

GMSA Convertible Loan Facility Agreement

between

Industrial Development Corporation of South Africa Limited

and

Giyani Metals Corp

and

Thabatala Holdings Proprietary Limited

and

Menzi Battery Metals Proprietary Limited

and

Giyani Metals South Africa Proprietary Limited

and

Thabatala Technology Company Proprietary Limited

CONTENTS

No	Clause	Page No
1.	DEFINITIONS	3
2.	BACKGROUND	25
3.	TERM SHEET	25
4.	SUSPENSIVE CONDITIONS	25
5.	LOAN FACILITY	26
6.	UTILISATION	27
7.	DRAWDOWN	27
8.	INTEREST	28
9.	LISTING ON BSE	29
10.	INITIAL FIRST CONVERSION	29
11.	SUBSEQUENT FIRST CONVERSION	33
12.	SHAREHOLDER ARRANGEMENTS FOLLOWING FIRST CONVERSION OR SECOND CONVERSION	36
13.	REPAYMENT OF CAPITAL AND INTEREST	37
14.	SECOND CONVERSION	37
15.	PROVISIONS APPLICABLE TO THE CONVERSION OPTIONS	39
16.	STEERING COMMITTEE	40
17.	PROJECT DEVELOPMENT MANAGER	44
18.	PROJECT BANK ACCOUNT AND FUNDING FOR PROJECT DEVELOPMENT ACTIVITIES	44
19.	UNDERTAKINGS BY BORROWER DURING LOAN PERIOD	45
20.	OFF-TAKE ELECTION RIGHTS	47
21.	FUNDING FOR THE DEVELOPMENT OF THE PROJECT	47
22.	EVENTS OF DEFAULT	47
23.	SECURITY	49
24.	PROOF OF INDEBTEDNESS	50
25.	CURENCY CONVERSION	50
26.	BORROWER'S WARRANTIES	50
27.	DISPUTE RESOLUTION	51

CONTENTS

28.	CONFIDENTIALITY	52
29.	PUBLICITY	54
30.	SUPPORT	54
31.	NOTICES	54
32.	ENTIRE AGREEMENT	56
33.	SEVERABILITY	56
34.	COSTS OF ENFORCEMENT	56
35.	VARIATION AND CANCELLATION	56
36.	CESSION	56
37.	INDULGENCE	57
38.	GOVERNING LAW AND JURISDICTION	57
39.	COUNTERPARTS	57
40.	FEES AND COSTS	57
	SCHEDULE 1A: EXISTING CORPORATE STRUCTURE DIAGRAM	61
	SCHEDULE 1B: PROPOSED CORPORATE STRUCTURE DIAGRAM (SIMPLIFIED)	62
	SCHEDULE 2: DRAWDOWN NOTICE	63
	SCHEDULE 3: PROJECT DEVELOPMENT BUDGET	65
	SCHEDULE 4: DRAWDOWN CONDITIONS FOR FIRST DRAWDOWN	66
	SCHEDULE 5: SECURITY	68
	SCHEDULE 6A: FIRST CONVERSION OPTION CALCULATION	70
	SCHEDULE 6B: SECOND CONVERSION OPTION CALCULATION	70
	SCHEDULE 6C: CONVERSION CALCULATION GUIDELINES	71
	SCHEDULE 7: DETERMINATION PRINCIPLES	72
	SCHEDULE 8: TARGET PRODUCT SPECIFICATIONS	74
	SCHEDULE 9: LIABILITIES OF THE BORROWER	75
	SCHEDULE 10: SHAREHOLDERS ARRANGEMENTS	76

GMSA Convertible Loan Facility Agreement

1. DEFINITIONS

1.1 In this Agreement, unless the context indicates otherwise, the words and expressions below shall have the following meanings (and cognate expressions shall bear corresponding meanings):

- 1.1.1 **Acceleration Notice** has the meaning given to that term in clause 22.2;
- 1.1.2 **Affiliate** any other person that, directly or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with such person;
- 1.1.3 **AFSA Rules** has the meaning given to that term in clause 27.3.3;
- 1.1.4 **Agreement** this convertible loan facility agreement and its schedule(s), if any;
- 1.1.5 **Applicable Laws** all applicable (in the circumstances and context concerned) laws, ordinances, writs, orders, regulations, judgments and orders of a competent court or central bank or Government Authority in the RSA;
- 1.1.6 **Applicable Securities Laws** all applicable (in the circumstances and context concerned) securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and interpretation notes of the securities regulatory authorities of the Relevant Exchanges;
- 1.1.7 **Approvals Framework** means the framework that may be adopted by the Board from time to time setting out the matters which may be delegated by the Board and considered and approved by, amongst others:
- (a) a duly authorised Board committee;
 - (b) a duly authorised Director; and
 - (c) the Steering Committee;
- 1.1.8 **Auditors** the auditors of the Borrower from time to time;
- 1.1.9 **Availability Period** the period commencing on the Completion Date and ending on 31 March 2025;
- 1.1.10 **BFS Report** a written technical report that satisfies the standards and requirements of NI 43-101 prepared by a qualified and independent engineering firm appointed by the Project Development Manager and approved by the Steering Committee setting out the viability, feasibility and bankability of the Project;
- 1.1.11 **BFS Report Completion Deadline Date** the date that is 90 days after the Steering Committee has confirmed that the Demonstration Plant is capable of

GMSA Convertible Loan Facility Agreement

		producing (and has produced) HPMSM that satisfies the Target Product Specifications (as contemplated in clause 16.11.9), or such later date as may be determined from time to time by the Steering Committee;
1.1.12	Board	the board of Directors of the Borrower from time to time;
1.1.13	Borrower	Giyani Metals South Africa Proprietary Limited, a private limited liability company duly incorporated in accordance with the company laws of the RSA under registration number 2022/610180/07, and a wholly-owned subsidiary of Menzi as depicted in the Existing Corporate Structure Diagram and the Proposed Corporate Structure Diagram;
1.1.14	Borrower Loan Claim	has the meaning given to that term in clause 10.7.3;
1.1.15	Borrower's Mol	the memorandum of incorporation of the Borrower from time to time;
1.1.16	BSE	the Botswana Stock Exchange;
1.1.17	BSE Listing Date	the date on which Giyani Shares are admitted to trading on the BSE, as contemplated in clause 9;
1.1.18	Business Day	a day other than a Saturday or a Sunday on which banks are open for business generally in Toronto, Johannesburg and Gaborone;
1.1.19	CAD	Canadian Dollar, being the lawful currency of Canada;
1.1.20	Claim	means any action, arbitration, audit, claim, charge, demand, subpoena, complaint, contest, inquiry, inquest, examination, challenge, controversy, dispute, appeal, counterclaim, prosecution, hearing, investigation, litigation, or suit (whether civil, criminal, administrative, judicial, or investigative, whether formal or informal, whether public or private) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Authority or arbitrator;
1.1.21	Commitment Fee	has the meaning given to that term in clause 40.2;
1.1.22	Companies Act	the RSA Companies Act, 2008;
1.1.23	Completion Date	the date on which all of the Suspensive Conditions have been fulfilled and/or waived;
1.1.24	Completion Deadline Date	30 November 2024, or such later date as the Loan Parties may agree in writing;
1.1.25	Confidential Information	has the meaning given to that term in clause 28.1;
1.1.26	Constitutional Documents	with respect to a company, the constituent documents of such company and other documents setting forth the

- corporate procedures of such company whether approved by the shareholders or participants of such company or its board of directors;
- 1.1.27 **Continuing** in relation to the occurrence of any breach of this Agreement or other analogous circumstance, that such circumstance is deemed to be continuing until:
- (a) it has been expressly waived in writing by the Lender and any conditions of such waiver have been fulfilled to the reasonable satisfaction of the Lender; or
 - (b) if such breach or circumstance is capable of remedy, it has been remedied within any specified period laid down in respect of the remedy thereof;
- 1.1.28 **Control** has the meaning given to that term in section 2(2) of the Companies Act;
- 1.1.29 **Conversion** collectively, the First Conversion and the Second Conversion, or either of them as the case may be;
- 1.1.30 **Conversion Date** the First Conversion Date(s) or the Second Conversion Date, as the case may be;
- 1.1.31 **Conversion Discount** 20%, subject to adjustment in the circumstances and manner contemplated in clause 15.12.1;
- 1.1.32 **Conversion Equity** collectively, the First Conversion Equity or the Second Conversion Giyani Shares, or any of them as the context may require;
- 1.1.33 **Conversion Equity Calculation Notice** the Initial First Conversion Equity Calculation Notice, the Subsequent First Conversion Equity Calculation Notice or the Second Conversion Equity Calculation Notice, as the case may be;
- 1.1.34 **Conversion Giyani Shares** the First Conversion Giyani Shares issued to the Lender pursuant to the First Conversion(s) or the Second Conversion Giyani Shares issued to the Lender pursuant to the Second Conversion, as the case may be;
- 1.1.35 **Conversion Option** collectively, the First Conversion Option and the Second Conversion Option, or either of them as the context may require;
- 1.1.36 **Conversion Option Exercise Notice** the Initial First Conversion Option Exercise Notice, the Subsequent First Conversion Option Exercise Notice or the Second Conversion Option Exercise Notice, as the case may be;
- 1.1.37 **Demonstration Plant** the demonstration plant being constructed by the Borrower at the Demonstration Plant Site utilising the proceeds of the

- Loan Facility, the purpose of which plant is to demonstrate the production of HPMSM that satisfies the Target Product Specifications utilising raw material sourced from the Kgwakgwe Hill Project;
- 1.1.38 ***Demonstration Plant Budget*** the components of the Project Development Budget allocated to developing the Demonstration Plant as set out in **Schedule 3**, as may be amended, supplemented or replaced from time to time by the Steering Committee;
- 1.1.39 ***Demonstration Plant Completion Deadline Date*** the first anniversary after the First Drawdown Date, provided that the Borrower may by way of written notice to the Lender extend this date to a date not later than 30 June 2025 subject to Giyani Metals having demonstrated to the reasonable satisfaction of the Steering Committee (as contemplated in clause 16.11.6) that it has at the time of such notice Sufficient Project Development Funding to carry out and complete the Project Development Activities within such extended period;
- 1.1.40 ***Demonstration Plant Site*** 19 van Eck Street, Chamdor, Krugersdorp, Gauteng, RSA;
- 1.1.41 ***Determination Principles*** the principles set out in **Schedule 7**, being the principles in terms of and on the basis of which the Expert will be appointed and will make his determination in terms of clauses 10.9, 12.3.2, 15.10 and/or 16.12.2;
- 1.1.42 ***Director*** means any director (as defined in the Companies Act) of the Borrower from time to time;
- 1.1.43 ***Dispose*** to sell, transfer, unbundle, exchange, liquidate, cede, dispose of or otherwise alienate;
- 1.1.44 ***Dispute*** has the meaning given to that term in clause 27.1;
- 1.1.45 ***Disputing Parties*** has the meaning given to that term in clause 27.1;
- 1.1.46 ***Drawdown*** the request for and advance of a Drawdown Amount under and in terms of the Loan Facility;
- 1.1.47 ***Drawdown Amount*** the amount being drawn down by the Borrower from the Lender under the Loan Facility as set out in a Drawdown Notice;
- 1.1.48 ***Drawdown Conditions*** the conditions to Drawdown set out in clause 7.3;
- 1.1.49 ***Drawdown Date*** the date on which the Borrower requires the Lender to advance the Drawdown Amount to the Borrower as set out in a Drawdown Notice;
- 1.1.50 ***Drawdown Notice*** a written notice to be provided by the Borrower to the Lender, setting out, amongst other things, the Drawdown

- Amount and the Drawdown Date, the form of which notice shall be substantially the same as set out in **Schedule 2**;
- 1.1.51 **Economic Failure** shall occur if, in the reasonable opinion of the Lender, a change or deterioration occurs in the domestic or international capital, money, banking, financial, monetary, economic, political or financial market conditions at any time after the Signature Date, which renders it impractical or uneconomical for the Lender to provide the Loan Facility to the Borrower at all or on the terms set out in the Finance Documents;
- 1.1.52 **Encumbrance** any mortgage, pledge, assessment, security, interest, lease, lien, adverse claim, levy, charge or other encumbrance of any kind, or any contract to give any of the foregoing and/or any option, right of first refusal, right of first offer, retention of title agreement, or restriction of any kind or nature, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership, or any other third-party right and to "**Encumber**" means to create an Encumbrance or permit it to arise or exist;
- 1.1.53 **Entity** any association, close corporation, company, concern, enterprise, firm, partnership, joint venture, person, trust, undertaking or any other similar entities;
- 1.1.54 **Event of Default** any event or circumstance specified as such in clause 22.1;
- 1.1.55 **Exchange Rate** in relation to the conversion of two currencies the spot rate of the two currencies concerned quoted at approximately midday (Johannesburg, RSA) on the relevant date on the applicable Thomson Reuters screen (or failing that, the applicable Bloomberg screen or any other credible financial information service provider agreed upon by the Loan Parties);
- 1.1.56 **Existing Corporate Structure Diagram** the corporate structure diagram attached as **Schedule 1A** reflecting the members of the Giyani Metals Group as at the Signature Date;
- 1.1.57 **Expert** either the Technical Expert, the Financial Expert or the Legal Expert, as the case may be;
- 1.1.58 **Finance Documents** collectively:
- (a) this Agreement;
 - (b) the Menzi Loan Facility Agreement; and
 - (c) the Security Documents;

- 1.1.59 **Financial Expert** an accounting expert appointed by the Loan Parties and, in the absence of the Loan Parties agreeing upon the appointment of an accounting expert within 10 Business Days of the expiry of the applicable period within which the Loan Parties were to have resolved the dispute concerned, an independent accounting expert (or firm) nominated by the Auditors;
- 1.1.60 **Financial Indebtedness** any indebtedness for or in respect of:
- (a) moneys borrowed;
 - (b) any acceptance credit;
 - (c) any bond, note, debenture, loan stock or other similar instrument;
 - (d) any redeemable preference share;
 - (e) any agreement treated as a finance or capital lease in accordance with IFRS;
 - (f) liabilities in respect of receivables sold or discounted (otherwise than on a non-recourse basis);
 - (g) the acquisition cost of any asset to the extent payable after its acquisition or possession by the person liable where the deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
 - (h) any derivative instrument protecting against or benefiting from fluctuations in any rate or price (and, except for non-payment of an amount, the then mark-to-market value of the derivative instrument will be used to calculate its amount); and
 - (i) any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing;
- 1.1.61 **First Conversion** the Initial First Conversion or the Subsequent First Conversion, as the case may be;
- 1.1.62 **First Conversion Date** the Initial First Conversion Date or the Subsequent First Conversion Date, as the case may be;
- 1.1.63 **First Conversion Equity** either Giyani Shares or Project HoldCo Shares, as nominated by the Lender in its Initial First Conversion Option Exercise Notice (as contemplated in clause 10.2) and/or in its Subsequent First Conversion Option Exercise Notice (as contemplated in clause 11.2);

GMSA Convertible Loan Facility Agreement

1.1.64	First Conversion Giyani Shares	the Giyani Shares issued to the Lender pursuant to the First Conversion(s);
1.1.65	First Conversion Option	collectively, the Initial First Conversion Option or the Subsequent First Conversion Option, or either of them as the case may be;
1.1.66	First Conversion Project HoldCo Shareholders Loan	the Project HoldCo Shareholders Loan held by the Lender pursuant to the First Conversion(s);
1.1.67	First Conversion Project HoldCo Shares	the Project HoldCo Shares issued to the Lender pursuant to the First Conversion(s);
1.1.68	First Drawdown	the first advance under the Loan Facility by the Lender to the Borrower in terms of this Agreement;
1.1.69	First Drawdown Conditions	the conditions to Drawdown set out in Schedule 4 applicable to the First Drawdown;
1.1.70	First Drawdown Date	the date on which the Lender advances the First Drawdown to the Borrower;
1.1.71	First Lock-In Period	a period of 24 months commencing from: (a) the Initial First Conversion Date as it pertains to the Initial First Conversion Giyani Shares; and (b) the Subsequent First Conversion Date as it pertains to the Giyani Shares issued pursuant to the Subsequent First Conversion;
1.1.72	Giyani Metals	Giyani Metals Corp (formerly Giyani Gold Corp), a public company continued into and existing under the laws of British Columbia, Canada under registration number C0887454, and listed on the TSX Venture Exchange (TSXV:EMM);
1.1.73	Giyani Metals Group	Giyani Metals, Project HoldCo, the Project Companies and any other subsidiary of Giyani Metals that directly or indirectly owns and/or holds any rights pertaining to the Project;
1.1.74	Giyani Metals Minimum Share Price	the closing price of the Giyani Shares on the TSX-V on the trading day immediately before the day on which the Transaction Announcement is published by Giyani Metals (or such other minimum share price as may be stipulated by the TSX-V in accordance with Applicable Securities Laws)
1.1.75	Giyani Metals TSX-V Share Price	the 30 day VWAP of the Giyani Shares traded on the TSX-V as at the relevant date, as certified by any director of Giyani Metals;

- 1.1.76 ***Giyani Pre-Paid Expenditure*** has the meaning given to that term in clause 6.2;
- 1.1.77 ***Giyani Shares*** ordinary shares issued by Giyani Metals;
- 1.1.78 ***Good Management Practices*** recognised methods, procedures and practices as are normal and standard for operations in the RSA, together with the exercise of that degree of skill, diligence, prudence and foresight that reasonably would be expected from an experienced and competent manager under conditions comparable to those applicable to the Project Development Activities in the light of known facts, or facts which should reasonably have been known at the time, and consistent with Applicable Laws and having regard to the need for:
- (a) suitable and experienced personnel and adequate materials;
 - (b) ongoing monitoring and testing of plant and equipment performance, safe operating procedures and appropriate maintenance procedures;
 - (c) the observance of relevant standards; and
 - (d) in the case of design, engineering and construction, internationally accepted design, engineering and construction practices that reasonably would be expected from recognised designers, engineers and constructors of comparable plant, equipment and facilities;
- 1.1.79 ***Governmental Authority*** the government of the RSA or any other country, any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, department, commission, tribunal, registry, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government in any such country as may be applicable in the circumstances and context concerned;
- 1.1.80 ***HPMSM*** high-purity manganese sulphate monohydrate, being the product that is initially intended to be produced by and from the Demonstration Plant and ultimately intended to be produced by ProcessingCo from the manganese oxide mined from the Kgwakgwe Hill Project or sourced from elsewhere;
- 1.1.81 ***IFRS*** International Financial Reporting Standards as issued from time to time by the International Accounting Standards Board or its successor body;

