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THIS AGREEMENT is dated **22 December** 2021 and made between:

- (1) **EMPRESS ROYALTY HOLDING CORP.**, a corporation incorporated in British Columbia, Canada, with its registered address at 1 - 15782 Marine Drive, White Rock, BC, V4B 1E6 (the **Borrower**);
- (2) **EMPRESS ROYALTY CORP.**, a corporation incorporated in British Columbia, Canada, with its registered address at 1 - 15782 Marine Drive, White Rock, BC, V4B 1E6 (the **Guarantor**); and
- (3) **NEBARI NATURAL RESOURCES CREDIT FUND I, LP**, a limited partnership formed in Delaware, United States, with its registered address at 460 NE 28th Street, Unit 4201, Miami FL 33137 (the **Lender**).

IT IS AGREED as follows:

Interpretation

1. Definitions and interpretation

Definitions

1.1 In this Agreement:

Accordion Confirmation Notice has the meaning given to it in clause 2.2(d) (*Conditions precedent*)

Accordion Facility means the term loan facility which may be made available under this Agreement as described in clause 3.1(b) (*The Facilities*)

Accordion Facility Loan means a loan made or to be made under the Accordion Facility or the principal amount outstanding for the time being of that loan (taking into account the OID)

Accounts means the audited accounts of the Guarantor for the period ended on the Accounts Date, provided that the accounts of the Guarantor for the period ended on September 30, 2021 are unaudited

Accounts Date means September 30, 2021 and each anniversary of such date

Additional Warrants means the additional share purchase warrants in the name of the Guarantor to be granted to the Lender on each Utilisation Date of the Accordion Facility, the number of which shall be equal to the Additional Warrant Amount and shall have a strike price (subject to TSX-V regulations) calculated as a nil premium to the 5 day volume-weighted average price at the date the Guarantor makes a public announcement of the applicable Loan

Additional Warrant Amount means an amount equal to the amount of the Accordion Facility Loan divided by 4,500,000 multiplied by 7,500,000

Affiliate means, in relation to a person, a Subsidiary or Holding Company of that person or any other Subsidiary of that Holding Company

Altaley means Altaley Mining Corporation (formerly known as Telson Mining Corporation), a mining company operating the Tahuehueto silver mine located in Durango, Mexico

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration

Availability Period means:

- (a) in respect of the Base Facility, the period from and including the date of this Agreement to and including the date falling thirty (30) days after the date of this Agreement (or such other date agreed between the Borrower and Lender in writing from time to time); and
- (b) in respect of the Accordion Facility, such period specified in an Accordion Confirmation Notice

Base Facility means the term loan facility made available under this Agreement as described in clause 3.1(a) (*The Facilities*)

Base Facility Loan means a loan made or to be made under the Base Facility or the principal amount outstanding for the time being of that loan (taking into account the OID)

Board means the Board of Governors of the Federal Reserve System of the United States (or any successor thereto)

Borrower Share Pledge means the share pledge in respect of all the shares in the Borrower to be entered into between the Guarantor, as shareholder of the Borrower, and the Lender on or around the date of this Agreement

Business Day means a day (other than Saturday or Sunday) on which banks are open for general business in New York and Toronto

Calculation Date means, in relation to an Event of Default, the date falling 5 Business Days after the Notification Date in respect of that Event of Default

Calculation Period means, in respect of a Calculation Date, the 12 month period starting on the day after such Calculation Date (or, in respect of any Calculation Date falling within 12 months of the Final Repayment Date, the period commencing on the day after such Calculation Date and ending on the Final Repayment Date)

Candelaria means Candelaria Mining Corp., a mining company that owns the Pinos gold and silver mine in Zacatecas, Mexico

Candelaria Agreements means:

