be conclusive and binding on the parties. This Agreement, and all related agreements and documents will automatically be modified to reflect such modifications without the necessity of any further act or deed of the Borrower and the Lender to give effect to them.

13.14 Invalidity. If at any time any one or more of the provisions hereof is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby to the fullest extent possible by law.

13.15 Governing Laws. This Agreement will be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Each of the Borrower and the Guarantor submits to the non-exclusive jurisdiction of each of the Courts of the Province of Ontario and the High Court of Namibia and agrees to be bound by any suit, action or proceeding commenced in such Courts and by any order or judgment resulting from such suit, action or proceeding, but the foregoing will in no way limit the right of the Lender to commence suits, actions or proceedings based on this Agreement in any jurisdiction it may deem appropriate.

For greater certainty, the Lender may commence a proceeding in either of such courts or both in its sole discretion and the Borrower and Guarantor will not raise objections to such forum for any reason.

13.16 Amendment. This Agreement supersedes the Term Sheet and all prior agreements and discussions between the parties with respect to the subject matter set forth herein. This Agreement may be varied or amended only by or pursuant to an agreement in writing signed by the parties hereto.

13.17 Schedules. All Schedules attached hereto will be deemed fully a part of this Agreement.

13.18 Words. Words (including defined terms) using or importing the singular number include the plural and vice versa and words importing one gender only shall include all genders and words importing persons in this Agreement shall include individuals, partnerships, corporations and any other entities, legal or otherwise.

13.19 Counterparts. This Agreement may be signed in one or more counterparts, originally or by facsimile, or by way of email or .pdf, each such counterpart taken together will form one and the same agreement.

[Signature Page Follows]

TO EVIDENCE THEIR AGREEMENT each of the parties has executed this Agreement on the date first above written.

IXM S.A.

Per: (signed) "Benoit Pialoux"
Name: Benoit Pialoux
Title: Chief Financial Officer

Per: _____
Name:
Title:

**TRIGON MINING (NAMIBIA)
(PROPRIETARY) LIMITED**

Per: (signed) Stephanus Petrus Muller
Name: Stephanus Petrus Muller
Title: Director

TRIGON METALS INC.

Per: (signed) Stephanus Petrus Muller
Name: Stephanus Petrus Muller
Title: Director

SCHEDULE "A"

MINE AND MINERAL RIGHTS

PART I

All real property interests in the name of the Borrower that relate to the Kombat Mine (including after-acquired real property interests) including, without limitation, the following interests:

Licences

Licence No.	Issued to	Issued on	Renewal Date	# of Claims	Location
9	TRIGON MINING (NAMIBIA) (PROPRIETARY) LIMITED	4 June 2021	3 June 2031	One	74.1239 hectares in Otjozondjupa Region, Grootfontain Magisterial District (Asis Ost)
16	TRIGON MINING (NAMIBIA) (PROPRIETARY) LIMITED	4 June 2021	3 June 2031	One	467.8013 hectares in Otjozondjupa Region, Grootfontain Magisterial District (Asis Far West)
21	TRIGON MINING (NAMIBIA) (PROPRIETARY) LIMITED	4 June 2021	3 June 2031	One	264.1346 hectares in Otjozondjupa Region, Grootfontain Magisterial District (Harasib)
73B	TRIGON MINING (NAMIBIA) (PROPRIETARY) LIMITED	4 June 2021	3 June 2031	One	150.1931 hectares in Otjozondjupa Region, Grootfontain Magisterial District (Asis)
73C	TRIGON MINING (NAMIBIA) (PROPRIETARY) LIMITED	4 June 2021	3 June 2031	One	262.2800 hectares in Otjozondjupa Region, Grootfontain Magisterial District (Gross Otavi)

Leases

Lease No.	Issued on	Term	Expiry Date	Location
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None.				
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Surface Leases

Lease No.	Property	Dated	Expiry Date
None.			

Exclusive Prospecting Licenses

License Number	Property	Dated	Expiry Date
7525	1,056.9964 hectares in Otjozondjupa Region, Grootfontain Magisterial District	17 January 2020	16 January 2023

and includes all additional, supplementary, successor, mining leases, mineral licences including grouped mineral licences, exploration rights and permits in respect of the rights to prospect, explore and mine the Kombat Mine.

PART II

Subject to the specific exclusion herein, all real property interests in the name of the Borrower that relate to the Kombat Mine property (including after acquired real property interests), but including, without limitation, the following:

1. Land and buildings consisting of Erven No. 1, 2, 7, 8 & 78 Kombat, held under Deed of Transfer T4376/2017.

SCHEDULE "B"
PERMITTED LIENS

- 1 [REDACTED COMMERCIALY SENSITIVE INFORMATION]
2. [REDACTED COMMERCIALY SENSITIVE INFORMATION].