GMSA Convertible Loan Facility Agreement

- 1.1.82 **Initial First Conversion** the conversion by the Lender of some or all of the Outstanding Amount into Giyani Shares or Project HoldCo Equity (as the case may be), as contemplated in clause 10;
- 1.1.83 **Initial First Conversion Amount** has the meaning given to that term in clause 10.5;
- 1.1.84 **Initial First Conversion Cash Call** has the meaning given to that term in clause 10.8.2;
- 1.1.85 **Initial First Conversion Cash Call Option Exercise Notice** has the meaning given to that term in clause 10.8.2;
- 1.1.86 **Initial First Conversion Date** has the meaning given to that term in clause 10.7;
- 1.1.87 **Initial First Conversion Equity** either Giyani Shares or Project HoldCo Shares, as nominated by the Lender in its Initial First Conversion Option Exercise Notice as contemplated in clause 10.2 or in subsequent Conversions as contemplated in clause 10.8;
- 1.1.88 **Initial First Conversion Equity Calculation Notice** has the meaning given to that term in clause 10.5;
- 1.1.89 **Initial First Conversion Giyani Shares** has the meaning given to that term in clause 10.5;
- 1.1.90 **Initial First Conversion Option** the option(s) in terms of which the Lender may from time to time Convert some or all of the Outstanding Amount into Giyani Shares or Project HoldCo Equity, as contemplated in clause 10;
- 1.1.91 **Initial First Conversion Option Exercise Notice** has the meaning given to that term in clause 10.1;
- 1.1.92 **Initial First Conversion Option Exercise Period** the period commencing on the Initial First Conversion Option Exercise Period Commencement Date and ending 90 days thereafter;
- 1.1.93 **Initial First Conversion Option Exercise Period Commencement Date** the last date on which all of the following (where applicable) have occurred:
- (a) the Loan Facility Amount has been drawn down in full or the expiry date of the Availability Period, whichever occurs first;
 - (b) the Steering Committee has approved the BFS Report (as contemplated in clause 16.11.10); and
 - (c) the Steering Committee has confirmed that the Demonstration Plant is capable of producing (and has

produced) HPMSM that satisfies the Target Product Specifications (as contemplated in clause 16.11.9);

- 1.1.94 ***Initial First Conversion Project HoldCo Shareholders Loan*** has the meaning given to that term in clause 10.5;
- 1.1.95 ***Initial First Conversion Project HoldCo Shares*** has the meaning given to that term in clause 10.5;
- 1.1.96 ***Insolvency Event*** in relation to any person or Entity, the occurrence of any of the following events (but excluding any solvent reorganisation undertaken with the prior written consent of the Lender):
- (a) an order or declaration is made or a meeting of the directors or shareholders or trustees of such person is convened to consider the passing of a resolution for, or a resolution is passed for, the administration, custodianship, bankruptcy, liquidation, sequestration, winding-up, judicial management, dissolution or placing under supervision for business rescue proceedings (and whether provisional or final) of it or its estate; or
 - (b) it is unable (or admits inability) to pay its debts generally as they fall due or is (or admits to being) otherwise insolvent or stops, suspends or threatens to stop or suspend payment of all or a material part of its debts or proposes or seeks to make or makes a general assignment or any arrangement or composition or compromise with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting all or a material part of its indebtedness; or
 - (c) it takes any proceeding or other step with a view to the general readjustment, rescheduling or deferral of its indebtedness (which it would otherwise be unable to pay when due) or proposes to take any such step; or
 - (d) any receiver, administrative receiver, judicial receiver, judicial manager, administrator, compulsory manager, judicial custodian, trustee in bankruptcy, liquidator, business rescue practitioner or the like is appointed in respect of it or any material part of its assets or it requests any such appointment; or

- (e) any act which, if such act was committed by an individual, would be an act of insolvency within the meaning of section 8 of the Insolvency Act, 1936 or any equivalent legislation in any jurisdiction to which such person is subject; or
- (f) such person has any judgment, order, arbitration award or similar award in excess of R10,000,000 ("**Judgment**") awarded against it by an arbitrator or a court of competent jurisdiction and:
 - (i) fails to satisfy such Judgment within 5 Business Days after becoming aware thereof; or
 - (ii) if such Judgment is appealable or reviewable, fails to appeal or commence review proceedings, as the case may be, against such Judgment within the time limits prescribed by law or fails diligently to prosecute such appeal thereafter or ultimately fails in such appeal or review and then fails to satisfy the Judgment within 3 Business Days; or
 - (iii) if such Judgment is a default judgment, fails to apply for the rescission thereof within the time limits prescribed by law (or in any event within 5 Business Days of becoming aware thereof) or fails diligently to prosecute such application thereafter or ultimately fails in such application and then fails to satisfy the Judgment within 3 Business Days; or
- (g) it ceases to carry on the business contemplated in its Constitutional Documents; or
- (h) an application is made by any affected person or third party for an order placing it under supervision for business rescue proceedings as contemplated in section 131(1) of the Companies Act; or
- (i) it is "*financially distressed*" as contemplated in section 128(1) of the Companies Act;

1.1.97 ***Intellectual Property***

the following in any location or jurisdiction worldwide:

- (a) all inventions (whether patentable or unpatentable) and whether or not reduced to practice, all improvements thereto, and all patents, patent

- applications and patent disclosures, together with all revisions, extensions and re-examinations thereof;
 - (b) all trademarks, service marks, trade dress, logos, trade names and corporate names, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith;
 - (c) all works capable of copyright, all copyright, and all applications, registrations and renewals in connection therewith;
 - (d) all trade secrets and business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supply lists, pricing and cost information, and business and marketing plans and proposals);
 - (e) all computer software (including data and related documentation);
 - (f) all patterns and/or designs and design applications and registrations;
 - (g) all other proprietary rights; and
 - (h) all copies and tangible embodiments thereof, in each instance in whatever form or medium;
- 1.1.98 **Interest** interest accruing on the Outstanding Amount in terms of clause 8;
- 1.1.99 **Interest Conversion Securities Laws** has the meaning given to that term in clause 15.12;
- 1.1.100 **Kgwakgwe Hill Project** an historical mining operation that terminated mining activities in approximately 1961 located near the town of Kanye in the Southern District of Botswana, which the Giyani Metals Group intends to re-develop into an integrated mining and processing operation for the on-site production of HPMSM directly from manganese oxide material to be mined at the project as described in:
- (a) the initial feasibility study prepared by SRK Consulting (Kazakhstan) Ltd. and Coffey Geotechnics Ltd, dated 14 November 2022; and

- (b) the Preliminary Economic Assessment prepared by CSA Global South Africa and publicly announced by Giyani Metals on 31 July 2023;
- 1.1.101 **Legal Expert** a lawyer of not less than 15 years' standing agreed between the Loan Parties, who is experienced in Botswana mining and corporate law or, failing agreement between the Loan Parties within 10 Business Days from the date of a request by either Loan Party for such agreement, appointed by the chairperson for the time being of the Law Society of Botswana or its successor body;
- 1.1.102 **Lender** the Industrial Development Corporation of South Africa Limited, a corporation established under Section 2 of the Industrial Development Corporation Act, 1940;
- 1.1.103 **Lender's Designated Bank Account** such RSA bank account the details of which shall be notified in writing by the Lender to the Borrower no less than 3 Business Days prior to the due date for payment;
- 1.1.104 **Loan Facility** the loan facility granted by the Lender to the Borrower for the Loan Facility Amount as described in clause 5;
- 1.1.105 **Loan Facility Amount** the lesser of:
- (a) the ZAR Equivalent (determined on the Business Day immediately before the date of the first Drawdown Notice) of USD12,500,000; and
- (b) ZAR234,375,000;
- 1.1.106 **Loan Facility Term** the fourth anniversary of the First Drawdown Date;
- 1.1.107 **Loan Parties** collectively, the Lender and the Borrower, or either of them as the context may require;
- 1.1.108 **Loan Period** the period from the First Drawdown Date until the date on which the Outstanding Amount has been repaid and/or settled by the Borrower in full;
- 1.1.109 **Lock-In Period** collectively, the First Lock-In Period and the Second Lock-In Period, or either of them as the case may be;
- 1.1.110 **Material Adverse Effect** the consequences of an event, circumstance or matter, or a combination of events, circumstances or matters which, in the sole and absolute opinion of the Lender, are or might be expected to be adverse to:
- (a) the business, operations, property, assets, condition (financial or otherwise), or prospects of an Obligor or the Project; and/or

- (b) the ability of an Obligor to comply with or perform any of its obligations under any Finance Document; and/or
 - (c) the ability of the Lender to exercise or enforce any right granted or intended or purported to be granted to it under any Finance Document; and/or
 - (d) the validity or enforceability of any Finance Document and/or the rights or remedies of the Lender in regard thereto;
- 1.1.111 **Maturity Date** the last day of the Loan Facility Term;
- 1.1.112 **Maximum Combined Loan Facility Amount** ZAR300,000,000;
- 1.1.113 **Maximum Permissible Shareholding Percentage** 19.9% of all issued and outstanding Giyani Shares or Project HoldCo Shares (as the case may be), or such higher percentage (which may not at any time exceed 25% of all issued and outstanding Giyani Shares or Project HoldCo Shares (as the case may be)) as may be approved by the Giyani Metals board and/or its shareholders (as may be applicable) and subject to Applicable Securities Laws;
- 1.1.114 **Menzi** Menzi Battery Metals Proprietary Limited, a private limited liability company duly incorporated in accordance with the company laws of Botswana under registration number BW00000504454, and a wholly-owned subsidiary of Giyani Metals as depicted in the Existing Corporate Structure Diagram and the Proposed Corporate Structure Diagram;
- 1.1.115 **Menzi Drawdown Notice** a written notice to be provided by Menzi to the Lender in terms of the Menzi Loan Facility Agreement, setting out, amongst other things, the drawdown amount and the drawdown date in terms of the Menzi Loan Facility;
- 1.1.116 **Menzi Initial First Conversion Option** the “*Initial First Conversion Option*” (as such term is defined in the Menzi Loan Facility Agreement) exercisable by the Lender in terms of which it can convert some or all of the outstanding amount of the Menzi Loan Facility into either Project HoldCo Equity or Giyani Shares on the terms and conditions set out in the Menzi Loan Facility Agreement;
- 1.1.117 **Menzi Loan Claim** has the meaning given to that term in clause 10.7.3;
- 1.1.118 **Menzi Loan Facility** the convertible loan facility granted by the Lender to Menzi for the Menzi Loan Facility Amount set out in the Menzi Loan Facility Agreement;
- 1.1.119 **Menzi Loan Facility Agreement** the Menzi Convertible Loan Agreement concluded on or about the Signature Date between, amongst others, Giyani

	Metals, Menzi and the Lender in terms of which, amongst other things, the Lender grants a convertible loan facility to Menzi for the Menzi Loan Facility Amount;
1.1.120 Menzi Loan Facility Amount	<p>the lesser of:</p> <p>(a) the ZAR Equivalent (determined on the Business Day immediately before the date of the first Menzi Drawdown Notice) of USD3,500,000; and</p> <p>(b) ZAR65,625,000,</p> <p>as set out in the Menzi Loan Facility Agreement;</p>
1.1.121 Menzi Second Conversion Option	the option exercisable by the Lender in terms of which it can convert its Project HoldCo Equity acquired pursuant to the exercise of the Menzi Initial First Conversion Option and/or the Menzi Subsequent First Conversion Option into Giyani Shares on the terms and conditions set out in the Menzi Loan Facility Agreement;
1.1.122 Menzi Steering Committee	the steering committee established in terms of the Menzi Loan Facility Agreement;
1.1.123 Menzi Subsequent First Conversion Option	the “ <i>Subsequent First Conversion Option</i> ” (as such term is defined in the Menzi Loan Facility Agreement) exercisable by the Lender in terms of which it can convert the outstanding amount of the Menzi Loan Facility into either Project HoldCo Equity or Giyani Shares on the terms and conditions set out in the Menzi Loan Facility Agreement;
1.1.124 Mines and Minerals Act	the Mines and Minerals Act, 1999 (Botswana);
1.1.125 NI 43-101	National Instrument 43-101 as set out in the Standards of Disclosure for Mineral Projects developed by the Canadian Securities Administrators;
1.1.126 Obligor	Giyani Metals, Project HoldCo, Menzi, the Borrower, ProcessingCo and any other Entity that is a member of the Giyani Metals Group that provides Security in favour of the Lender;
1.1.127 Outstanding Amount	the aggregate amount from time to time owing by the Borrower to the Lender under this Agreement, including accrued and unpaid Interest and all costs and other amounts owing under this Agreement for which the Borrower is at that time liable to the Lender;
1.1.128 Parties	the signatories to this Agreement and their permitted assignees and successors-in-title, or any one of them as the context may require;

- 1.1.129 **Permit** licenses, leases, permits, approvals, certificates, registrations, authorisations, exemptions, qualifications, easements, rights of way, liens and other rights, privileges and approvals granted to a member of the Giyani Metals Group pertaining the development or operation of the Project under any Applicable Law, including a prospecting licence issued in terms of section 15 of the Mines and Minerals Act and a mining licence issued in terms of section 39 of the Mines and Minerals Act;
- 1.1.130 **Potential Event of Default** any event or circumstance which would reasonably be expected to, after the expiry of a grace period, the giving of a notice, the making of any determination and/or the fulfilment of a condition (or any combination of the foregoing) be an Event of Default;
- 1.1.131 **Prime Rate** the publicly quoted Prime Rate of interest (percent) as published from time to time by the Standard Bank of South Africa Limited as being its Prime Rate from time to time, as evidenced by a certificate of any manager of that bank whose designation it shall not be necessary to prove and whose certificate shall constitute *prima facie* proof of such rate;
- 1.1.132 **ProcessingCo** Thabatala Technology Company Proprietary Limited, limited liability company incorporated in accordance with the company laws of Botswana with registration number BW00005478148 that, prior to First Drawdown, will become a be a wholly-owned subsidiary of Project HoldCo, as depicted in the Proposed Corporate Structure Diagram, and will ultimately be responsible for producing HPMSM using raw materials sourced from the Kgwakgwe Hill Project;
- 1.1.133 **Project** the development, construction and operation of a commercially viable mining and HPMSM processing facility at the Kgwakgwe Hill Project;
- 1.1.134 **Project Bank Account** the bank account described in clause 18;
- 1.1.135 **Project Companies** Menzi, the Borrower and ProcessingCo and, in due course, any other subsidiary of Giyani Metals that directly owns and/or holds any rights pertaining to the Project;
- 1.1.136 **Project Development Activities** the activities required to achieve the successful commissioning of the Demonstration Plant and reach Project FID, the aggregate cost which activities is anticipated to be as set out in the Project Development Budget;

GMSA Convertible Loan Facility Agreement

- 1.1.137 **Project Development Budget** the aggregate amount of the budget in **Schedule 3**, as may be amended, supplemented or replaced from time to time by the Steering Committee;
- 1.1.138 **Project Development Funding Facilities** collectively, the Loan Facility and the Menzi Loan Facility, or either one of them as the context may require;
- 1.1.139 **Project Development Manager** the manager of the Project Development Activities appointed pursuant to clause 17;
- 1.1.140 **Project FID** the final investment decision to be made by the board of directors of Giyani Metals, on the recommendation of the Steering Committee, to commence with the construction and development of the Project as contemplated in the BFS Report (where the recommendation of the Steering Committee and the resolution of the board of directors of Giyani Metals may in each case be conditional on the Giyani Metals Group being able to raise the necessary funding to proceed with such construction and development of the Project);
- 1.1.141 **Project Finance Facilities** all equity, debt and other funding raised (or to be raised) by any member of the Giyani Metals Group as part of Project FID in connection with developing the Project (excluding the Project Development Funding Facilities);
- 1.1.142 **Project HoldCo** Thabatala Holdings Proprietary Limited, a limited liability company incorporated in accordance with the company laws of Botswana with registration number BW00005471345 that, prior to First Drawdown, will become a wholly-owned subsidiary of Giyani Metals and the direct holding company of Menzi and ProcessingCo, as depicted in the Proposed Corporate Structure Diagram;
- 1.1.143 **Project HoldCo Equity** collectively, Project HoldCo Shares and Project HoldCo Shareholders Loan;
- 1.1.144 **Project HoldCo Shareholders Loan** a claim on loan account held by a shareholder in Project HoldCo;
- 1.1.145 **Project HoldCo Shares** ordinary shares issued by Project HoldCo;
- 1.1.146 **Project Intellectual Property** all rights, title and interest in and to the Intellectual Property developed by the Giyani Metals Group relating to the Project and, in particular, the manner in which HPMSM is produced;
- 1.1.147 **Proposed Corporate Structure Diagram** the simplified corporate structure diagram attached as **Schedule 1B** reflecting the members of the Giyani Metals Group through which Giyani Metals will ultimately hold its ownership interest in, and provide shareholder funding for,

GMSA Convertible Loan Facility Agreement

		the Project, the implementation of which is a First Drawdown Condition as set out in Schedule 4 ;
1.1.148	Raising Fee	an amount equal to 1% of the Loan Facility Amount (plus VAT, if applicable);
1.1.149	Relevant Exchanges	the securities exchanges on which the Giyani Shares are admitted to trading from time to time, including the TSX-V and, after the BSE Listing Date, the BSE, as applicable;
1.1.150	RSA	the Republic of South Africa;
1.1.151	Second Conversion	the conversion by the Lender of the Project HoldCo Equity into Giyani Shares, as contemplated in clause 14;
1.1.152	Second Conversion Date	has the meaning given to that term in clause 14.5;
1.1.153	Second Conversion Equity Calculation Notice	has the meaning given to that term in clause 14.3;
1.1.154	Second Conversion Giyani Shares	has the meaning given to that term in clause 14.3;
1.1.155	Second Conversion Option	the option in terms of which the Lender may at any time during the Second Conversion Option Exercise Period, Convert the Project HoldCo Equity into Giyani Shares, as contemplated in clause 14;
1.1.156	Second Conversion Option Exercise Notice	has the meaning given to that term in clause 14.1;
1.1.157	Second Conversion Option Exercise Period	the period commencing on the achievement of Sustained Commercial Production and ending 90 days thereafter;
1.1.158	Second Lock-In Period	a period of 6 months commencing from the Second Conversion Date;
1.1.159	Secured Assets	the assets over which the Security is provided, as set out in Schedule 5 ;
1.1.160	Security	the security described in Schedule 5 to be provided by the members of the Giyani Metals Group in favour of the Lender as security for the obligations of the Borrower and Menzi in terms of the Project Development Funding Facilities;
1.1.161	Security Documents	the agreements and documents reflecting the Security as described in Schedule 5 ;
1.1.162	Share Register	has the meaning given to that term in section 2 of the Botswana Companies Act, 2003;
1.1.163	Shareholder	the registered and beneficial shareholder(s) of the Borrower from time to time which, as at the Signature Date, is Menzi;