- (a) the royalty purchase agreement dated 23 November 2020 and entered into between the Guarantor, Candelaria, Minera Apolo and Minera Catanava;
- (b) the royalty purchase agreement dated 23 November 2020 and entered into between the Guarantor and Maria;
- (c) the royalty assignment and assumption agreement dated 23 November 2020 and entered into between the Guarantor and Maria;
- (d) the net smelter returns royalty agreement dated 23 November 2020 and entered into between the Guarantor and Minera Apolo;
- (e) the net smelter returns royalty agreement dated 23 November 2020 and entered into between the Guarantor and Minera Catanava; and
- (f) the letter agreement dated 23 November 2020 and entered into between Candelaria, Minera Apolo, Grupo MC, and Maria

Cash Balance means the aggregate cash balance on the bank accounts of the Borrower on the relevant Calculation Date

Cashflow Model means the cashflow model submitted by the Borrower:

- (a) in connection with a Preliminary Draw Request; or
- (b) in connection with the calculation of the Forecast Debt Service Cover Ratio pursuant to clause 12.28 (*Forecast Debt Service Cover Ratio (Saving Provision)*),

and, in each case, agreed between the Borrower and the Lender as part of the process of the Lender evaluating such request

Consent and Transfer Agreements means:

- (a) the agreement dated on or around the date of this Agreement and entered into between, amongst others, the Guarantor, the Borrower, Maria, Minera Catanava, Minera Apolo, Grupo MC, Candelaria (i) transferring all the rights and obligations of the Guarantor under the relevant Candelaria Agreements to the Borrower and (ii) consenting to the Security created by the General Security Agreement over the rights of the Obligors under certain of the Candelaria Agreements;

- (b) the agreement dated on or around the date of this Agreement and entered into between, amongst others, the Guarantor, the Borrower, Ramree, Meteor, Endor and MMP (i) transferring all the rights and obligations of the Guarantor under the Manica Agreements to the Borrower and (ii) consenting to the Security created by the General Security Agreement over the rights of the Obligors under the Manica Agreements;
- (c) the agreement dated on or around the date of this Agreement and entered into between the Guarantor, the Borrower and Sierra Antapite (i) transferring all the rights and obligations of the Guarantor under the Sierra Antapite Agreements to the Borrower and (ii) consenting to the Security created by the General Security Agreement over the rights of the Obligors under the Sierra Antapite Agreements;
- (d) any agreement governed by Peruvian law entered into after the date of this Agreement in connection with the SA Security Trust Transfer; and
- (e) the agreement dated on or around the date of this Agreement and entered into between the Guarantor, the Borrower, Real de La Bufa and Altaley (i) transferring all the rights and obligations of the Guarantor under the Tahuehueto Agreement to the Borrower and (ii) consenting to the Security created by the General Security Agreement over the rights of the Obligors under the Tahuehueto Agreement

CP Satisfaction Date means the date on which the Lender gives notice to the Borrower that the conditions precedent in respect of the Base Facility have been satisfied or waived in accordance with clause 4.1 (*Utilisation*)

Default means (a) any Event of Default or (b) any event or circumstance which would, upon the giving of a notice, the expiry of a period, the making of a determination or the fulfilment of any other condition (in each case under this Agreement), constitute an Event of Default

Delayed Candelaria Registration means the registration at the Mexican Mining Bureau (Registro Público de Minería) of the royalties granted by Minera Catanava and Minera Apolo, initially in favour of the Guarantor, and subsequently in favour of the Borrower

Delayed Equipment Pledge Registration means the registration of the Equipment Pledge Agreement at the Centre for Security over Moveable Assets in Mozambique, and the Bank of Mozambique if required under Mozambican law, initially in favour of the Guarantor, and subsequently in favour of the Borrower

Delayed SA Security Trust Registration means the registration of the SA Security Trust Agreement at the relevant Peruvian registry or registries (or any such equivalent place) in favour of the Borrower and in accordance with the applicable laws

Disposal has the meaning given to it in clause 6.2(b) (*Mandatory prepayment – asset disposal and compensation proceeds*)

Distribution means, in respect of any Obligor, any declaration of payment of any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital interests (or any class of its share capital)

Due Diligence Clearance means a written notice issued by the Lender to the Borrower confirming that the conditions set out in Part 1 of Schedule 3 (*Conditions precedent to Accordion Facility*) have been satisfied or waived

Duty means any duty, obligation or liability of any kind

Endor means Endor (Mauritius) Limited, marketing agent to MMP

Equipment Pledge Agreement means the Mozambican law equipment and pledge agreement dated 3 March 2021 and entered into between the Guarantor, Endor, MMP and Ramree

Event of Default is defined in clause 12.1 (*Events of Default*)

Facilities means:

- (a) the Base Facility; and
- (b) the Accordion Facility

Final Draw Request means a notice substantially in the form of Schedule 5, duly completed by the Borrower

Final Repayment Date means the date falling twenty four (24) months after the first Utilisation Date

Finance Documents means:

- (a) this Agreement;
- (b) the Security Documents;
- (c) the Warrants;
- (d) each Preliminary Draw Request;
- (e) each Final Draw Request; and
- (f) any other documents designated as such by the Lender and the Borrower at any time

Financial Indebtedness means Indebtedness in respect of:

- (a) money borrowed and debit balances at banks;
- (b) any debt instrument;
- (c) acceptance credit facilities;
- (d) receivables sold otherwise than on a non-recourse basis;
- (e) deferred payments for assets or services acquired (but not ordinary trade credit);
- (f) finance leases and hire purchase contracts;
- (g) a counter-indemnity in respect of a Guarantee given by a financial institution;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value will be taken into account);
- (i) any other transaction having the commercial effect of a borrowing; and
- (j) Guarantees of Indebtedness of any person falling within any of (a) to (h) above;

Forecast Debt Service Cover Ratio means, in respect of any Calculation Date, the ratio of:

- (a) Forecast Net Cash Flow; to
- (b) Forecast Finance Costs,

in each case, for the relevant Calculation Period

Forecast Finance Costs means, in respect of any Calculation Period, the aggregate of all amounts forecast to be paid by the Borrower during such period by way of:

- (a) repayments of principal in respect of the Loans; and
- (b) interest, fees, commissions, costs, and expenses to the Lender under the Finance Documents

Forecast Net Cash Flow means, in respect of each Calculation Period, A minus B, where:

- (a) A is the aggregate revenues forecast to be received by the Borrower during that period plus the Cash Balance and any undrawn Accordion Facility Loans that have been approved by the investment committee of the Lender following the submission of a Preliminary Draw Request and in respect of which Due Diligence Clearance has been

obtained (but solely to the extent that such Accordion Facility Loan has been included as a Forecast Finance Cost in the corresponding calculation on such Calculation Date); and

- (b) B is the aggregate of all amounts forecast to be paid by the Borrower during that period, including (but not limited to) its operating costs, capital expenditure, acquisition costs and Tax, but excluding Forecast Finance Costs

General Security Agreement means a first ranking general security agreement over:

- (a) the assets of the Borrower and the Guarantor as at the date of this Agreement; and
- (b) any future assets which are wholly and/or partially funded with proceeds from the Facilities,

to be entered into between the Borrower, the Guarantor and the Lender on or around the date of this Agreement

Group means the Guarantor and its Subsidiaries

Grupo MC means Grupo Minero Candelaria, S.A.P.I. de C.V.

Guarantee means any guarantee, indemnity, bond, standby or documentary credit, third party charge or other assurance against financial loss by one person in respect of the obligations of another person

Holding Company means in relation to a person, any other person in respect of which it is a Subsidiary

IFRS means International Financial Reporting Standards as issued from time to time by the International Accounting Standards Board (or its relevant successor body) and interpretations issued from time to time by the International Financial Reporting Interpretations Committee (or its relevant successor body)

Indebtedness means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent

Initial Principal Amount means \$4,787,234

Interest Payment Date means each 31 March, 30 June, 30 September and 31 December falling between the date of this Agreement and the Final Repayment Date

Interest Period means, in relation to a Loan, each period for the calculation of interest in respect of that Loan, ascertained in accordance with clauses 7.4 to 7.7 (*Interest*) and 16.2 and 16.3 (*Interest for late payment*)