- 1.1.164 **Shareholders' Agreement** a written agreement to be entered into between the Lender, Giyani Metals and Project HoldCo (as contemplated in clause 12.3) that regulates their relationship as shareholders in Project HoldCo, the terms and conditions of which will be consistent with the Shareholders' Arrangements and will otherwise be customary for agreements of that nature;
- 1.1.165 **Shareholders' Arrangements** the principles regulating the relationship between the Lender and Giyani Metals as shareholders in Project HoldCo as set out in **Schedule 10**, which are to be incorporated into the Shareholders' Agreement as contemplated in clause 12.3;
- 1.1.166 **Signature Date** the date upon which each of the Parties to this Agreement has signed this Agreement or, in the event of them having signed this Agreement on different dates, the date of the last signature;
- 1.1.167 **Steering Committee** the steering committee established in terms of clause 16;
- 1.1.168 **Subsequent First Conversion** the conversion by the Lender of some or all of the Outstanding Amount into Giyani Shares or Project HoldCo Equity (as the case may be), as contemplated in clause 11;
- 1.1.169 **Subsequent First Conversion Cash Call** has the meaning given to that term in clause 11.8.2;
- 1.1.170 **Subsequent First Conversion Cash Call Option Exercise Notice** has the meaning given to that term in clause 11.8.2;
- 1.1.171 **Subsequent First Conversion Date** has the meaning given to that term in clause 11.7;
- 1.1.172 **Subsequent First Conversion Equity** either Giyani Shares or Project HoldCo Shares, as nominated by the Lender in its Subsequent First Conversion Option Exercise Notice (as contemplated in clause 11.2);
- 1.1.173 **Subsequent First Conversion Equity Calculation Notice** has the meaning given to that term in clause 11.5;
- 1.1.174 **Subsequent First Conversion Option** the option(s) in terms of which the Lender may from time to time Convert some or all of the Outstanding Amount into Giyani Shares or Project HoldCo Equity, as contemplated in clause 11;
- 1.1.175 **Subsequent First Conversion Option Exercise Notice** has the meaning given to that term in clause 11.1;

GMSA Convertible Loan Facility Agreement

- 1.1.176 ***Subsequent First Conversion Option Exercise Period*** the period commencing on the Subsequent First Conversion Option Exercise Period Commencement Date and ending 5 Business Days thereafter;
- 1.1.177 ***Subsequent First Conversion Option Exercise Period Commencement Date*** the later to occur of:
- (a) Project FID; and
 - (b) 60 days' after Giyani Metals has given written notice to the Lender of its intention for the board of directors of Giyani Metals to consider and, if appropriate, adopt a resolution regarding Project FID;
- 1.1.178 ***Sufficient Project Development Funding*** such funding as will, together with the Project Development Funding Facilities, be sufficient to carry out and complete the Project Development Activities, the aggregate amount of which funding is set out in the Project Development Budget;
- 1.1.179 ***Surviving Provisions*** has the meaning given to that term in clause 4.1;
- 1.1.180 ***Suspensive Conditions*** the suspensive conditions referred to in clause 4.1;
- 1.1.181 ***Sustained Commercial Production*** a period of 12 consecutive months during which the Project has produced HPMSM at a rate that, on average, is at least 70% of the initial design rated capacity of the Project;
- 1.1.182 ***Target Product Specifications*** the product specification for HPMSM produced by the Demonstration Plant as set out in **Schedule 8**;
- 1.1.183 ***Technical Expert*** a technical expert appointed by the Loan Parties and, in the absence of the Loan Parties agreeing upon the appointment of an expert within 10 Business Days of the expiry of the applicable period within which the Loan Parties were to have resolved the dispute concerned, a technical expert (or firm) nominated by the President for the time being of the South African Institute of Mining and Metallurgy;
- 1.1.184 ***Term Sheet*** the term sheet between the Lender, Menzi, the Borrower and Giyani Metals and signed by Menzi, the Borrower and Giyani Metals on 4 August 2023 in which the key principles regarding, amongst other things, the Project Development Funding Facilities to be made available by the Lender to the Borrower and Menzi, respectively, are set out;
- 1.1.185 ***Termination Date*** the date on which the Outstanding Amount has been settled or repaid by or on behalf of the Borrower (including by way of the First Conversion(s)), the Security has been released, the Borrower has fulfilled all of its obligations under this Agreement and, if and to the extent applicable, the period(s) within which the Lender may exercise the Conversion Options has lapsed;

GMSA Convertible Loan Facility Agreement

- 1.1.186 **Total Project Cost** all equity, debt and other funding required to be raised in connection with developing, constructing and operating the Project as contemplated in the BFS Report;
- 1.1.187 **Transaction Announcement** the first public announcement by Giyani Metals of the Project Development Funding Facilities to be made available by the Lender to Menzi and the Borrower which, subject to Applicable Securities Laws, is anticipated to be on or immediately after execution of the Menzi Loan Facility Agreement and this Agreement;
- 1.1.188 **TSX-V** the TSX Venture Exchange;
- 1.1.189 **USD or US\$** United States Dollars, being the lawful currency of the United States of America;
- 1.1.190 **VAT** value added tax which is levied in respect of goods and services in terms of the Value-Added Tax Act, 1991;
- 1.1.191 **VWAP** the volume weighted average price of all the Giyani Shares traded on the TSX-V on any day with reference to the aggregate value of all such shares traded on any day divided by the aggregate number of all such shares traded on such day;
- 1.1.192 **ZAR Equivalent** the ZAR equivalent amount of the foreign currency amount concerned, calculated using the Exchange Rate prevailing on the relevant date and at the relevant time; and
- 1.1.193 **ZAR or Rand or R** South African Rand, being the lawful currency of the RSA.
- 1.2 Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this definitions clause.
- 1.3 This Agreement shall be interpreted in accordance with the following principles:
- 1.3.1 a reference to a "**person**" includes a reference to an individual, partnership, company, close corporation, other body corporate, a trust, an unincorporated association or a joint venture and that person's legal representatives, successors and permitted assigns;
- 1.3.2 the words "**hereof**", "**herein**", "**hereto**" and "**hereunder**" and other words of similar import refer to this Agreement as a whole and not to any particular part, clause, sub-section or other sub-division or schedule unless the context or subject matter so requires;
- 1.3.3 a reference to a clause or schedule, unless the context indicates otherwise, are references to the designated clause or schedule of this Agreement;
- 1.3.4 any reference to a gender includes the other genders;

GMSA Convertible Loan Facility Agreement

- 1.3.5 words importing the singular shall include a reference to the plural and *vice versa*;
- 1.3.6 any reference in this Agreement to legislation or a statute shall be a reference to such legislation or statute as at the Signature Date and as amended, varied, re-enacted or replaced from time to time;
- 1.3.7 any reference in this Agreement to "**this Agreement**" or any other agreement, document or instrument shall be construed as a reference to this Agreement or that other agreement, document or instrument as amended, varied, restated, novated or substituted from time to time;
- 1.3.8 the headings appearing in this Agreement are for reference purposes only and shall not affect the interpretation hereof;
- 1.3.9 if any provision is a definition and is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is only in the definitions clause (or such other clause), effect shall be given to it as if it were a substantive provision in the body of this Agreement;
- 1.3.10 in the event that the day for performance of any obligation to be performed in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for performance shall be the immediately following Business Day;
- 1.3.11 the use of any expression covering a process available under RSA law (such as, but not limited to, a winding-up) shall, if any of the Parties is subject to the law of any other jurisdiction, be interpreted in relation to that Party as including any equivalent or analogous proceeding under the law of such other jurisdiction;
- 1.3.12 where any number of days is prescribed in this Agreement, that number shall be determined exclusively of the first day and inclusively of the last day, unless the last day falls on a day which is not a Business Day, in which case the last day shall be the immediately succeeding Business Day;
- 1.3.13 the terms "**holding company**", "**subsidiary**" and "**wholly owned subsidiary**" bear the same meaning given to those terms in the Companies Act;
- 1.3.14 where any term (whether capitalised or not) is not expressly defined in this Agreement but is defined in the Companies Act, the definition in the Companies Act shall prevail;
- 1.3.15 all monetary amounts are stated exclusive of VAT and in RSA Rand (or **R**), unless provided otherwise, and VAT is payable at the same time and in the same manner as is any other amount payable under this Agreement, where that amount is subject to VAT;
- 1.3.16 the use of the word "**including**" followed by specific examples shall not be construed as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording or such specific examples;
- 1.3.17 the words "**other**" and "**otherwise**" shall not be construed *eiusdem generis* with any preceding words if a wider construction is possible;

GMSA Convertible Loan Facility Agreement

- 1.3.18 the expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this;
- 1.3.19 unless expressly otherwise stated, no provision of this Agreement shall constitute a stipulation for the benefit of any person (*stipulatio alteri*) who is not a Party to this Agreement;
- 1.3.20 the terms of this Agreement having been negotiated, they shall not be interpreted against the Party who procured its preparation and drafting, it being specifically agreed that the *contra proferentem* rule shall not apply;
- 1.3.21 if there is any conflict between any definitions in this Agreement then, for purposes of interpreting any clause of this Agreement or paragraph of any of its schedules, the definition appearing in that clause or paragraph shall prevail over any other conflicting definition appearing elsewhere in this Agreement;
- 1.3.22 a reference to a consecutive series of two or more clauses is deemed to be inclusive of both the first and last mentioned clauses;
- 1.3.23 references to times of the day are to that time in Johannesburg, RSA and references to a day are to a period of 24 hours running from midnight to midnight;
- 1.3.24 any reference to "**writing**" or "**written**" includes any method of reproducing words or text in a legible and non-transitory form but, for the avoidance of doubt, shall include email; and
- 1.3.25 references to "**indemnify**" and to "**indemnifying**" any person against any losses by reference to any matter, event or circumstance includes indemnifying and keeping that person indemnified against all losses from time to time made, suffered or incurred as a direct or indirect consequence of or which would not have arisen but for that matter, event or circumstance.

2. BACKGROUND

- 2.1 The Lender, Giyani Metals, Menzi and the Borrower concluded the Term Sheet.
- 2.2 As contemplated in the Term Sheet, the purpose of this Agreement is to amplify the key principles set out in the Term Sheet and comprehensively record the definitive terms and conditions of the Loan Facility.

3. TERM SHEET

The Parties agree that, with effect from the Signature Date, the Term Sheet shall cease to be of any further force and effect, and no Party shall have any Claim against any other Party (or its Affiliates) by virtue of the provisions thereof.

4. SUSPENSIVE CONDITIONS

- 4.1 This Agreement (other than the rights and obligations of the Parties contained in this clause 4, clauses 1 to 3 and clauses 27 to 39 ("**Surviving Provisions**") which shall commence with

GMSA Convertible Loan Facility Agreement

effect from the Signature Date) is subject to and conditional upon the fulfilment of each of the following Suspensive Conditions on or before the Completion Deadline Date:

- 4.1.1 the Board and the Shareholder (if and to the extent required) of the Borrower have passed the necessary resolutions to approve the execution of this Agreement in accordance with its terms and conditions;
- 4.1.2 the board of directors and the shareholder(s) (if and to the extent required) of Giyani Metals and Menzi have passed the necessary resolutions to approve the execution of this Agreement in accordance with its terms and conditions;
- 4.1.3 the Lender has confirmed to the Borrower in writing that it has received all such documents in relation to the Giyani Metals Group as it may require in order to satisfy its requirements pursuant to the Financial Intelligence Centre Act, 2001 and its regulations; and
- 4.1.4 the Lender has confirmed to the Borrower in writing that it has completed a legal, environmental, regulatory and technical due diligence investigation in relation to, amongst other things, the Borrower, the Demonstration Plant and the Project to the satisfaction of the Lender.
- 4.2 The Suspensive Conditions are stipulated for the benefit of all the Parties and may be waived in whole or in part by them in their sole and absolute discretion on them having reached agreement in writing on or prior to the Completion Deadline Date.
- 4.3 Each Party shall use its reasonable endeavours, to the extent that it is within its power to do so, to procure the fulfilment of the Suspensive Conditions.
- 4.4 Save as expressly provided otherwise elsewhere in this Agreement, each Party shall bear its own costs of, and incidental to, fulfilling and/or procuring the fulfilment of all of the Suspensive Conditions.
- 4.5 If any of the Suspensive Conditions remain unfulfilled by the Completion Deadline Date, or has not been waived in the manner contemplated in clause 4.2, then this Agreement shall not come into force or effect and the Parties shall be restored as nearly as possible to the positions in which they would have been had this Agreement not been entered into and, in such event, no Party shall have any claim against any other Party by virtue of the provisions of this Agreement, except for such claims as may arise out of the breach of the Surviving Provisions, which shall be and remain enforceable between the Parties.

5. LOAN FACILITY

- 5.1 The Lender hereby grants the Loan Facility to the Borrower on the terms and subject to the conditions contained in this Agreement.
- 5.2 The Parties acknowledge and agree that the functional currency of the Loan Facility shall be ZAR (including as it relates to Drawdown, Interest and repayment) as more fully described and applied in this Agreement.
- 5.3 The Lender will not at any time be obliged to lend or advance to the Borrower an amount greater than the Loan Facility Amount (except to the extent that Interest or any other additional

GMSA Convertible Loan Facility Agreement

amount accrued and/or owing by the Borrower to the Lender in terms of this Agreement should cause the Outstanding Amount to exceed the Loan Facility Amount).

- 5.4 Subject to and except as set out in clause 4.1, this Agreement will commence on the Completion Date and will expire on the Termination Date, except for the undertakings and obligations set out in clause 12, 20 and 21 which (to the extent applicable) shall endure for so long as the Lender is the holder of Project HoldCo Shares or Giyani Shares (as the case may be) and shall terminate upon the Lender ceasing to hold Project HoldCo Shares or Giyani Shares (as the case may be).

6. UTILISATION

- 6.1 Subject to clause 6.2 and 40, the Borrower shall utilise the proceeds of the Loan Facility solely for the purpose of developing the Demonstration Plant (and matters directly associated therewith) in accordance with the Demonstration Plant Budget or for such other purpose directly associated with the Project Development Activities as may otherwise be approved from time to time by the Steering Committee.

- 6.2 If and to the extent that the Giyani Metals Group has at any time after 5 September 2023 advanced funding to the Borrower that has been utilised by the Borrower to carry out any of the activities contemplated in the Demonstration Plant Budget ("**Giyani Pre-Paid Expenditure**") then the Borrower may use a portion of the proceeds of a Drawdown to repay such Giyani Pre-Paid Expenditure, subject to the Steering Committee having verified and approved the amount and utilisation of the funding concerned to carry out Pre-Development Activities as contemplated in the Demonstration Plant Budget.

- 6.3 The Lender shall not be obliged to monitor or verify the application or utilisation of any proceeds of the Loan Facility advanced by the Lender to the Borrower in terms of this Agreement.

7. DRAWDOWN

- 7.1 The Loan Facility may be drawn down by the Borrower in one or more drawings at any time during the Availability Period subject to the requirements of clause 7.2 and 7.3 being satisfied.

- 7.2 The Borrower will provide written notice to the Lender of its intention to draw down funds under the Loan Facility in the form of the Drawdown Notice.

- 7.3 Following its receipt of a Drawdown Notice, the Lender will provide the Drawdown Amount to the Borrower on the Drawdown Date, provided that:

- 7.3.1 in relation to the First Drawdown, the First Drawdown Conditions have been fulfilled to the satisfaction of the Lender;

- 7.3.2 the Drawdown Date is within the Availability Period and is not less than 5 Business Days or more than 20 Business Days after the date of the Drawdown Notice;

- 7.3.3 the Drawdown Amount is denominated in ZAR and is for an amount not less than R10,000,000 (except as it may pertain to the last Drawdown Notice for the balance remaining of the Loan Facility);

GMSA Convertible Loan Facility Agreement

- 7.3.4 the aggregate of the Drawdown Amount and all previous drawings under the Loan Facility do not exceed the Loan Facility Amount;
- 7.3.5 the Drawdown Amount and the Drawdown Date are consistent with the Demonstration Plant Budget and shall be in relation to expenditure reasonably expected by the Project Development Manager to be incurred by or on behalf of the Borrower in a period not exceeding 90 days after the date of the Drawdown Notice (or, in the circumstances contemplated in clause 6.2, already incurred);
- 7.3.6 the Drawdown Amount has been approved in writing by the Steering Committee;
- 7.3.7 no Material Adverse Effect has occurred that as at the Drawdown Date is Continuing;
- 7.3.8 no Event of Default or Potential Event of Default has occurred and as at the Drawdown Date is Continuing; and
- 7.3.9 no Economic Failure has occurred and as at the Drawdown Date is Continuing.
- 7.4 The Lender may in its discretion waive any of the Drawdown Conditions in whole or in part by way of notice in writing to the Borrower.
- 7.5 Any remaining amount under the Loan Facility that has not been drawn down upon the expiry of the Availability Period shall be cancelled and the Loan Facility Amount shall be reduced accordingly, provided that if the Borrower has not drawn down any amount under the Loan Facility prior to the expiry of the Availability Period then, with effect from the expiry of the Availability Period, this Agreement shall terminate and no Party shall have any Claim against any other Party except for any Claim that might arise out of a breach of this Agreement prior such termination.
- 7.6 The Loan Facility Amount shall, unless the Loan Parties agree in writing to the contrary, be advanced and paid by the Lender to the Borrower in cash and in ZAR by way of electronic funds transfer into the Project Bank Account on each Drawdown Date.
- 8. INTEREST**
- 8.1 The balance of the Loan Facility outstanding from time to time shall, for the duration of the Loan Period, bear interest at the Prime Rate plus 3%.
- 8.2 Interest accrued in terms of clause 8.1 shall:
- 8.2.1 be denominated in ZAR;
- 8.2.2 accrue on the balance of the Loan Facility outstanding on a daily basis from the relevant Drawdown Date;
- 8.2.3 be calculated on the basis of the actual number of days elapsed and a 365 day year, whether or not the year is a leap year; and
- 8.2.4 be calculated on a nominal annual compounded monthly in arrears basis.
- 8.3 Interest shall be capitalised (in the manner described in clause 8.2) and paid and/or settled in full on or before the Maturity Date on and subject to the terms set out in this Agreement.
- 8.4 Should an Event of Default occur and should the Lender, in terms of clause 22, elect that all amounts owing by the Borrower to the Lender in terms of this Agreement, whether or not due

GMSA Convertible Loan Facility Agreement

for payment, shall become immediately due and payable, then the Prime Rate shall be deemed to have increased by 2% with effect from the date of the Lender having notified the Borrower in writing of having made such election until such date of payment.

9. LISTING ON BSE

9.1 If the Lender intends to exercise the First Conversion Option and acquire Giyani Shares (and not Project HoldCo Equity), the Lender shall notify Giyani Metals as far as possible in advance of its intention and Giyani Metals shall thereafter use its best commercial endeavours to procure that the Giyani Shares are admitted to trading on the BSE as soon as practicable after its receipt of such notice but, in any event, prior to the commencement of the Initial First Conversion Option Exercise Period or the Subsequent First Conversion Option Exercise Period, as the case may be.

9.2 In the circumstances where the Lender exercises the First Conversion Option and acquires Project HoldCo Equity (and not Giyani Shares) and the Giyani Shares have not yet been listed on the BSE, the Lender shall notify Giyani Metals as far as possible in advance of its intention to exercise the Second Conversion Option in order that Giyani Metals can then complete the process of having the Giyani Shares admitted to trading on the BSE ahead of the Lender exercising the Second Conversion Option.

9.3 Whilst it is the Lender's intention to have the Giyani Shares issued to it in terms of this Agreement admitted to trading on the BSE, a failure to have the Giyani Shares admitted to trading on the BSE within the required time periods (for whatsoever reason) shall, without limiting the obligations of Giyani Metals in terms of this clause 9, not affect the Lender's right to exercise and implement the Conversion Options and have Giyani Shares issued to it on a Relevant Exchange.

10. INITIAL FIRST CONVERSION

10.1 The Lender may in its discretion at any time during the Initial First Conversion Option Exercise Period by way of notice in writing to the Borrower, Project HoldCo and Giyani Metals ("**Initial First Conversion Option Exercise Notice**") elect to Convert the Outstanding Amount into Giyani Shares or Project HoldCo Equity on and subject to the terms and conditions set out in this clause 10.

10.2 The Initial First Conversion Option Exercise Notice shall stipulate whether the relevant Outstanding Amount is to be Converted into Giyani Shares or Project HoldCo Equity, provided that:

10.2.1 such election shall be in relation to either Giyani Shares or Project HoldCo Equity (and not a combination thereof);

10.2.2 the Lender shall be required to exercise the Menzi Initial First Conversion Option at the same time and in respect of the same election regarding Giyani Shares or Project HoldCo Equity;

10.2.3 the Conversion shall be calculated using the Giyani Metals TSX-V Share Price prevailing as at the date of the Initial First Conversion Option Exercise Notice, discounted by the Conversion Discount and subject to a minimum price equal to the Giyani Metals Minimum Share Price;

GMSA Convertible Loan Facility Agreement

- 10.2.4 the maximum amount of the Outstanding Amount will be Converted, subject to the aggregate of the Initial First Conversion Equity held by the Lender (and/or its Affiliates), after having exercised and implemented the Initial First Conversion Option and the Menzi Initial First Conversion Option (and including any Giyani Shares or Project HoldCo Shares (as the case may be) then already held directly or indirectly by the Lender (and/or its Affiliates) through any other means), not exceeding the Maximum Permissible Shareholding Percentage in Giyani Metals and/or Project HoldCo, as the case may be; and
- 10.2.5 if an election by the Lender to Convert the relevant Outstanding Amount into Project HoldCo Equity will or would be likely to materially and adversely affect the prospects of successfully developing the Project, then Giyani Metals shall within 5 Business Days of its receipt of the Initial First Conversion Option Exercise Notice notify the Lender thereof by providing detailed reasons and motivations for its opinion and, unless the Lender declares a dispute within 60 days of having received such notification and such dispute is adversely determined against Giyani Metals in the resolution process contemplated in clause 10.9, the Lender shall be deemed to have elected not to exercise the Initial First Conversion Option and its Initial First Conversion Option Exercise Notice shall be considered *pro non scripto*.
- 10.3 The Initial First Conversion Option shall only be capable of being exercised by the Lender:
- 10.3.1 by way of the Lender delivering the Initial First Conversion Option Exercise Notice to the Borrower, Project HoldCo and Giyani Metals during the Initial First Conversion Option Exercise Period; and
- 10.3.2 on one occasion only (and not on multiple occasions), subject to the Lender's entitlement to elect and implement subsequent Conversions of any residual Outstanding Amount into Initial First Conversion Equity as contemplated in clause 10.8.
- 10.4 The Initial First Conversion Option, when exercised by the Lender and implemented in the manner set out in this clause 10, shall result in the Outstanding Amount (or the relevant portion thereof equal to the Maximum Permissible Shareholding Percentage) being Converted into Initial First Conversion Equity and, should any portion of the Outstanding Amount remain after the implementation of the Initial First Conversion, such portion of the Outstanding Amount shall remain outstanding, subject to clause 10.8.
- 10.5 The number of Giyani Shares to be issued ("**Initial First Conversion Giyani Shares**") or the Project HoldCo Equity (comprising the relevant amount of the Project HoldCo Shareholders Loan ("**Initial First Conversion Project HoldCo Shareholders Loan**") and the relevant number of Project HoldCo Shares ("**Initial First Conversion Project HoldCo Shares**")) to be issued and Converted upon the exercise by the Lender of the Initial First Conversion Option in settlement of the Outstanding Amount (or the relevant portion thereof) ("**Initial First Conversion Amount**") shall be calculated by Giyani Metals utilising and applying the worked example and guiding principles set out in **Schedule 6A** and **Schedule 6C** and shall, subject to clause 10.2.5, be notified by Giyani Metals to the Lender in writing within 10 Business Days after receipt of the Initial First Conversion Option Exercise Notice ("**Initial First Conversion Equity Calculation Notice**").

GMSA Convertible Loan Facility Agreement

- 10.6 Should the Lender dispute any aspect of the calculation set out in the Initial First Conversion Equity Calculation Notice furnished by Giyani Metals to the Lender pursuant to clause 10.5 the matter shall be communicated and resolved in the manner set out in clause 15.9.
- 10.7 As soon as practicable after the Initial First Conversion Equity has been determined (whether as set out in the Initial First Conversion Equity Calculation Notice or determined in the manner contemplated in clause 15.10) but in any event within 15 Business Days thereof subject to clause 15.1 (“**Initial First Conversion Date**”), the Initial First Conversion shall be implemented as follows:
- 10.7.1 where the Lender has elected in the Initial First Conversion Option Exercise Notice to acquire Giyani Shares the portion of the Outstanding Amount equal to the Initial First Conversion Amount shall be settled in full by way of Giyani Metals issuing the Initial First Conversion Giyani Shares fully paid to the Lender;
- 10.7.2 where the Lender has elected in the Initial First Conversion Option Exercise Notice to acquire Project HoldCo Equity:
- 10.7.2.1 the terms and conditions of that portion of the Outstanding Amount equal to the Initial First Conversion Project HoldCo Shareholders Loan shall be amended and shall constitute a new loan the terms and conditions of which shall be same in all respects as the Project HoldCo Shareholders Loan held by Giyani Metals;
- 10.7.2.2 that portion of the Outstanding Amount equal to the difference between the Initial First Conversion Amount and the Initial First Conversion Project HoldCo Shareholders Loan shall be settled in full by way of Project HoldCo issuing the Initial First Conversion Project HoldCo Shares fully paid to the Lender;
- 10.7.2.3 Project HoldCo shall update its Share Register accordingly and deliver the original share certificate in respect of the Initial First Conversion Project HoldCo Shares to the Lender; and
- 10.7.2.4 the Initial First Conversion Project HoldCo Shares issued to the Lender pursuant to clause 10.7.2.2 will rank *pari passu* in all respects with the then existing Project HoldCo Shares;
- 10.7.3 Giyani Metals (in the circumstances described in clause 10.7.1) or Project HoldCo (in the circumstances described in clause 10.7.2) shall, in consideration for the settlement of the Outstanding Amount (or the relevant portion thereof) in the manner described in clause 10.7.1 or 10.7.2.1 and 10.7.2.2 (as the case may be), have a corresponding claim on loan account against the Borrower for an amount equal to the amount settled in clause 10.7.1 or 10.7.2.1 and 10.7.2.2 (“**Borrower Loan Claim**”) and:
- 10.7.3.1 in the case of the Initial First Conversion Equity being in the form of the Initial First Conversion Giyani Shares, immediately thereafter:
- 10.7.3.1.1 Giyani Metals shall cede and assign the Borrower Loan Claim to Project HoldCo in exchange for Giyani Metals being granted a corresponding claim on loan account against Project HoldCo; and

GMSA Convertible Loan Facility Agreement

- 10.7.3.1.2 Project HoldCo shall cede and assign the Borrower Loan Claim to Menzi in exchange for Project HoldCo being granted a corresponding claim on loan account against Menzi; or
- 10.7.3.2 in the case of the Initial First Conversion Equity being in the form of Initial First Conversion Project HoldCo Shares, immediately thereafter, Project HoldCo shall cede and assign the Borrower Loan Claim to Menzi in exchange for Project HoldCo being granted a corresponding claim on loan account against Menzi ("**Menzi Loan Claim**"),
- with the terms and conditions of the Borrower Loan Claim and the other claims on loan account created pursuant to clause 10.7.3.1 or 10.7.3.2 (including the currency denomination thereof) being determined and agreed by and between the relevant Entities within the Giyani Metals Group; and
- 10.7.4 the relevant Entities within the Giyani Metals Group will update their books of account to reflect the settlement of the Outstanding Amount (or the relevant portion thereof) in the manner described in this clause 10.7 and the resulting claims on loan account created pursuant to clause 10.7.3.1 or 10.7.3.2.
- 10.8 If and to the extent that any portion of the Outstanding Amount should remain outstanding after implementation of the Initial First Conversion, then:
- 10.8.1 the terms and conditions applicable to the then remaining Outstanding Amount shall remain unchanged; and
- 10.8.2 if either Project HoldCo or Giyani Metals should at any time and from time to time thereafter but prior to the Subsequent First Conversion Option Exercise Period Commencement Date, offer and/or request the Shareholders (if the Initial First Conversion Equity is in the form of Project HoldCo Equity) or the Giyani Metals shareholders (if the Initial First Conversion Equity is in the form of Giyani Shares), as the case may be, to contribute funding (either by way of equity or shareholders loan) to Project HoldCo or Giyani Metals (as the case may be) ("**Initial First Conversion Cash Call**") the Lender shall be entitled by way of notice in writing to the Borrower, Project HoldCo and Giyani Metals delivered within 30 days after the date of the Initial First Conversion Cash Call ("**Initial First Conversion Cash Call Option Exercise Notice**") to elect to Convert so much of the Outstanding Amount as then remains into either Project HoldCo Equity or Giyani Shares (as the case may be) on the same terms and conditions, *mutatis mutandis*, as set out in this clause 10, including that:
- 10.8.2.1 such Conversion shall be calculated using the Giyani Metals TSX-V Share Price prevailing as at the date of the relevant Initial First Conversion Cash Call Option Exercise Notice, discounted by the Conversion Discount and subject to a minimum price equal to the Giyani Metals Minimum Share Price; and
- 10.8.2.2 the Conversion shall in each case be equal to the lower of the *pro rata* funding amount being provided by the Lender in relation to the Initial First Conversion Cash Call and the Maximum Permissible Shareholding Percentage in either Giyani Metals or Project HoldCo, as the case may be.

10.9 If and to the extent that the Parties are in dispute as to whether an election by the Lender to Convert the relevant Outstanding Amount into Project HoldCo Equity will or would be likely to materially and adversely affect the prospects of successfully developing the Project as contemplated in clause 10.2.5, the Lender shall notify Giyani Metals thereof within the time period stipulated in clause 10.2.5, including such detail as may be reasonably necessary for Giyani Metals to consider such objection, and the Lender and Giyani Metals shall thereafter in good faith and with due willingness to find a solution endeavour to resolve such dispute as expeditiously as possible but, should they be unable to do so within 21 days of the Lender having provided its notice of objection, the dispute may be referred by either of those Parties to the Financial Expert who shall finally resolve the dispute in accordance with the Determination Principles.

11. SUBSEQUENT FIRST CONVERSION

11.1 The Lender may in its discretion at any time during the Subsequent First Conversion Option Exercise Period by way of notice in writing to the Borrower, Project HoldCo and Giyani Metals ("**Subsequent First Conversion Option Exercise Notice**") elect to Convert the Outstanding Amount into Giyani Shares or Project HoldCo Equity (as the case may be) on and subject to the terms and conditions set out in this clause 11.

11.2 The Subsequent First Conversion Option Exercise Notice shall stipulate whether the relevant Outstanding Amount is to be Converted into Giyani Shares or Project HoldCo Equity, provided that:

11.2.1 such election shall be in relation to either Giyani Shares or Project HoldCo Equity (and not a combination thereof) and, if the Lender exercised the Initial First Conversion, shall be same as the Initial First Conversion Equity;

11.2.2 the Lender shall be required to exercise the Menzi Subsequent First Conversion Option at the same time and in respect of the same election regarding Giyani Shares or Project HoldCo Equity;

11.2.3 the Conversion shall be calculated using the Giyani Metals TSX-V Share Price prevailing as at the date of the Subsequent First Conversion Option Exercise Notice, discounted by the Conversion Discount and subject to a minimum price equal to the Giyani Metals Minimum Share Price;

11.2.4 the maximum amount of the Outstanding Amount will be Converted, subject to the aggregate of the First Conversion Equity held by the Lender (and/or its Affiliates), after having exercised and implemented the Subsequent First Conversion Option and the Menzi Subsequent First Conversion Option (and including any Giyani Shares or Project HoldCo Shares (as the case may be) then already held directly or indirectly by the Lender (and/or its Affiliates) through any other means), not exceeding the Maximum Permissible Shareholding Percentage in Giyani Metals and/or Project HoldCo, as the case may be; and

11.2.5 if the Lender has not exercised the Initial First Conversion and an election by the Lender to Convert the relevant Outstanding Amount into Project HoldCo Equity will or would be likely to materially and adversely affect the prospects of successfully developing the Project, then Giyani Metals shall within 5 Business Days of its receipt of the Subsequent

GMSA Convertible Loan Facility Agreement

First Conversion Option Exercise Notice notify the Lender thereof by providing detailed reasons and motivations for its opinion and, unless the Lender declares a dispute within 60 days of having received such notification and such dispute is adversely determined against Giyani Metals in the resolution process contemplated in clause 11.10, the Lender shall be deemed to have elected not to exercise the Subsequent First Conversion Option and its Subsequent First Conversion Option Exercise Notice shall be considered *pro non scripto*.

- 11.3 The Subsequent First Conversion Option shall only be capable of being exercised by the Lender:
- 11.3.1 by way of the Lender delivering the Subsequent First Conversion Option Exercise Notice to the Borrower, Project HoldCo and Giyani Metals during the Subsequent First Conversion Option Exercise Period; and
- 11.3.2 on one occasion only (and not on multiple occasions), subject to the Lender's entitlement to elect and implement subsequent Conversions of any residual Outstanding Amount into Subsequent First Conversion Equity as contemplated in clause 11.8.
- 11.4 The Subsequent First Conversion Option, when exercised by the Lender and implemented in the manner set out in this clause 11, shall result in the Outstanding Amount (or the relevant portion thereof equal to the Maximum Permissible Shareholding Percentage) being Converted into Subsequent First Conversion Equity and, should any portion of the Outstanding Amount remain after the implementation of the Subsequent First Conversion, such portion of the Outstanding Amount shall remain outstanding, subject to clause 11.8.
- 11.5 The number of Giyani Shares to be issued or the Project HoldCo Equity (comprising the relevant amount of the Project HoldCo Shareholders Loan and the relevant number of Project HoldCo Shares) to be issued and Converted upon the exercise by the Lender of the Subsequent First Conversion Option in settlement of the Outstanding Amount (or the relevant portion thereof) shall be calculated by Giyani Metals utilising and applying the worked example and guiding principles set out in **Schedule 6A** and **Schedule 6C** and shall, subject to clause 11.2.5, be notified by Giyani Metals to the Lender in writing within 10 Business Days after receipt of the Subsequent First Conversion Option Exercise Notice ("**Subsequent First Conversion Equity Calculation Notice**").
- 11.6 Should the Lender dispute any aspect of the calculation set out in the Subsequent First Conversion Equity Calculation Notice furnished by Giyani Metals to the Lender pursuant to clause 11.5 the matter shall be communicated and resolved in the manner set out in clause 15.9.
- 11.7 As soon as practicable after the Subsequent First Conversion Equity has been determined (whether as set out in the Subsequent First Conversion Equity Calculation Notice or determined in the manner contemplated in clause 15.10) but in any event within 15 Business Days thereof subject to clause 15.1 ("**Subsequent First Conversion Date**"), the Subsequent First Conversion shall be implemented in the same manner, *mutatis mutandis*, as set out in clause 10.7.

GMSA Convertible Loan Facility Agreement

- 11.8 If and to the extent that any portion of the Outstanding Amount should remain outstanding after implementation of the Subsequent First Conversion, then:
- 11.8.1 the terms and conditions applicable to the then remaining Outstanding Amount shall remain unchanged; and
- 11.8.2 if either Project HoldCo or Giyani Metals should at any time and from time to time thereafter offer and/or request the Shareholders (if the First Conversion Equity is in the form of Project HoldCo Equity) or the Giyani Metals shareholders (if the First Conversion Equity is in the form of Giyani Shares), as the case may be, to contribute funding (either by way of equity or shareholders loan) to Project HoldCo or Giyani Metals (as the case may be) ("**Subsequent First Conversion Cash Call**") then the Lender shall be entitled by way of notice in writing to the Borrower, Project HoldCo and Giyani Metals delivered within 30 days after the date of the Subsequent First Conversion Cash Call ("**Subsequent First Conversion Cash Call Option Exercise Notice**") to elect to Convert so much of the Outstanding Amount as then remains into either Project HoldCo Equity or Giyani Shares (as the case may be) on the same terms and conditions, *mutatis mutandis*, as set out in this clause 11, including that:
- 11.8.2.1 such Conversion shall be calculated using the Giyani Metals TSX-V Share Price prevailing as at the date of the relevant Subsequent First Conversion Cash Call Option Exercise Notice, discounted by the Conversion Discount and subject to a minimum price equal to the Giyani Metals Minimum Share Price; and
- 11.8.2.2 the Conversion shall in each case be equal to the lower of the *pro rata* funding amount being provided by the Lender in relation to the Subsequent First Conversion Cash Call and the Maximum Permissible Shareholding Percentage in either Giyani Metals or Project HoldCo, as the case may be.
- 11.9 If the Lender fails and/or elects not to exercise the Subsequent First Conversion Option during the Subsequent First Conversion Option Exercise Period in the manner described in this clause 11, the terms and conditions applicable to the then remaining Outstanding Amount shall remain unchanged, provided that Giyani Metals shall at any time and from time to time after the expiry of the Subsequent First Conversion Option Exercise Period be entitled to settle the then remaining Outstanding Amount (without penalty) by way of notice in writing to the Lender and the terms and conditions of clause 13.2 and 13.3 shall apply *mutatis mutandis* to each and any such settlement.
- 11.10 If and to the extent that the Parties are in dispute as to whether an election by the Lender to Convert the relevant Outstanding Amount into Project HoldCo Equity will or would be likely to materially and adversely affect the prospects of successfully developing the Project (as contemplated in clause 11.2.5) the Lender shall notify Giyani Metals thereof within the time period stipulated in clause 11.2.5, including such detail as may be reasonably necessary for Giyani Metals to consider such objection, and the Lender and Giyani Metals shall thereafter in good faith and with due willingness to find a solution endeavour to resolve such dispute as expeditiously as possible but, should they be unable to do so within 21 days of the Lender having provided its notice of objection, the dispute may be referred by either of those Parties to the Financial Expert who shall finally resolve the dispute in accordance with the Determination Principles.

GMSA Convertible Loan Facility Agreement

12. SHAREHOLDER ARRANGEMENTS FOLLOWING FIRST CONVERSION OR SECOND CONVERSION

12.1 Following the First Conversion, the Lender shall, for so long as it holds:

12.1.1 at least 10% of the Giyani Shares, be entitled to nominate one person for appointment to the board of Giyani Metals, and shall be entitled to nominate one additional person for appointment to the board of Giyani Metals for each additional complete 15% of the Giyani Shares held by it; or

12.1.2 at least 10% of the Project HoldCo Shares, be entitled to nominate one person for appointment to the board of Project HoldCo and shall be entitled to nominate one additional person for appointment to the board of Project HoldCo for each additional complete 15% of the Project HoldCo Shares held by it,

subject to Applicable Securities Laws.