Legal Reservations means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under applicable limitation acts, the possibility that an undertaking to assume liability for or indemnify a person against non-payment of stamp duty may be void and defences of set-off or counterclaim; and
- (c) similar principles, rights, defences or requirements under the laws of British Columbia

Lent Funds means:

- (a) in respect of the Base Facility, \$4,500,000; and
- (b) in respect of the Accordion Facility, such amount as is actually disbursed by the Lender to the Borrower from time to time (taking into account the OID)

LIBOR means, in relation to any Loan:

- (a) the applicable Screen Rate as of 11.00am on the Quotation Day; or
- (b) if no Screen Rate is available for dollars for a period of three (3) Months, the rate notified to the Borrower by the Lender as soon as practicable, calculated based on general market practice,

and if that rate is less than one (1) per cent LIBOR shall be deemed to be one (1) per cent

Loan means a Base Facility Loan or an Accordion Facility Loan

Manica Agreements means:

- (a) the royalty purchase agreement dated 20 February 2021 between the Guarantor, Endor and MMP;
- (b) the royalty agreement dated 20 February 2021 between the Guarantor and Endor; and
- (c) any amendment, novation, supplement, extension or restatement to the agreements at (a) or (b) above.

Manica Payment means the payment in full of \$1,000,000 by the Guarantor or the Borrower (as applicable) to Endor or MPP (as applicable) pursuant to the Manica Agreements

Margin means 10 per cent (10%) per annum, provided that such amount shall increase to 19 per cent (19%) per annum at any time that an Event of Default has occurred and is continuing

Margin Stock has the meaning specified in Regulation U of the Board as in effect from time to time

Maria means Maria Guadalupe Chiw Castillo

Material Adverse Effect means any event, circumstance or effect (either individually or when taken into consideration with any other event, circumstance or effect) which, in the reasonable opinion of the Lender is, or is reasonably likely to be, materially adverse to:

- (a) the ability of any Obligor to perform or comply with any of its payment or other material obligations under any Finance Document to which it is party;
- (b) the business, assets or financial condition of an Obligor; or
- (c) the validity, legality or enforceability of, or on the effectiveness or ranking of any Transaction Security or the rights or remedies of the Lender under any of the Finance Documents

Material Counterparties means:

- (a) Altaley;
- (b) Candelaria;
- (c) Endor;
- (d) Grupo MC;
- (e) Minera Apolo;
- (f) Minera Catanava;
- (g) MMP;
- (h) Real de la Bufa;
- (i) Sierra Antapite;
- (j) each counterparty to any streaming or royalty agreement entered into by the Borrower after the date of this Agreement which is funded by the Borrower (in whole or in part) using the proceeds of an Accordion Facility Loan; and
- (k) any other person designated as such by the Lender and the Borrower, both acting reasonably

Material Royalty/Stream Agreements means:

- (a) the Manica Agreements;
- (b) the Candelaria Agreements;
- (c) the Sierra Antapite Agreements;
- (d) the Tahuehueto Agreement;
- (e) each document constituting the Material Royalty/Stream Security in favour of the Obligors;
- (f) the Consent and Transfer Agreements;
- (g) each streaming or royalty agreement entered into by the Borrower after the date of this Agreement which is funded by the Borrower (in whole or in part) using the proceeds of an Accordion Facility Loan; and
- (h) any other document designated as such by the Lender and the Borrower, both acting reasonably

Material Royalty/Stream Security means the security granted in favour of any Obligor in connection with the Material Royalty/Stream Agreements, as described in Schedule 6 (*Material Royalty/Stream Security*)

Maximum Accordion Amount means \$11,170,212 (or such higher amount as approved by the Lender)

Meteor means Meteor Global Investment (FZC), a guarantor of MMP and Endor's obligations under the Manica Agreements

Mineral Apolo means Minera Apolo, S.A. de C.V., a subsidiary of Candelaria

Minera Catanava means Minera Catanava, S.A. de C.V., a subsidiary of Candelaria

MMP means Mutapa Mining & Processing Limitada, a mining company operating the Manica hard rock gold mine in Manica, Mozambique