12.2 If the First Conversion Equity is in the form of Giyani Shares or if the Lender exercises the Second Conversion Option, then:

12.2.1 the Lender shall not Dispose of:

12.2.1.1 the First Conversion Giyani Shares for the duration of the First Lock-In Period; or

12.2.1.2 the Second Conversion Giyani Shares for the duration of the Second Lock-In Period; and

12.2.2 if the Lender wishes to Dispose of all or any of the First Conversion Giyani Shares or the Second Conversion Giyani Shares (as the case may be) after the expiry of the applicable Lock-In Period, such Disposal shall be subject to:

12.2.2.1 Applicable Securities Laws; and

12.2.2.2 the Lender concluding an agreement with Giyani Metals or its nominated brokers regarding the orderly disposal of the relevant Giyani Shares (containing such terms and conditions as may be reasonable and standard for such agreements and arrangements).

12.3 If the First Conversion Equity is in the form of Project HoldCo Equity, then Giyani Metals, the Lender and Project HoldCo shall in good faith and without undue delay prepare, negotiate and enter into the Shareholders' Agreement to comprehensively record and amplify the Shareholders' Arrangements, provided that:

12.3.1 until such times as the Shareholders' Agreement has been executed by Giyani Metals, the Lender and Project HoldCo and is in full force and effect, the Parties shall be bound by the principles set out in the Shareholders' Arrangements; and

12.3.2 if Giyani Metals, the Lender and Project HoldCo are unable to agree on the Shareholders' Agreement within 120 days after the First Conversion Date then any Party may thereafter refer the matter to a Legal Expert who shall prepare the Shareholders' Agreement to comprehensively record the Shareholders' Arrangements and, in doing so, the Legal Expert shall act accordance with the Determination Principles and the Parties shall thereafter be obliged to sign all such documents and make all such

filings as may be required to give effect to such arrangements as directed by the Legal Expert.

13. REPAYMENT OF CAPITAL AND INTEREST

- 13.1 To the extent that the Outstanding Amount is not settled in full pursuant to the Lender having exercised and implemented the Conversion Options, the Outstanding Amount shall be settled by the Borrower in full on the Maturity Date.
- 13.2 All payments made by the Borrower to the Lender in terms of this clause 13 shall be made in ZAR free of exchange and bank commission and without set-off by direct electronic funds transfer into the Lender's Designated Bank Account.
- 13.3 All payments by the Borrower to the Lender shall be allocated in the first instance to the settlement of any costs incurred by the Lender in connection with this Agreement for which the Borrower is liable in terms of this Agreement, thereafter to Interest then due and payable and thereafter in reduction of the capital amount of the Loan Facility.

14. SECOND CONVERSION

- 14.1 Subject to the Lender having exercised the First Conversion and elected to acquire (and has acquired) Project HoldCo Equity, the Lender may in its discretion at any time during the Second Conversion Option Exercise Period by way of notice in writing to Project HoldCo and Giyani Metals ("**Second Conversion Option Exercise Notice**") elect to Convert all of the Project HoldCo Equity held by the Lender into Giyani Shares on and subject to the terms and conditions set out in this clause 14.
- 14.2 The Second Conversion Option shall only be capable of being exercised by the Lender and implemented subject to the following:
- 14.2.1 the Lender shall have delivered the Second Conversion Option Exercise Notice to Project HoldCo and Giyani Metals during the Second Conversion Option Exercise Period;
- 14.2.2 the Lender may exercise the Second Conversion Option on one occasion only (and not on multiple occasions);
- 14.2.3 the Lender shall at the same time have exercised the Menzi Second Conversion Option;
- 14.2.4 the Conversion shall be calculated using the Giyani Metals TSX-V Share Price prevailing as at the date of the Second Conversion Option Exercise Notice and subject to a minimum price equal to the Giyani Metals Minimum Share Price; and
- 14.2.5 the maximum amount of the Project HoldCo Equity will be Converted, subject to the aggregate of Giyani Shares held by the Lender (and/or its Affiliates), after having exercised and implemented the Second Conversion Option and the Menzi Second Conversion Option (and including any Giyani Shares then already held by the Lender (and/or its Affiliates)), not in aggregate exceeding the Maximum Permissible Shareholding Percentage in Giyani Metals.
- 14.3 The number of Giyani Shares ("**Second Conversion Giyani Shares**") to be issued upon the exercise by the Lender of the Second Conversion Option shall be calculated by Giyani Metals

GMSA Convertible Loan Facility Agreement

utilising and applying the worked example and guiding principles set out in **Schedule 6B** and **Schedule 6C** and shall be notified by Giyani Metals to the Lender in writing within 10 Business Days after its receipt of the Second Conversion Option Exercise Notice ("**Second Conversion Equity Calculation Notice**").

14.4 Should the Lender dispute any aspect of the calculation furnished by Giyani Metals to the Lender in the Second Conversion Equity Calculation Notice pursuant to clause 14.3 the matter shall thereafter be resolved in the manner set out in clause 15.9.

14.5 As soon as practicable after the number of Second Conversion Giyani Shares has been determined (whether as set out in the Second Conversion Equity Calculation Notice or determined in the manner contemplated in clause 15.10) but in any event within 15 Business Days thereof subject to clause 15.1 ("**Second Conversion Date**") the Second Conversion shall, subject to clause 14.6, be implemented by way of the Lender:

14.5.1 selling to Giyani Metals, who shall purchase, the First Conversion Project HoldCo Shares; and

14.5.2 ceding and assigning to Giyani Metals, who shall accept such cession and assignment, the First Conversion Project HoldCo Shareholders Loan (including accrued interest, if any),

in consideration for which Giyani Metals shall issue the Second Conversion Giyani Shares as fully paid to the Lender.

14.6 Should the sale, cession and assignment contemplated in clause 14.5 result in the Lender (and/or its Affiliates) holding in aggregate such number of Giyani Shares as will exceed the Maximum Permissible Shareholding Percentage, then:

14.6.1 the maximum number of Giyani Shares as will result in the Lender (and/or its Affiliates) not exceeding the Maximum Permissible Shareholding Percentage will be issued fully paid to the Lender; and

14.6.2 the terms and conditions applicable to the Project HoldCo Equity remaining after the Second Conversion shall remain unchanged, provided that either the Lender or Giyani Metals may by way of written notice to the other of them delivered within 30 days after the Second Conversion Date require all (and not some only) of the remaining Project HoldCo Equity to be settled in cash, subject to the following:

14.6.2.1 such settlement shall occur by way of either the outstanding Project HoldCo Shares and the Project HoldCo Shareholders Loan held by the Lender being acquired by Giyani Metals or Project HoldCo repurchasing the outstanding Project HoldCo Shares and repaying the Project HoldCo Shareholders Loan held by the Lender, or a combination thereof;

14.6.2.2 such settlement shall be carried out using the same value(s) attributed to the Project HoldCo Equity in the Second Conversion;

14.6.2.3 Giyani Metals shall have 6 months from the Second Conversion Date within which to pay the relevant settlement proceeds for the acquisition of the Project HoldCo Equity; and

GMSA Convertible Loan Facility Agreement

14.6.2.4 the terms and conditions of clause 13.2 and 13.3 shall otherwise apply *mutatis mutandis* to any such settlement.

14.7 Project HoldCo and the Lender grant their unconditional and irrevocable consent to the cession(s) and assignment(s) that may arise in the manner contemplated in clause 14.5 and 14.6.

15. PROVISIONS APPLICABLE TO THE CONVERSION OPTIONS

15.1 The implementation of the Conversions shall be subject to the Lender having obtained all such regulatory approvals as it may require in order to implement the Conversions, provided that, if the Lender has not obtained the relevant regulatory approvals within 6 months of the date of the relevant Conversion Option Exercise Notice, the Lender shall be deemed to have elected not to exercise the relevant Conversion Option and the relevant Conversion Option Exercise Notice shall be considered *pro non scripto*.

15.2 The share price of the Giyani Shares utilised from time to time in the calculation of the Conversion Equity shall not at any time be lower than the Giyani Metals Minimum Share Price.

15.3 The Conversion Equity shall be issued subject to such Applicable Securities Laws as may be applicable from time to time.

15.4 The Conversion Equity shall rank *pari passu* in all respects with the then existing Giyani Shares or Project HoldCo Shares, as the case may be.

15.5 The Lender shall provide Giyani Metals with all such information as Giyani Metals may reasonably require in order to register the Lender as a shareholder of Giyani Metals and admit the Conversion Giyani Shares to trading on the Relevant Exchange.

15.6 Giyani shall procure that, at its cost, the Conversion Giyani Shares are admitted to trading on the Relevant Exchange within 15 Business Days after the Conversion Date.

15.7 The issue of the Conversion Giyani Shares shall be subject to such terms and conditions (and restrictions) as may be imposed by the Relevant Exchanges and the Applicable Securities Laws.

15.8 The relevant Entities within the Giyani Metals Group will as soon as practicable after the Conversion Date update their books of account to reflect the:

15.8.1 settlement of the Outstanding Amount (or the relevant portion thereof) in the manner described in clause 10.7 and 11.7 (as may be applicable) and the resulting claims on loan account created pursuant thereto; or

15.8.2 implementation of the Second Conversion Option as contemplated in clause 14.5.2 and 14.6.

15.9 Should the Lender dispute any aspect of the calculation furnished by Giyani Metals to the Lender in the Conversion Equity Calculation Notice, then the Lender shall notify Giyani Metals within 10 Business Days of the date of the Conversion Equity Calculation Notice, including such detail as may be reasonably necessary for Giyani Metals to consider such objection and the matter shall thereafter be resolved in the manner set out in clause 15.10 (and, in the absence of the Lender notifying Giyani Metals of any such dispute within such stipulated time

GMSA Convertible Loan Facility Agreement

period, the calculations in the Conversion Equity Calculation Notice shall be deemed to be final).

- 15.10 If and to the extent that the Lender should dispute any aspect of the calculation furnished by Giyani Metals to the Lender in the Conversion Equity Calculation Notice in the manner contemplated in clause 15.9, the Lender and Giyani Metals shall in good faith and with due willingness to find a solution endeavour to resolve such dispute as expeditiously as possible but, should they be unable to do so within 21 days of the Lender having provided its notice of objection, the dispute may be referred by either of those Parties to the Financial Expert who shall finally resolve the dispute in accordance with the Determination Principles.
- 15.11 The costs and expenses directly related to issuing the Conversion Equity shall be borne by Giyani Metals.
- 15.12 If and to the extent that any Applicable Securities Laws, applicable specifically and solely to the Conversion of Interest into Conversion Giyani Shares ("**Interest Conversion Securities Laws**"), would (as a result of that application of the Interest Conversion Securities Laws) result in:
- 15.12.1 a different number of Giyani Shares being issued to the Lender, then the Conversion Discount utilised for the calculation of the relevant number of Conversion Giyani Shares will be adjusted (upwards or downwards) to place the Lender in the same position as if the Interest Conversion Securities Laws did not apply; or
- 15.12.2 Giyani Shares not being capable of being issued in respect of the Conversion of such Interest, then such Interest shall not be Converted and shall remain subject to the then prevailing terms and conditions.
- 15.13 If the Lender fails and/or elects not to exercise:
- 15.13.1 the Initial First Conversion Option during the Initial First Conversion Option Exercise Period in the manner described in clause 10;
- 15.13.2 the Subsequent First Conversion Option during the Subsequent First Conversion Option Exercise Period in the manner described in clause 11;
- 15.13.3 its entitlement to Convert the then prevailing Outstanding Amount into Conversion Equity pursuant to any Initial First Conversion Cash Call or any Subsequent First Conversion Cash Call within the time periods stipulated in clause 10.8.2 and 11.8.2, as the case may be; or
- 15.13.4 the Second Conversion during the Second Conversion Option Exercise Period in the manner described in clause 14,

the Conversion Option concerned shall lapse and shall not be capable of being exercised.

16. STEERING COMMITTEE

- 16.1 As soon as practicable after the Completion Date but before the First Drawdown Date, the Loan Parties shall establish and constitute the Steering Committee on the terms and conditions set out in this clause 16.

GMSA Convertible Loan Facility Agreement

- 16.2 The Steering Committee shall consider matters pertaining to the technical and operational aspects of the Project Development Activities and shall be entitled to make determinations in relation to such technical and operational matters or within such parameters pertaining to the Project Development Activities as the Board may from time to time approve, whether in terms of the Approvals Framework (if applicable) or otherwise.
- 16.3 The duties of the Steering Committee shall include:
- 16.3.1 considering all material strategic and policy decisions in respect of the Project Development Activities that are necessary for the successful completion and implementation of the Project Development Activities;
- 16.3.2 monitoring and supervising the completion of the Project Development Activities in accordance with the Demonstration Plant Budget;
- 16.3.3 considering and approving any material amendments to the Demonstration Plant Budget (where "*materia*" for the purposes of this clause 16 and the Demonstration Plant Budget shall mean any amendments that, in aggregate, exceed 10% of the annual expenditure amount);
- 16.3.4 considering all reports and recommendations materially affecting the Project Development Activities and making decisions relating thereto;
- 16.3.5 approving the appointment of all material service providers and consultants to the Project Development Activities; and
- 16.3.6 approving expenses paid and commitments incurred in accordance with written orders or contracts in accordance with the Demonstration Plant Budget.
- 16.4 The Loan Parties shall each be entitled to appoint 2 representatives to the Steering Committee.
- 16.5 The Borrower will have the right to appoint the chairperson of the Steering Committee from amongst its nominees, failing which the members of the Steering Committee will elect a chairperson.
- 16.6 The Loan Parties shall be entitled to remove and to replace any representative appointed by them from time to time and to appoint an alternate to such representative and any such appointments or removals shall be made by written notice to the Steering Committee, as the case may be, and shall be operative as soon as the written notice is received (or in accordance with the relevant date stipulated in such notice).
- 16.7 A meeting of the Steering Committee shall, unless the Loan Parties otherwise agree in writing, be held at least once during every calendar month period and otherwise when requested in writing by any of its members.
- 16.8 At least 5 Business Days prior written notice of each Steering Committee meeting shall be given, which notice shall, as far as practicable, include an agenda including any matters of a material nature to be considered or resolved by the Steering Committee at such meeting.
- 16.9 There shall be no quorum at a meeting of the Steering Committee unless at least two representatives (or, if only one has been appointed, one representative) appointed by each of

GMSA Convertible Loan Facility Agreement

the Loan Parties is present at the commencement of and throughout the meeting, provided that:

- 16.9.1 if within 30 minutes after the time appointed for any meeting a quorum is not present, the meeting shall be dissolved and it shall stand adjourned to a date to be determined by the representatives present (which date shall not be earlier than 7 days and not later than 21 days after the date of such meeting), at the same time and place (or if such place is not available, at such other place as the representatives present may appoint) and which shall be notified in writing to both Loan Parties; and
- 16.9.2 if at the meeting adjourned under clause 16.9.1 a quorum is not present within 30 minutes after the time appointed for the meeting, the representatives present in person shall be a quorum.
- 16.10 Each representative on the Steering Committee shall be entitled to one vote in relation to any matters tabled for voting by the Steering Committee, provided that:
 - 16.10.1 a representative present at a meeting of the Steering Committee shall be entitled to exercise the vote(s) of any other representative (if any) appointed by the same Loan Party who is not present at that meeting; and
 - 16.10.2 in the event of an equality of votes the chairperson appointed pursuant to clause 16.5 will have a casting vote.
- 16.11 Resolutions of the Steering Committee shall require to be approved by a majority vote of the representatives present and voting in order to be of force or effect, except for the following matters which shall require unanimous approval from the members of the Steering Committee:
 - 16.11.1 approval of any Giyani Pre-Paid Expenditure pursuant to clause 6.2;
 - 16.11.2 any changes to the Demonstration Plant Budget resulting in total aggregate increase in the Demonstration Plant Budget of more than 10%;
 - 16.11.3 approval of any single expenditures above USD150,000 that is not stipulated in the Demonstration Plant Budget;
 - 16.11.4 entering into any single contract or commitment greater than USD150,000 that is not stipulated in the Demonstration Plant Budget;
 - 16.11.5 any material change in the scope or delivery schedule of the Demonstration Plant or the Project Development Activities;
 - 16.11.6 approval that the Giyani Metals Group has Sufficient Project Development Funding when Giyani Metals proposes to extend the Demonstration Plant Completion Deadline Date to a date not later than 30 June 2025 (as contemplated in clause 1.1.39);
 - 16.11.7 any further extension to the Demonstration Plant Completion Deadline Date (excluding the extension contemplated in clause 1.1.39 and 16.11.6);
 - 16.11.8 any extension to the BFS Report Completion Deadline Date;
 - 16.11.9 approval that the Demonstration Plant has produced HPMSM that satisfies the Target Product Specifications (measured in the manner set out in the Target Product Specifications); and

GMSA Convertible Loan Facility Agreement

- 16.11.10 acceptance of the BFS Report (in having complied with the applicable requirements of NI 43-101).
- 16.12 If any resolution or matter submitted to the Steering Committee does not receive the necessary majority for adoption and/or approval, the matter concerned may be escalated by either of the Loan Parties to the Chief Executive Officer (or, if no such position exists, its equivalent designation) of Giyani Metals and a duly authorised representative of the Lender for resolution who shall endeavour to resolve that matter in good faith and with due willingness and intention to determine a solution, provided that:
- 16.12.1 if they are able to resolve the matter, the Steering Committee shall be bound by the decision determined between them (as recorded in writing and notified to the Steering Committee); or
- 16.12.2 if they are unable to resolve the matter within 10 Business Days of having had the matter referred to them, either of the Loan Parties may refer the matter to the Technical Expert for final determination in accordance with the Determination Principles and the Steering Committee shall be bound by the determination of the Technical Expert (as recorded in writing and notified to the Steering Committee).
- 16.13 Without limiting the discretion of the Steering Committee to regulate their meetings, the Steering Committee may, if they think fit, confer by telephone, close circuit television or other electronic means or audio or audio visual communication and a resolution passed at any such a conference shall, notwithstanding that the representatives are not present together in one place at the time of the conference, be deemed to have been passed at a meeting of the Steering Committee duly called and constituted on the day and at the time at which the conference was so held.
- 16.14 A round robin resolution in writing signed by all the representatives appointed to the Steering Committee, irrespective of where they are located at the relevant time, shall be as valid as if it had been passed at a meeting of the Steering Committee, duly held and constituted and any such resolution may consist of several documents in like form, each signed by one or more of the signatories to the resolution.
- 16.15 In view of the similar composition, operation and requirements of the Steering Committee and the Menzi Steering Committee:
- 16.15.1 the Steering Committee and the Menzi Steering Committee may agree upon measures and procedures to reduce duplication and optimise their operation and functioning, provided that such measures and procedures do not prejudice the rights and obligations of the Parties; and
- 16.15.2 any decision or resolution adopted by either the Steering Committee or the Menzi Steering Committee shall, if the subject matter and requirements are the same and applicable to the other of them, constitute a valid decision and resolution adopted by the other of them.
- 16.16 The Steering Committee may, by agreement of the representatives of both Loan Parties, from time to time establish such other rules of procedure, not inconsistent with this Agreement and the Borrower's Mol, as the Steering Committee considers appropriate.

GMSA Convertible Loan Facility Agreement

17. PROJECT DEVELOPMENT MANAGER

- 17.1 The Steering Committee shall appoint Giyani Metals (or one of its Affiliates) to manage the Project Development Activities.
- 17.2 The Project Development Manager shall:
- 17.2.1 be responsible for the day-to-day management, conduct and decision-making regarding the Project Development Activities;
 - 17.2.2 submit drawdown notices for funding (in ZAR) for all Project Development Activities to the Steering Committee on a quarterly basis (or such other basis as the Steering Committee may approve from time to time) for approval before submission to the Lender in terms of clause 7;
 - 17.2.3 provide a comprehensive expenditure report and bank reconciliation to the Steering Committee on a monthly basis;
 - 17.2.4 provide information to the Steering Committee regarding the status and conduct of the Project Development Activities on a monthly basis and otherwise at such times and in such form as the Steering Committee may reasonably request from time to time;
 - 17.2.5 carry out its role and activities in accordance with Good Management Practices; and
 - 17.2.6 be subject to the reasonable supervision, instructions and directions of the Steering Committee from time to time.
- 17.3 The Project Development Manager shall be entitled to charge such fees and be reimbursed for such of its expenses from time to time pertaining to it carrying out its responsibilities as Project Development Manager in accordance with the Project Development Budget or as may be approved by the Steering Committee from time to time.

18. PROJECT BANK ACCOUNT AND FUNDING FOR PROJECT DEVELOPMENT ACTIVITIES

- 18.1 The Project Development Manager will open the Project Bank Account in the name of the Borrower with Rand Merchant Bank, a division of FirstRand Bank Limited (or such other financial institution as may be approved from time to time by the Steering Committee) into which the Drawdown Amounts will be paid by the Lender and from which all Project-related expenditure will be paid.
- 18.2 The Borrower and the Lender will each nominate two representatives that will be granted signing authority on the Project Bank Account together with the Project Development Manager.
- 18.3 No payment shall be made from the Project Bank Account without at least two of the authorised signatories (as contemplated in clause 18.2) authorising such payment, one of whom shall be a representative of the Borrower and one of whom shall be a representative of the Lender.
- 18.4 The Steering Committee may approve drawdown notices containing funding to be used by the Borrower to implement an approved currency hedging strategy.
- 18.5 The Project Development Manager shall be held liable for any unauthorised expenses paid from the Project Bank Account.

GMSA Convertible Loan Facility Agreement

18.6 If any additional funding in excess of the Project Development Budget is required to complete the Project Development Activities, the Lender will have a right of first refusal to provide either additional equity or debt funding to satisfy such shortfall in funding.

19. UNDERTAKINGS BY BORROWER DURING LOAN PERIOD

19.1 During the Loan Period, the Borrower shall not, without the prior written consent of the Lender (which consent shall not be unreasonably withheld or delayed) or as may be expressly contemplated in the Finance Documents or the Project Development Budget:

19.1.1 permit any Encumbrance to subsist, arise or to be created or extended over any of its assets;

19.1.2 subject itself to any voluntary proceedings under any law, regulation or procedure relating to insolvency, reconstruction, business rescue or readjustment of debts or relief from creditors;

19.1.3 give any guarantee, suretyship, bond or indemnity of whatsoever nature or otherwise assume liability or give any insurance against financial loss in respect of any other person, except as may occur in the ordinary course of business of the Borrower;

19.1.4 acquire any material assets:

19.1.4.1 in partnership with any Entity or Entities; or

19.1.4.2 other than on arm's length terms;

19.1.5 Dispose of any material assets or enter into any agreement or transaction other than on arm's length terms;

19.1.6 vary or allow the variation of its Constitutional Documents other than required by Applicable Laws or a variation that is not materially prejudicial to the rights and interests of the Lender;

19.1.7 amend, novate or substitute the terms and conditions of any claim on loan account held by any Affiliate of the Borrower against the Borrower;

19.1.8 incur or permit to subsist any Financial Indebtedness (excluding any Financial Indebtedness as may exist as at the Signature Date) in excess of ZAR30,000,000 in aggregate or ZAR3,000,000 in any single amount;

19.1.9 make any dividend payment or other distribution contemplated in the Companies Act to any of its Shareholders or any Affiliate of any Shareholder (except as contemplated in clause 6.2) or repay any loan to a Shareholder;

19.1.10 make any material change in its financial policy or material accounting policies other than as required by IFRS or by law;

19.1.11 cease any material business activity or change its business or the nature of its business in any material aspect;

19.1.12 institute any legal proceedings of any material nature other than in the ordinary course of business;

GMSA Convertible Loan Facility Agreement

- 19.1.13 pay any fees to Directors otherwise than in accordance with industry norms or in accordance with the Project Development Budget; or
- 19.1.14 enter into any type of merger or consolidation with any other person or enter into any type of corporate reconstruction, scheme of arrangement or other fundamental transaction contemplated (and defined) in the Companies Act.
- 19.2 During the Loan Period, the Borrower shall:
- 19.2.1 ensure that the Project Intellectual Property is held by Project HoldCo or any of its subsidiaries and that Lender has reasonable access (on a non-recourse and non-assignable basis) for nil consideration to all Project Intellectual Property (subject to the Lender entering into such confidentiality and related undertakings as Giyani Metals may reasonably require in relation to any such information to be disclosed);
- 19.2.2 maintain its corporate existence in the RSA according to Applicable Laws;
- 19.2.3 maintain its books and records as required by Applicable Laws;
- 19.2.4 properly and promptly pay and discharge all taxes and other liabilities whatsoever imposed upon its assets, revenues, business, undertaking or operations when due;
- 19.2.5 duly file all tax returns containing information required by law to be contained therein, maintain its tax residence in the RSA and not surrender or dispose of any tax credit, loss, relief or allowance to any person;
- 19.2.6 maintain any and all of the contracts of insurance and reinsurance on or in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business with reputable independent insurance companies or underwriters;
- 19.2.7 promptly, and in any event by no later than 10 Business Days after written request (or such longer period as the Lender may stipulate in the circumstances), provide the Lender with such financial and other information concerning it and its affairs as the Lender may from time to time reasonably request (including without limitation, copies of all audited financial statements and consolidated audited financial statements, details of any cash funding and copies of every report, notice or like document issued by it to its creditors generally) and provide such assistance in this regard as the Lender or any of its agents or employees may reasonably require;
- 19.2.8 notify the Lender of any Event of Default and/or any actual or threatened material litigation, arbitration or other proceedings of a litigious nature by or against it immediately after becoming aware thereof and provide the Lender with full details of any steps which it is taking or proposes to take in order to prevent, remedy or mitigate the effect of any Event of Default; and
- 19.2.9 comply with all Applicable Laws which are material to it in carrying on its business and obtain, comply with and maintain all such material consents, authorisations, permits, licences, certificates or approvals which are necessary for the conduct of its business and observe and comply with all the terms of its Constitutional Documents.

20. OFF-TAKE ELECTION RIGHTS

- 20.1 Subject to the Project FID being positive and Giyani Metals proceeding to develop the Project, for so long as the Lender holds at least 10% of the Giyani Shares, the Lender shall have the right to direct the sale of up to 10% of HPMSM production from the Project to a nominated offtaker in the Southern African Development Community (“*Offtaker*”).
- 20.2 The Lender undertakes that any marketing terms agreed with the Offtaker shall be no less favourable than any other offtake agreement negotiated by Giyani Metals and that the exercise by the Lender of its rights in terms of this clause 20 shall be required to have been exercised by the Lender within 90 days of being notified by Giyani Metals of the opportunity to do so (after the expiry of which period, if unexercised, such right shall lapse), and shall otherwise not negatively affect any marketing or financing of the Project by the Giyani Metals Group.

21. FUNDING FOR THE DEVELOPMENT OF THE PROJECT

- 21.1 Subject to the Project FID being positive and Giyani Metals proceeding to develop the Project, for so long as the Lender holds at least 10% of the Giyani Shares, the Lender shall have a first right of refusal to:
- 21.1.1 provide and act as co-lead arranger of the Project Finance Facilities for the Giyani Metals Group on such terms as may be agreed upon between the Lender and Giyani Metals, provided that the terms of such facility/(ies) shall not be less favourable than those available to the Giyani Metals Group on the open market, and provided that the Lender’s maximum exposure shall not exceed 30% of all Total Project Cost unless otherwise agreed by the Lender, and the Lender shall be entitled to assign its rights in terms of this clause 21.1.1 to any other institution capable of fulfilling the role of lead arranger with the prior written consent of Giyani Metals; and
- 21.1.2 contribute equity and or loans in proportion to its shareholding in Giyani Metals to fund the development and completion of the Project.
- 21.2 The Lender undertakes to engage collaboratively and constructively with the providers of the Project Finance Facilities in finalising, amongst other things, the manner in which the Loan Facility and the Project Finance Facilities will be advanced, maintained, secured and settled by the Borrower and its Affiliates, including the terms of an intercreditor agreement(s) addressing matters such as a lien debt ceiling in respect of the project financing, reasonable standstill on enforcement and all related arrangements.

22. EVENTS OF DEFAULT

- 22.1 Each of the following events shall constitute an Event of Default (whether or not caused by any reason whatsoever outside the control of the Borrower):
- 22.1.1 the Demonstration Plant fails to produce HPMSM that satisfies the Target Product Specifications (measured in the manner set out in the Target Product Specifications) on or before the Demonstration Plant Completion Deadline Date; or
- 22.1.2 failure to deliver the BFS Report (in compliance with the applicable requirements of NI 43-101) on or before the BFS Report Completion Deadline Date; or

GMSA Convertible Loan Facility Agreement

- 22.1.3 the Borrower fails to pay any amount payable by it in terms of this Agreement at the time stipulated and in the manner provided for in this Agreement and fails to remedy such default within 5 Business Days of receiving notice from the Lender to do so; or
- 22.1.4 other than as may be expressly set out to the contrary elsewhere in this Agreement, the Borrower commits any breach or omits to observe or cause to be observed any of the obligations or undertakings expressed to be assumed by it under or in relation to this Agreement and, in respect of any such breach or omission which is capable of remedy, such action as the Lender may require shall not have been taken within 5 Business Days of receipt by the Borrower of notice from the Lender in writing of such default and of such required action; or
- 22.1.5 an Obligor commits any breach or omits to observe or cause to be observed any of the obligations or undertakings expressed to be assumed by it under or in relation to any of the Finance Documents and, in respect of any such breach or omission which is capable of remedy, such action as the Lender may require shall not have been taken within the prescribed period of time from receipt by the Obligor of notice from the Lender in writing of such default and of such required action; or
- 22.1.6 any representation, statement or warranty made to the Lender by or on behalf of an Obligor in any notice or other document, certificate or statement delivered by it pursuant thereto or in connection therewith is or proves to have been incorrect or misleading in any respect when made or deemed to be made, and which, if known, would have caused the Lender not to enter into a Finance Document, either at all or on materially different terms; or
- 22.1.7 an Obligor fails to pay any Financial Indebtedness when due (taking into account any originally applicable grace period applicable to the payment of such Financial Indebtedness) or any Financial Indebtedness of an Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of any breach, fault or event of default (however characterised) by any person or entity; or
- 22.1.8 any Insolvency Event occurs in relation to an Obligor; or
- 22.1.9 an Obligor repudiates any Finance Document; or
- 22.1.10 it is or becomes unlawful for an Obligor to perform any of its obligations under any Finance Documents; or
- 22.1.11 any obligation or obligations of an Obligor under any Finance Documents to which it is a party are not or cease to be legal, valid, binding or enforceable and the same is not remedied within 5 Business Days of the earlier of (a) the Lender giving notice to such Obligor and (b) an Obligor becoming aware of the failure to comply and such remedy places the Lender in the same position as they would have been in but for such circumstances; or
- 22.1.12 any Finance Document ceases to be in full force and effect other than by agreement between the Parties; or

GMSA Convertible Loan Facility Agreement

- 22.1.13 any Security created under or evidenced by the Security Documents is or becomes unlawful or is not, or ceases to be, a first ranking security or to be, legal, valid, binding and enforceable; or
- 22.1.14 an Obligor breaches, or defaults under, any material agreement to which it is a party or which is binding on it or any of its assets and fails to remedy such breach or default within any originally applicable grace period having been given notice by any other party to such agreement requiring it to remedy such breach or default within such period; or
- 22.1.15 the audited financial statements of an Obligor are qualified in a material manner by the Auditors; or
- 22.1.16 a Material Adverse Effect occurs.
- 22.2 If any Event of Default occurs which is Continuing, the Lender shall be entitled, without prejudice to any other rights or remedies which the Lender may have under this Agreement or otherwise in terms of Applicable Law, by written notice to the Borrower ("**Acceleration Notice**") to:
- 22.2.1 claim immediate payment of the Outstanding Amount, which amount shall, upon the delivery of an Acceleration Notice, immediately become due and payable; and/or
- 22.2.2 demand and be entitled to receive specific performance of the obligations breached by the Borrower under this Agreement; and/or
- 22.2.3 take all steps which it regards as desirable in order to enforce, or perfect the security interests created or evidenced by this Agreement; and/or
- 22.2.4 claim payment from the Borrower of any and all losses, payments, damages, liabilities, Claims, proceedings, actions, penalties, fines, duties, rates, levies, charges, demands or other sanctions of a monetary nature, fees, insurance premiums, calls, taxes, Judgments, costs and expenses (but specifically excluding opportunity costs and/or consequential damages) and other amounts incurred by the Lender under this Agreement as a result of such Event of Default.
23. **SECURITY**
- 23.1 The Security described in **Schedule 5** shall be provided by and on behalf of the Borrower as security for its due and punctual payment and performance of its obligations under this Agreement.
- 23.2 Any Security that the Lender permits to be registered after the First Drawdown Date shall be subject to an undertaking by the Project Companies that such Security shall not be Disposed of or Encumbered at any time after the Completion Date and until Encumbered as Security in the manner contemplated in **Schedule 5** in favour of the Lender.
- 23.3 The Parties acknowledge and agree that, as a First Drawdown Condition, Giyani Metals will adjust and optimise the corporate structure of the Giyani Metals Group as reflected in **Schedule 1B** and the Giyani Metals Group (including Project HoldCo and ProcessingCo) will each do all such things and take all such steps as may be reasonably necessary to provide the relevant Security to the Lender.

23.4 Upon the Outstanding Amount having been settled in full, the Lender shall procure that the Security is fully, finally and promptly released and all original documents pertaining to such Security returned to the relevant members of the Giyani Metals Group.

24. PROOF OF INDEBTEDNESS

A certificate under the hand of any duly authorised official of the Lender (whose appointment as such and authority it shall not be necessary to prove) shall constitute *prima facie* proof of any amount payable by the Borrower to the Lender in terms hereof and the fact that the same is due and payable for all purposes, including (but not limited to) provisional sentence and summary judgment.

25. CURRENCY CONVERSION

Unless otherwise stipulated, if and to the extent that any amount in terms of this Agreement is required to be converted from one currency into another such conversion shall be calculated using the Exchange Rate prevailing on, or as close as may be practicable (taking into account the purposes for which such currency conversion may be required) to, the Business Day immediately before the date on which such currency conversion is required to be calculated.

26. BORROWER'S WARRANTIES

26.1 The Borrower represents and warrants to the Lender that:

26.1.1 the Borrower is a company, duly registered, validly existing, and in good standing under the laws of the RSA;

26.1.2 subject to clause 23.3, the corporate structure set out in **Schedule 1A** accurately reflects the shareholding in the Borrower as at the Completion Date;

26.1.3 the liabilities of the Borrower as at 31 October 2023 are set out in **Schedule 9** and have not materially changed without having first received the Lender's prior written approval;

26.1.4 subject to the fulfilment of the Suspensive Conditions in clause 4.1.1 and 4.1.2, the Borrower has all the requisite corporate power and authority to enter into and perform its obligations under this Agreement;

26.1.5 the carrying into effect and the entering into and performance of this Agreement by the Borrower will not:

26.1.5.1 violate any Applicable Laws;

26.1.5.2 breach the provisions of any mortgage bond, agreement or other contractual undertaking to which it is a party; and

26.1.5.3 constitute a breach of or default under any agreement to which it is a party in respect of which monies are borrowed and no litigation, arbitration or administrative proceedings are presently pending or to the best of its knowledge threatened against it which would materially adversely affect the ability of the Borrower to perform its obligations in terms of this Agreement.

26.2 The Lender has entered into this Agreement on the strength of the representations and warranties given by the Borrower in this Agreement on the basis that (unless otherwise

GMSA Convertible Loan Facility Agreement

specified) all such warranties will be correct as at the Signature Date, the First Drawdown Date and thereafter at all times during the Loan Period.

- 26.3 Each warranty shall be a separate and severable warranty, and shall in no way be limited or restricted by reference or inference from the terms of any other warranty, or by any words in this Agreement.

27. DISPUTE RESOLUTION

- 27.1 Except where this Agreement expressly provides for an alternative dispute resolution mechanism, should a dispute occur between two or more of the Parties (collectively, "***the Disputing Parties***") in regard to any matter arising out of this Agreement or its interpretation or their respective rights and obligations under this Agreement or its cancellation or any matter arising out of its cancellation ("***Dispute***"), the Disputing Parties agree that:

- 27.1.1 if the Dispute relates to any matter in respect of which a specific dispute resolution procedure is set out in this Agreement, the procedure set out in the relevant clause of this Agreement shall be followed; or

- 27.1.2 if the Dispute relates to any other matter, it shall be referred to the managing director (or, if no such position exists, its equivalent designation) of each of the Disputing Parties, or in the case of a natural person, such person, for resolution who shall endeavour to resolve that Dispute in good faith and with due willingness and intention to determine a solution.

- 27.2 If the managing directors (or persons of the equivalent designation) are unable to resolve the Dispute in accordance with clause 27.1.2 within 21 days of having declared a dispute, the matter shall be referred to and decided by arbitration in accordance with clause 27.3.