Notification Date has the meaning given to it in clause 12.28(ii) (*Forecast Debt Service Cover Ratio (Saving Provision)*)

Obligors means the Borrower and the Guarantor

OID means the original issue discount, which is applicable to all Loans under the Facilities, being an amount of six per cent (6%)

Permitted Distribution means any Distribution made by the Borrower to the Guarantor provided that no Default has occurred and is continuing or would result from the making of the Distribution

Permitted Financial Indebtedness means:

- (a) Financial Indebtedness arising under the Finance Documents; and
- (b) any other Financial Indebtedness permitted by the Lender from time to time

Preliminary Draw Request means a preliminary draw request delivered by the Borrower to the Lender informing the Lender of its desire to borrow an Accordion Facility Loan and attaching the documents and evidence required in accordance with clause 4.3 (*Utilisation*) and Schedule 3 (*Conditions precedent to Accordion Facility*)

Quasi-Security means an arrangement or transaction to:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset

Quotation Day means in relation to any period for which LIBOR is to be determined, the date on which quotations are customarily provided by leading banks in the London interbank market for deposits in the relevant currency for delivery on the first day of that period

Ramree means Ramree Corporation (Mauritius) Ltd., a guarantor of MMP and Endor's obligations under the Manica Agreements

Real de la Bufa means Real de la Bufa S.A. de C.V., an indirect subsidiary of Altaley

Regulation means any present or future law, regulation, request, requirement or guideline of any authority, whether or not it has the force of law (but, if it does not, with which the person concerned habitually complies)

Related Fund in relation to a fund (the **first fund**), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or

investment adviser is an Affiliate of the investment manager or investment adviser of the first fund

Repayment Date means:

- (a) the third Interest Payment Date falling after the first Utilisation Date;
- (b) each Interest Payment Date falling after the Repayment Date referenced in paragraph (a) up to, but excluding, the Final Repayment Date; and
- (c) the Final Repayment Date

Residual Assets means the streaming and royalty agreements described in Schedule 7 (*Residual Assets*)

Restricted Party means a person that is:

- (a) listed on, or owned or controlled by a person listed on, or acting on behalf of a person listed on, any Sanctions List; or
- (b) located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a person located in or organized under the laws of a country or territory that is the target of country-wide or territory-wide Sanctions

Right means any right, privilege, power, immunity or other interest or remedy of any kind

SA Security Trust Agreement means the assets security trust (*fideicomiso en garantía*) originally formalized by public deed of December 20, 2018, as amended and assigned to Empress Royalty Corp. through public deed of July 23 2021, entered into by and between Sierra Antapite (as trustor), Banco Interamericano de Finanzas S.A. (as original beneficiary and assignor), the Guarantor (as new beneficiary and assignee), Corfid Corporación Fiduciaria S.A. (as trustee) and Graham Alexander Speirs (as depositary)

SA Security Trust Transfer means the transfer of all rights and benefits to which the Guarantor is entitled under the SA Security Trust Agreement to the Borrower, such that the Borrower becomes the named beneficiary of the assets security trust (*fideicomiso en garantía*)

Sanctions means the economic sanctions laws, regulations, embargoes or similar restrictive measures administered, enacted or enforced by:

- (a) the government of the US;
- (b) the United Nations;
- (c) the European Union;

- (d) the government of the United Kingdom;
- (e) the government of Canada; or
- (f) the respective governmental institutions and agencies of any of the foregoing, including the Office of Foreign Assets Control of the US Department of Treasury (**OFAC**), the United States Department of State, and Her Majesty's Treasury (**HMT**),

(together the **Sanctions Authorities**)

Sanctions List means the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by HMT, or any similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities

Screen Rate means the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for dollars for a three month period displayed on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page, service or quotation ceases to be available, the Lender may specify another page or service displaying the relevant rate after consultation with the Borrower and based on general market practice at the time

Security means:

- (a) any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind in any jurisdiction;
- (b) any proprietary interest over an asset, or any contractual arrangement in relation to an asset, in each case created in relation to Financial Indebtedness and which has the same commercial effect as if security had been created over it; and
- (c) any right of set-off created by agreement