- 27.3 Arbitration between the Disputing Parties shall be subject to the following terms and conditions:

- 27.3.1 there shall be 1 arbitrator who shall be, if the question in issue is:

- 27.3.1.1 primarily an accounting matter, an independent chartered accountant of not less than 15 years' standing;

- 27.3.1.2 primarily a legal matter, a practising attorney or advocate of not less than 15 years' standing;

- 27.3.1.3 primarily a technical matter, a suitably qualified person; and

- 27.3.1.4 any other matter, a suitably qualified person;

- 27.3.2 the appointment of the arbitrator shall be agreed upon between the Disputing Parties, but failing agreement between them within a period of 10 Business Days after the arbitration has been demanded, any of the Disputing Parties shall be entitled to request the Chairperson for the time being of the Arbitration Foundation of Southern Africa to make the appointment and, in making his appointment, to have regard to the nature of the Dispute and the criteria specified in clause 27.3.1, provided that should such Chairperson refuse or fail to make that appointment within 10 Business Days of him having been requested to do so, any Disputing Party may request the Chairperson of the Johannesburg Bar Council to make the appointment, and in making his

GMSA Convertible Loan Facility Agreement

- appointment, to have regard to the nature of the Dispute and the criteria specified in clause 27.3.1;
- 27.3.3 subject to the other provisions of this clause 27, each arbitration shall be submitted to and determined by arbitration in accordance with the Commercial Arbitration Rules of the Arbitration Foundation of Southern Africa ("**AFSA Rules**") provided that a Disputing Party which has been given notice of breach in terms of this Agreement and has not disputed such breach within the time period provided for remedying of such breach (if any) shall not thereafter be entitled to raise or refer such Dispute to arbitration in terms of this clause 27, and the costs of any such arbitration shall be determined by the arbitrator as part of his or her finding;
- 27.3.4 on application of the AFSA Rules, those provisions contained in the rules relating to the administrative functions of the Arbitration Foundation of Southern Africa Secretariat shall not find any application to the arbitration, and the Disputing Parties shall co-operate, liaise directly with one another and jointly undertake all such administrative aspects of the arbitration, including the appointment of the arbitrator pursuant to clause 27.3.2, subject to the further directions and instructions of the arbitrator, once appointed pursuant to that clause;
- 27.3.5 the decision of the arbitrator shall be final and binding on the Disputing Parties, and may be made an order of any court of competent jurisdiction; and
- 27.3.6 each of the Disputing Parties hereby submits itself to the jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg should any other Party wish to make the arbitrator's decision an order of that court.
- 27.4 This clause 27:
- 27.4.1 is severable from the rest of this Agreement and shall, notwithstanding the termination, cancellation, invalidity or alleged invalidity of this Agreement or any part of it for any reason, remain in full force and effect; and
- 27.4.2 constitutes an irrevocable consent by the Disputing Parties to any proceedings in terms hereof and no Disputing Party shall be entitled to withdraw therefrom or to claim in any such proceedings that it is not bound by this clause 27.
- 27.5 The Parties agree that the written demand by a Disputing Party in terms of this clause 27 that the Dispute be submitted to arbitration, is to be deemed to be a legal process for the purpose of interrupting extinctive prescription in terms of the Prescription Act, 1969.
- 27.6 The provisions of this clause 27 will not preclude any Party from access to a competent division of the High Court of South Africa for urgent and/or interim relief pending the outcome of an arbitration in terms hereof or in respect of arbitration proceedings in terms hereof.
28. **CONFIDENTIALITY**
- 28.1 Without the prior written consent of the other Parties, each Party will, and will procure that their direct and indirect subsidiaries, keep confidential and will not disclose to any person:
- 28.1.1 the details of this Agreement, as well as the details of all the transactions or agreements contemplated in this Agreement; and

GMSA Convertible Loan Facility Agreement

- 28.1.2 all information relating to the business, the operations, affairs, assets and liabilities of any Party,
(together “**Confidential Information**”).
- 28.2 The Parties each respectively agree (in respect of itself and on behalf of its direct and indirect subsidiaries) to keep all Confidential Information confidential and to disclose it only to their holding companies and to their respective officers, directors, employees, consultants and professional advisors who:
- 28.2.1 have a need to know (and then only to the extent that each such person has a need to know);
- 28.2.2 are aware that the Confidential Information should be kept confidential;
- 28.2.3 are aware of the disclosing Party's undertaking in relation to such information in terms of this Agreement; and
- 28.2.4 have been directed by the disclosing Party to keep the Confidential Information confidential and have undertaken to keep the Confidential Information confidential.
- 28.3 The obligations of the Parties in relation to the maintenance and non-disclosure of Confidential Information in terms of this Agreement do not extend to information that is:
- 28.3.1 disclosed to the receiving Party in terms of this Agreement but at the time of such disclosure such information is known to be in the lawful possession or control of that Party and not subject to an obligation of confidentiality;
- 28.3.2 or becomes public knowledge, otherwise than pursuant to a breach of this Agreement by the Party who received such Confidential Information;
- 28.3.3 required by the provisions of this Agreement, any law, statute or regulation, or during any court or arbitration proceedings, or by the rules or regulations of any recognised stock exchange to be disclosed and the Party required to make the disclosure has, in addition to its obligations in terms of clause 28.6 (where applicable), limited, as far as reasonably possible, the extent of such disclosure and has consulted with the other Parties prior to making such disclosure;
- 28.3.4 made by a Party in accordance with that Party's pursuit of any legal remedy;
- 28.3.5 a disclosure by a Party to its shareholders or members pursuant to any reporting obligations that Party may have to its shareholders or members, provided that each such shareholder or member is notified of the confidential nature of such information and is bound by a general duty of confidentiality in respect thereof materially similar to that set out herein; or
- 28.3.6 disclosed by a Party to any of the Party's direct or indirect shareholders or stakeholders, or financiers (or any person that expresses interest in becoming such shareholder, stakeholder or financier) provided that such person has duly undertaken in writing to keep the Confidential Information confidential on terms not less strict than those contained in this Agreement.

GMSA Convertible Loan Facility Agreement

- 28.4 The obligation contained in this clause 28 shall endure, even after the termination of this Agreement, without limit in point of time except and until such Confidential Information falls within any of the provisions of clause 28.3.1 to 28.3.6.
- 28.5 No right, title, Intellectual Property rights or ownership interest shall be acquired by any Party in or to any Confidential Information of another Party unless specifically agreed to the contrary herein or otherwise in writing by the Party disclosing that information.
- 28.6 Should a Party be requested or required (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigation demand or similar legal process) to disclose any Confidential Information to any third party, the Party concerned shall immediately notify the other Parties thereof in order that the other Parties may in their discretion and at their cost raise any applicable objections, seek an appropriate protective order or waive compliance with the provisions of this Agreement, or consent thereto.

29. PUBLICITY

Should any Party wish to make an announcement of the transactions contemplated in this Agreement, that Party will prepare an announcement in consultation with the other Parties, provided that, prior to any publication, the final form of the announcement will be put to the other Parties for their consent, which they shall not unreasonably delay or withhold and provided further that the Parties obligations under this clause 29 shall be subject to any Party's obligations under the rules or regulations of any recognised stock exchange on which its shares (or derivatives thereof) may be traded.

30. SUPPORT

- 30.1 The Parties undertake at all times to do all such things, perform all such actions and take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps as may be open to them and necessary for or incidental to putting into effect and maintaining the provisions of this Agreement.
- 30.2 Where this Agreement provides that any particular transaction or matter requires the consent, approval or agreement of any Party, such consent, approval or agreement may not be unreasonably withheld or delayed and may be given subject to such terms and conditions as that Party may reasonably impose and any breach of such terms and conditions by any person subject to them shall be deemed to be a breach of the terms of this Agreement.
- 30.3 Notwithstanding anything in this Agreement, nothing in this Agreement shall be construed so as to constitute any of the Parties as the partner, agent or representative of any other Party or to create any trust for any purpose whatsoever.

31. NOTICES

- 31.1 Each of the Parties chooses the address set out alongside its name below as their *domicilium citandi et executandi* at which all notices, legal processes and other communications must be delivered for the purposes of this Agreement:

GMSA Convertible Loan Facility Agreement

- 31.1.1 **Giyani Metals:**
- Physical address 2010 Winston Park Drive, 2nd Floor,
Oakville, ON L6H 5R7 Canada
- Email DKeating@giyanimetals.com
- Attention Mr Danny Keating
- 31.1.2 **Project HoldCo:**
- Physical address Plot 113, Unit 28 Kgale Mews, Gaborone
International, Finance Park, Gaborone,
Botswana
- Email DKeating@giyanimetals.com
- Attention Mr Danny Keating
- 31.1.3 **Menzi:**
- Physical address Plot 113, Unit 28 Kgale Mews, Gaborone
International, Finance Park, Gaborone,
Botswana
- Email DKeating@giyanimetals.com
- Attention Mr Danny Keating
- 31.1.4 **the Borrower:**
- Physical address 19 Van Eck Street, Chamdor, Krugersdorp,
1754, RSA
- Email DKeating@giyanimetals.com
- Attention Mr Danny Keating
- 31.1.5 **ProcessingCo:**
- Physical address Plot 113, Unit 28 Kgale Mews, Gaborone
International, Finance Park, Gaborone,
Botswana
- Email DKeating@giyanimetals.com
- Attention Mr Danny Keating
- 31.1.6 **the Lender:**
- Physical address 19 Fredman Drive, Sandown, Sandton,
2196, South Africa
- Email agreements@idc.co.za
- Attention Head: Legal Services Department
- 31.2 Any notice or communication required or permitted to be given in terms of this Agreement shall be valid and effective only if in writing, but it shall be competent to give notice by email.
- 31.3 Any notice to a Party contained in a correctly addressed envelope and delivered by hand to a responsible person during ordinary business hours at its chosen address shall be deemed to have been received on the day of delivery.

GMSA Convertible Loan Facility Agreement

31.4 Any notice by electronic mail to a Party at its electronic email address shall be deemed, unless the contrary is proved, to have been received within 4 hours of transmission where it is transmitted during normal business hours or within 24 hours of the opening of business on the first Business Day after it is transmitted where it is transmitted outside those business hours.

31.5 Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Party shall be an adequate written notice or communication to that Party notwithstanding that it was not sent to or delivered at that Party's chosen address in clause 31.1.

31.6 Each of the Parties shall be entitled at any time to change its address to any other address by giving written notice to that effect to the other Party.

32. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties as far as the subject matter contained in this Agreement is concerned and no Party shall have any Claim or right of action arising from any undertaking, representation or warranty not included in this Agreement.

33. SEVERABILITY

Each of the provisions of this Agreement shall be considered as separate terms and conditions and in the event that this Agreement is affected by any legislation or any amendment thereto, or if the provisions herein contained are by virtue of that legislation or otherwise, held to be illegal, invalid, prohibited or unenforceable, then any such provisions shall be ineffective only to the extent of the illegality, invalidity, prohibition or unenforceability and each of the remaining provisions hereof shall remain in full force and effect as if the illegal, invalid, prohibited or unenforceable provision was not a part hereof.

34. COSTS OF ENFORCEMENT

All costs, charges and expenses of any nature whatsoever which may be incurred by a Party in enforcing its rights in terms of this Agreement, including without limiting the generality of the foregoing, legal costs on the scale of attorney and own client and collection commission, irrespective of whether any action has been instituted, shall be recoverable on demand from the Party against which such rights are successfully enforced and shall be payable on demand.

35. VARIATION AND CANCELLATION

No agreement varying, adding to, deleting from or cancelling this Agreement shall be effective unless reduced to writing and signed by or on behalf of the Parties.

36. CESSION

None of the Parties shall be entitled to assign, cede, delegate or transfer any rights, obligations, share or interest acquired in terms of this Agreement, in whole or in part, to any other party or person without the prior written consent of all the other Parties, which consent shall not unreasonably be withheld or delayed.

37. **INDULGENCE**

No extension of time, relaxation or indulgence granted by any Party to another shall be deemed to be a waiver or tacit amendment of that Party's rights in terms hereof, nor shall any such relaxation or indulgence be deemed to be a novation or waiver of the terms and conditions of this Agreement.

38. **GOVERNING LAW AND JURISDICTION**

38.1 This Agreement shall in all respects be governed by and construed in accordance with the law of the RSA, and all disputes, actions and other matters in connection therewith shall be determined in accordance with such law.

38.2 Each of the Parties hereby consents and submits to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg for the purposes of all or any legal proceedings arising from or concerning this Agreement.

38.3 Nothing in this Agreement shall prevent any Party from seeking relief on an urgent or interlocutory basis from any division of the High Court of South Africa with jurisdiction.

39. **COUNTERPARTS**

39.1 This Agreement may be signed in any number of counterparts and all such counterparts taken together shall constitute one and the same agreement.

39.2 The Parties record that it is not required for this Agreement to be valid and enforceable that a Party shall have its signature of this Agreement verified by a witness.

39.3 Delivery of a signature page of this Agreement by email or other electronic means capable of producing a printed copy shall be effective as delivery of a manually executed and physically delivered counterpart of this Agreement.

40. **FEES AND COSTS**

40.1 The Borrower shall pay the Raising Fee to the Lender by no later than the First Drawdown Date, provided that if any portion of the Raising Fee is outstanding at any time a Drawdown is made from the Loan Facility Amount then the outstanding portion of the Raising Fee shall be withheld from the relevant Drawdown Amount requested and such amount so withheld shall accordingly reduce the amount of the Loan Facility Amount which is available to be drawn by the Borrower in terms hereof and any settlement of the Raising Fee in such manner will become part of the Loan Facility Amount.

40.2 The Borrower shall be liable for a commitment fee computed on a daily basis (based on a 365 day year) at the rate of 0.5% per annum (plus VAT, if applicable) of the undrawn portion of the Loan Facility during the period starting on the Completion Date and ending on and including the last day of the Availability Period ("**Commitment Fee**"), which accrued fee shall be calculated by the Lender for each requested Drawdown Date, and shall be payable by the Borrower:

40.2.1 on each Drawdown Date and shall be withheld from the relevant Drawdown Amount requested and such amount so withheld shall accordingly reduce the amount of the

GMSA Convertible Loan Facility Agreement

- Loan Facility Amount which is available to be drawn by the Borrower in terms hereof and will become part of the Loan Facility Amount;
- 40.2.2 within a period of 60 days after each anniversary of the First Drawdown Date in respect of any Commitment Fee accrued at that date, and
- 40.2.3 should any portion of the Loan Facility remain undrawn on the expiry of the Availability Period, the balance of accrued but unpaid Commitment Fee shall be paid by the Borrower to the Lender on the next Business Day after the expiry of the Availability Period.
- 40.3 Each Party shall bear its own costs associated with the negotiation, preparation and drafting of this Agreement.

SIGNED at Johannesburg on 21 November 2023

For and on behalf of **Giyani Metals Corp**

(signed) "Danny Keating"

Name: Danny Keating

Capacity: Director

who warrants his authority to do so.

SIGNED at Johannesburg on 21 November 2023

For and on behalf of **Thabatala Holdings Proprietary Limited**

(signed) "Danny Keating"

Name: Danny Keating

Capacity: Director

who warrants his authority to do so.

GMSA Convertible Loan Facility Agreement

SIGNED at Johannesburg

on 21 November

2023

For and on behalf of

**Menzi Battery Metals Proprietary
Limited**

(signed) "Danny Keating"

Name: Danny Keating

Capacity: Director

who warrants his authority to do so.

SIGNED at Johannesburg

on 21 November

2023

For and on behalf of

**Giyani Metals South Africa
Proprietary Limited**

(signed) "Danny Keating"

Name: Danny Keating

Capacity: Director

who warrants his authority to do so.

GMSA Convertible Loan Facility Agreement

SIGNED at Johannesburg

on 21 November

2023

For and on behalf of

**Thabatata Technology Company
Proprietary Limited**

(signed) "Danny Keating"

Name: Danny Keating

Capacity: Director

who warrants his authority to do so.

SIGNED at Sandton

on 29 November

2023

For and on behalf of

**Industrial Development Corporation
of South Africa Limited**

(signed) "R Wallace"

Name: R Wallace

Capacity: Signatory

who warrants his authority to do so.

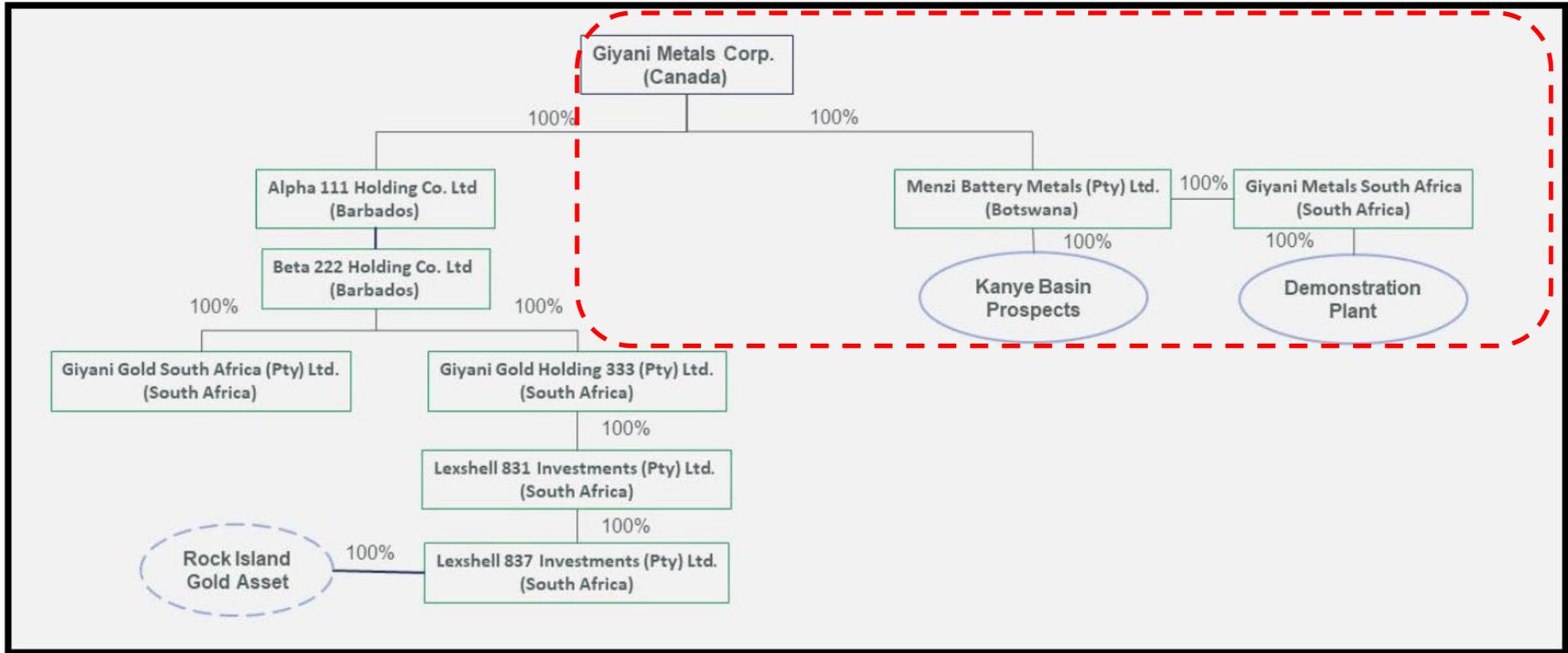
(signed) "S Kooverjee"

Name: S Kooverjee

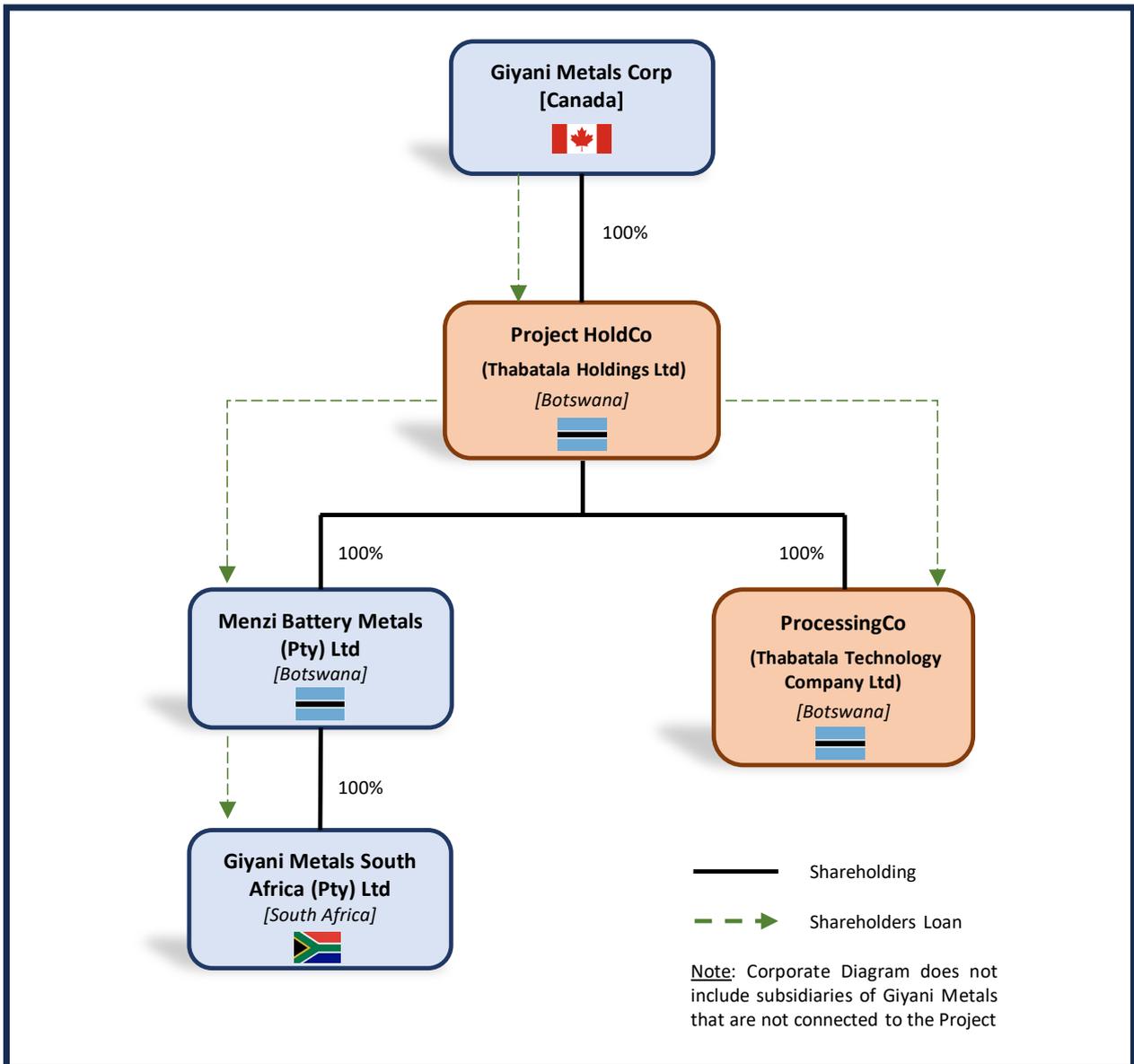
Capacity: Acting Head: PDU

who warrants his authority to do so.

SCHEDULE 1A: EXISTING CORPORATE STRUCTURE DIAGRAM



SCHEDULE 1B: PROPOSED CORPORATE STRUCTURE DIAGRAM (SIMPLIFIED)



SCHEDULE 2: DRAWDOWN NOTICE

NOTICE OF DRAWDOWN

To: Industrial Development Corporation of South Africa Limited
19 Fredman Drive
Sandown
Sandton
Gauteng
2146
Attention: [●]
Email: [●]

[Date]

Dear Sirs

NOTICE OF DRAWDOWN: LOAN FACILITY

1. We refer to the Loan Facility Agreement concluded between the Industrial Development Corporation of South Africa Limited ("**the Lender**"), Giyani Metals Corp, Thabatala Holdings Proprietary Limited, Thabatala Technology Company Proprietary Limited, Menzi Battery Metals Proprietary Limited and Giyani Metals South Africa Proprietary Limited ("**the Borrower**") on or about [●], in terms of which agreement, amongst other things, the Lender granted a convertible loan facility in the amount of the ZAR Equivalent of USD12,500,000 to the Borrower on the terms and conditions set out therein ("**Loan Facility Agreement**").
2. Unless expressly defined in this notice, words and expressions defined in the Loan Facility Agreement have the same meaning when used in herein.
3. Pursuant to clauses 7.2 and 7.3 of the Loan Facility Agreement, the Borrower hereby requests drawdown from the Loan Facility as follows:
 - 3.1. Drawdown Amount: [●] (inclusive of the Commitment Fee)
 - 3.2. Drawdown Date: [●]
 - 3.3. Purpose and use of proceeds: [●]
4. The details of the Project Bank Account are as follows:
 - 4.1. Account Name: [●]
 - 4.2. Account Number: [●]

GMSA Convertible Loan Facility Agreement

4.3. Reference: [•]

4.4. Branch Number: [•]

4.5. Bank: [•]

4.6. SWIFTBIC: [•]

5. The Borrower hereby confirms that as at the date of this Drawdown Notice:

5.1. the aggregate of the Drawdown Amount and all previous drawings under the Loan Facility does not exceed the Loan Facility Amount;

5.2. the aggregate of the capital amount drawn down under the Project Development Funding Facilities (excluding any accrued interest thereunder) does not exceed the Maximum Combined Loan Facility Amount;

5.3. the Drawdown Amount and the Drawdown Date are consistent with the Demonstration Plant Budget;

5.4. there has been no Material Adverse Effect that has occurred and is Continuing;

5.5. no Event of Default or Potential Event of Default has occurred and is Continuing; and

5.6. no Economic Failure has occurred and is Continuing.

Yours faithfully,

For and on behalf of: **Giyani Metals South Africa Proprietary Limited**

Name:

Capacity: Director

SCHEDULE 3: PROJECT DEVELOPMENT BUDGET

Commercially sensitive financial information redacted

SCHEDULE 4: DRAWDOWN CONDITIONS FOR FIRST DRAWDOWN

1. Giyani Metals has provided proof in a form and substance acceptable to the Lender, acting reasonably, that the Giyani Metals Group has Sufficient Project Development Funding.
2. The Menzi Loan Facility Agreement has been executed by all of the parties to that agreement.
3. The Lender is satisfied, acting reasonably, that the corporate structure of the Giyani Metals Group is in the form depicted in the Proposed Corporate Structure Diagram.
4. The TSX-V has provided its approval for the execution and implementation of this Agreement in accordance with its terms and conditions.
5. The Lender is satisfied, acting reasonably, that all Project Intellectual Property, and other material assets directly associated with the Project, are owned and/or held by Project HoldCo or its subsidiaries.
6. Each of the Security Documents shall have been executed in form and substance satisfactory to the Lender, acting reasonably, by the Obligors and, subject to clause 23.2, all filings, registrations and recordals shall have been made to register or perfect the Security in all relevant jurisdictions reasonably required by the Lender and the Security shall constitute valid and enforceable security or charge over the Secured Assets (with the exception of the Security contemplated in paragraph 1.2.11 of **Schedule 5** which shall not be a condition to Drawdown but shall be registered within 12 months after the First Drawdown).
7. The Lender has obtained all such regulatory approvals as it may require to advance the Loan Facility to the Borrower (but not in respect of the potential Conversion thereof as contemplated in clause 10 and/or clause 11 and/or clause 14) on the terms and conditions set out in this Agreement.
8. The Steering Committee has been established as contemplated in clause 16.
9. The Obligors shall have delivered to the Lender a favourable legal opinion, in form, substance and detail satisfactory to the Lender, acting reasonably, addressed to the Lender from reputable external counsel licenced to practice in the applicable jurisdiction and dated as close as may be practicable to the First Drawdown Date, as to certain matters, including: (i) the valid existence of such Obligor, (ii) the corporate power and authority of such Obligor to execute, deliver (if applicable) and perform the Finance Documents to which it is a party and if applicable, any powers of attorneys granted to any individuals who signed the Finance Documents on its behalf and the enforceability against such Obligor, (iii) the authorisation, execution and delivery (if applicable) of the Finance Documents and the enforceability of the Finance Documents against such Obligor to the extent it is a party, (iv) the execution, delivery (if applicable) and performance of the Finance Documents to which such Obligor is a party is not conflicting with, breaching or resulting in a default under (A) the constitutional documents of such Obligor, and (B) any Applicable Laws to which such Obligor is subject, (v) the due registration or filing of the Finance Documents; and (vi) that the Security creates valid and enforceable security interests in favour of the Lender in relation to the relevant the Security.

GMSA Convertible Loan Facility Agreement

10. A certificate signed by an authorised signatory of the Borrower (without personal liability) has been provided to the Lender confirming that:
 - 10.1. no Material Adverse Effect has occurred and is Continuing;
 - 10.2. no Event of Default or Potential Event of Default has occurred and is Continuing;
 - 10.3. no Economic Failure has occurred and is Continuing;
 - 10.4. there has been no default or breach of any Finance Document as at the Drawdown Date and that each of the warranties and representations in clause 26 of this Agreement are true and correct in all material respects; and
 - 10.5. the Borrower is the holder of all such regulatory approvals as it may require in order to carry out the business and activities being conducted by it.

SCHEDULE 5: SECURITY

1. The Security provided to the Lender for and in respect of the Project Development Funding Facilities will consist of:
 - 1.1. a guarantee (or similar form of undertaking in any jurisdiction outside RSA) by each Obligor in favour of the Lender guaranteeing the obligations of the Borrower under this Agreement;
 - 1.2. as security for the obligations of each Obligor described in paragraph 1.1, the Obligors will provide the following security in favour of the Lender:
 - 1.2.1. a deed of pledge over all of the shares and other ownership interests Giyani Metals holds in Project HoldCo from time to time, together with all its debt claims (on shareholder loan account or otherwise) against Project HoldCo;
 - 1.2.2. a deed of pledge over all of the shares and other ownership interests Project HoldCo holds in Menzi from time to time, together with all its debt claims (on shareholder loan account or otherwise) against Menzi;
 - 1.2.3. a deed of pledge over all of the shares and other ownership interests Project HoldCo holds in ProcessingCo from time to time, together with all its debt claims (on shareholder loan account or otherwise) against ProcessingCo;
 - 1.2.4. a pledge and cession *in securitatem debiti* of all the shares and other ownership interests Menzi holds in the Borrower from time to time, together with all its debt claims (on shareholder loan account or otherwise) against the Borrower;
 - 1.2.5. a cession *in securitatem debiti* by the Borrower of all its present and future claims, from time to time, against any person (including its trade debtors);
 - 1.2.6. a cession *in securitatem debiti* of all the rights and claims of the Borrower in respect of all bank accounts of the Borrower (including all cash balances standing to the credit of those bank accounts), from time to time;
 - 1.2.7. a cession *in securitatem debiti* by the Borrower of all insurances taken out by or for the benefit of the Borrower, from time to time, and all the proceeds receivable under those insurances at any time;
 - 1.2.8. first-ranking covering mortgage bonds over any immovable property of which the Borrower is the registered owner from time to time;
 - 1.2.9. first-ranking special notarial bonds over the movable property specified by the Lender of which the Borrower is the registered owner from time to time;
 - 1.2.10. a general notarial bond (where the moveable assets are located in South Africa) or registered deed of hypothecation (where the moveable assets are located in Botswana), or similar form of security (in any other applicable jurisdiction) over all movable assets specified by the Lender of which the Borrower is the registered owner from time to time; and

GMSA Convertible Loan Facility Agreement

- 1.2.11. first-ranking covering mortgage bonds (where the Permit is located in South Africa) or registered deed of hypothecation (where the Permit is located in Botswana), or similar form of security (in any other applicable jurisdiction) over any Permit specified by the Lender of which the Borrower is the holder from time to time.
2. Where a secured amount is required to be stipulated in the documents and agreements pertaining to the Security, such amount shall not be less than:
 - 2.1. the aggregate of the capital amounts to be advanced in terms of the Loan Facility Amount; and
 - 2.2. such additional amounts (relating to accrued interest and the like) as is standard and customary for inclusion in security documents in the same or similar circumstances as the Security.
3. All costs directly related to establishing and maintaining the Security will be for the account of the Obligors.

SCHEDULE 6A: FIRST CONVERSION OPTION CALCULATION

SCHEDULE 6B: SECOND CONVERSION OPTION CALCULATION

Commercially sensitive financial information redacted

SCHEDULE 6C: CONVERSION CALCULATION GUIDELINES

If and to the extent that any of the assumptions or methodologies applied to the Conversions as set out in the worked examples contained in **Schedule 6A** or **Schedule 6B** are not valid, applicable or relevant then the Parties (and the Financial Expert, if applicable) shall have regard to (and, unless on good cause shown, shall apply) the following principles in making the necessary calculations to determine the Conversion Equity:

1. if and to the extent that the value of Giyani Metals is different to the value of Project HoldCo then the value of Giyani Metals relative to the value of Project HoldCo shall be determined with reference to the following principles:
 - 1.1. the value of Giyani Metals and Project HoldCo will be determined using a valuation methodology and principles that is most applicable and relevant in the circumstances, having regard to, amongst other things:
 - 1.1.1. capital and capital structure;
 - 1.1.2. asset base (including cash and cash equivalents);
 - 1.1.3. trading values (and liquidity based on historical trading) within the capital markets;
 - 1.1.4. foreign exchange fluctuations; and
 - 1.1.5. liabilities and indebtedness;
 - 1.2. the valuation principles and methodology applied to each of Giyani Metals and Project HoldCo will be the same; and
 - 1.3. the proportion of the value of Giyani Metals relative to the value of Project HoldCo shall be applied to the calculation of the Conversion Equity.
2. when calculating the number of Giyani Shares to be issued to the Lender, outstanding warrants will be taken into account;
3. to the extent that the shareholder loan in Project HoldCo is less than the valuation of Project HoldCo, the shareholder loan will be reduced accordingly before the Conversion (which reduction can be implemented either by way of debt forgiveness or conversion into equity);
4. to the extent that the shareholder loan in Project HoldCo is out of proportion to the resulting shareholding percentage between the Lender and Giyani Metals, the excess shareholder loan will be converted into equity;
5. to the extent that the value of the Lender Conversion is represented only by shareholder loan, the appropriate number of shares in Project HoldCo will be issued to the Lender at nominal value; and
6. it is the intention that shareholder loans and shareholding should always be proportionate.

SCHEDULE 7: DETERMINATION PRINCIPLES

The following principles shall apply in relation to the basis on which the Expert will be appointed and will make his determination in terms of clauses 10.9, 11.10, 12.3.2, 15.10 and 16.12.2:

1. The Expert appointed to make a determination in a matter contemplated in this Agreement ("**Determination**") shall be independent from the Parties.
2. The Expert shall act fairly and impartially between the Parties in the manner set out below:
 - (a) the Parties and the Expert (by accepting his nomination to act) agree that the proceedings brought about as a result of this Agreement are strictly confidential between themselves and shall not be disclosed to any other person or organisation;
 - (b) the Expert will certify that he has no interest in the outcome of the Determination, and should any circumstance arise which affects his ability to act fairly and impartially between the Parties, he will terminate the proceedings and notify both Parties immediately;
 - (c) the Parties agree that the timetable for the proceedings shall be set and variable at the sole and unfettered discretion of the Expert; the Expert will take into account the Parties' request that a decision is required, if at all possible, within 30 days;
 - (d) the Parties shall make themselves available to meet the Expert to discuss the relevant matter at the earliest opportunity;
 - (e) the Parties shall have the right to make written submissions to the Expert and will supply each other with copies of any submissions or other documents supplied to, or correspondence with, the Expert;
 - (f) the Parties shall promptly provide (or procure that others provide) the Expert with such assistance and written information as he may reasonably require for the purposes of making his Determination;
 - (g) the Expert shall have power to proceed to investigate the matters referred to it and to issue his Determination in any manner which in his sole unfettered opinion is expeditious and cost effective;
 - (h) the Parties agree to comply with any directions issued by the Expert in accordance with his duties under this Agreement;
 - (i) the Expert undertakes to consider all representations (oral or documentary) made to him by the Parties provided that they are made in accordance with the set timetable;
 - (j) the Expert may hold a meeting or meetings with the Parties, either separately or together;
 - (k) the Parties agree that in the absence of representations from one Party or both, or the failure of any Party to make representations within the set timetable, or the failure of one Party or another to give access to any thing or site within the set timetable, or the failure of one Party or another to comply with any direction made by the Expert, the Expert has the power to make his Determination on the information available to him and his own knowledge and experience. However, before proceeding in the absence of co-operation

GMSA Convertible Loan Facility Agreement

- from one Party, the Expert shall give that Party reasonable notice so that they may remedy their failure;
- (l) the Parties agree that the Expert shall not be liable for anything done or omitted to be done in the discharge or purported discharge of this Agreement, unless the act or omission is shown to be in bad faith;
 - (m) if the Parties do not agree the fair and reasonable monetary amounts or values in issue between them, then the Expert may decide what such amounts or values should be on the information available to him and his own knowledge and experience, and base any amounts payable in his final Determination on that decision;
 - (n) the Parties agree that the Expert may charge reasonable fees and expenses for his work, and the Expert shall assess and determine the reasonable fees and expenses to be paid;
 - (o) the Expert's Determination shall be delivered in writing promptly, if at all possible within 30 days of his appointment in such form as the Expert decides is appropriate and signed and dated; and
 - (p) the Expert may correct any clerical mistakes, errors, miscalculations or omissions in his Determination within 5 days of its delivery.
3. The Expert shall act as expert and not as arbitrator and his Determination on the matters referred to him shall, save for manifest error or in the event of fraud, be final and binding upon the Parties.
4. The costs of the Expert shall:
- (a) in the case of a dispute as contemplated in clause 10.9, 11.10, 12.3.2 and 16.12.2, be determined by the Expert in his discretion; and
 - (b) in the case of a dispute as contemplated in clause 15.10, if the amount of First Conversion Equity or Second Conversion Equity Shares finally determined by the Financial Expert differs by more than 10% from the number of Conversion Equity set out in the relevant Conversion Equity Calculation Notice, be borne by the Borrower and otherwise shall be borne by the Lender.

SCHEDULE 8: TARGET PRODUCT SPECIFICATIONS

Commercially sensitive information redacted

SCHEDULE 9: LIABILITIES OF THE BORROWER

Commercially sensitive financial information redacted

SCHEDULE 10: SHAREHOLDERS ARRANGEMENTS

Commercially sensitive information redacted