Security Documents means:

- (a) the General Security Agreement;
- (b) the Borrower Share Pledge; and
- (c) any other document designated as such by the Lender and the Borrower

Sierra Antapite Agreements means:

- (a) the metal purchase and sale agreement for the exportation of future gold production dated 28 July 2021 and entered into between the Guarantor and Sierra Antapite (the **Sierra Antapite Streaming Agreement**); and
- (b) the side letter agreement dated 30 September 2021 and entered into between the Guarantor and Sierra Antapite

Sierra Antapite Outstanding Tranche means the payment in full of the Second Deposit (as defined under the Sierra Antapite Streaming Agreement) by the Guarantor or the Borrower (as applicable) to Sierra Antapite pursuant to the Sierra Antapite Agreements

Sierra Antapite means Sierra Antapite S.A.C., a mining company operating the Sierra Antapite gold mine located in the province of Huaytará, Peru

Specified Time means:

- (a) in respect of the Base Facility Loan, twelve (12) Business Days prior to the proposed Utilisation Date; and
- (b) in respect of an Accordion Facility Loan, fifteen (15) Business Days prior to the proposed Utilisation Date

Subsidiary means any company or entity directly or indirectly controlled by that person (for which purpose, "control" means either the ownership of more than fifty per cent (50%) of the voting share capital (or equivalent right of ownership including where the voting share capital may have been transferred by way of Security or is otherwise held by a nominee) of that company or entity, or the power to direct its policies and management, whether by contract or otherwise)

Tahuehueto Agreement means the metal purchase and sale agreement dated April 14, 2021 and entered into between the Guarantor, Real De La Bufa and Altaley

Tahuehueto Trust Agreement means the trust agreement dated November 12, 2020 (as amended from time to time) between, amongst others, Altaley, Real De La Bufa and Campo Morado

Tax means all present and future taxes, levies, imposts, duties, fees or charges of whatever nature together with any related interest and penalties (and **Taxation** is construed accordingly)

Transaction Security means the Security created or expressed to be created in favour of the Lender pursuant to the Security Documents, provided that any royalty or stream acquired by the Guarantor or any Subsidiary in the future which is not funded in part or in whole using the Facilities shall not be subject to the Transaction Security created by the Security Documents

TSX-V mean the TSX Venture Exchange

Utilisation Date means the date on which a Loan is to be made

Warrants means 7,500,000 share purchase warrants in the Guarantor.

Interpretation

1.2 In this Agreement:

- (a) the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Agreement;
- (b) references to clauses and schedules are to clauses of, and schedules to, this Agreement;
- (c) references to this Agreement, any Finance Document or any other document are to this Agreement or that document as from time to time amended, restated, novated, or replaced, however fundamentally;
- (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;
- (e) a Default (other than an Event of Default) is continuing if it has not been remedied or waived and an Event of Default is continuing if it has not been waived;
- (f) references to a person include its successors in title, permitted assignees and permitted transferees;
- (g) words importing the plural include the singular and vice versa;
- (h) references to a time of day are to Eastern Standard Time, using the 24 hour clock; and
- (i) references to any enactment include that enactment as re-enacted; and, if an enactment is amended, any provision of the Finance Documents which refers to that enactment will be amended in such manner as the Lender, after consultation with the Borrower, determines to be necessary in order to preserve the intended effect of this Agreement.

1.3 "\$", "USD" and "Dollars" denote the lawful currency of the United States of America.

1.4 This Agreement may be executed in counterparts.

2. Conditions precedent

- 2.1 The obligation of the Lender to make the Base Facility available is conditional on receipt by the Lender of the documents and evidence described in Schedule 2 (*Conditions precedent to Base Facility*) in form and substance satisfactory to the Lender.
- 2.2 The Accordion Facility is uncommitted and the Lender has no obligation to make the Accordion Facility available. The availability of the Accordion Facility and each Accordion Facility Loan made thereunder will be conditional on:
- (a) receipt by the Lender of the documents and evidence described in Schedule 3 (*Conditions precedent to Accordion Facility*) in form and substance satisfactory to the Lender in respect of each Accordion Facility Loan;
 - (b) the Lender receiving its own investment committee approval to make the Accordion Facility Available in respect of each Accordion Facility Loan;
 - (c) such other conditions as the Lender may require from time to time; and
 - (d) the Lender confirming in writing to the Borrower that it is willing to make an Accordion Facility available, and the terms of that Accordion Facility (which shall be counter-signed by the Borrower and the Guarantor to confirm the terms that shall apply to such Accordion Facility) (the **Accordion Confirmation Notice**).

3. The Facilities

- 3.1 Subject to the terms of this Agreement:
- (a) the Lender makes available to the Borrower a dollar term loan facility in an aggregate amount equal to the Initial Principal Amount but subject to the OID; and
 - (b) the Lender may, in its absolute discretion, make available to the Borrower a dollar term loan facility in an aggregate amount up to the Maximum Accordion Amount but subject to the OID. The Accordion Facility may be drawn in one or more Loans, in each case subject to the terms of this Agreement.
- 3.2 The OID shall be applied as follows:
- (a) once drawn, the principal amount outstanding under the Base Facility shall be equal to the Initial Principal Amount, but the Lender shall only be obliged to disburse \$4,500,000 in Base Facility Loan proceeds (less any other deductions it is entitled to make under this Agreement); and

- (b) assuming (for illustration purposes only), that the Accordion Facility is provided in an amount equal to the Maximum Accordion Amount, once drawn, the principal amount outstanding under the Accordion Facility shall be equal to the Maximum Accordion Amount, but the Lender shall only be obliged to disburse \$10,500,000 in Accordion Facility Loan proceeds (less any other deductions it is entitled to make under this Agreement).

Purpose

- 3.3 The Borrower shall apply all amounts borrowed under the Base Facility in the following order of priority (and shall not apply any amounts borrowed under the Base Facility towards clause 3.3(c) below until the amounts required to be paid pursuant to clauses 3.3(a) and 3.3(b) have been paid in full):
 - (a) the payment of the Sierra Antapite Outstanding Tranche;
 - (b) the payment of the Manica Payment; and
 - (c) the general corporate and working capital purposes of the Obligors, including the payment of any fees, costs, interest and other amounts incurred in connection with the Facilities.
- 3.4 The Borrower shall apply any amounts borrowed under the Accordion Facility towards the acquisition by the Borrower of new royalty or streaming assets.
- 3.5 All present and future amounts owing in respect of the Finance Documents (including in respect of the Accordion Facility) will be secured by the Security Documents.

4. Utilisation

Conditions Precedent to the Base Facility

- 4.1 The Borrower shall not deliver a Final Draw Request in respect of the Base Facility unless the Lender has received all of the documents and other evidence listed in Schedule 2 (*Conditions precedent to Base Facility*) in form and substance satisfactory to the Lender or the Lender has waived such satisfaction.
- 4.2 The Borrower must utilise the Base Facility in one single Base Facility Loan and the amount of the proposed Base Facility Loan must be for the Initial Principal Amount.

Conditions Precedent to the Accordion Facility

- 4.3 The Borrower shall not deliver a Preliminary Draw Request or Final Draw Request in respect of the Accordion Facility unless the Lender has received all of the documents and other evidence listed in Schedule 3 (*Conditions precedent to Accordion Facility*) in form and substance

satisfactory to the Lender or the Lender has waived such satisfaction. For the avoidance of doubt, the Borrower may deliver multiple Preliminary Draw Requests or Final Draw Requests in respect of the Accordion Facility, provided that the total amount of all Accordion Facility Loans made thereunder shall not exceed the Maximum Accordion Amount.

- 4.4 The amount of any Accordion Facility Loan shall be agreed from time to time in an Accordion Confirmation Notice.

Mechanics for drawing any Loan

- 4.5 Subject to the other terms of this Agreement, the Borrower may utilise a Facility by delivering to the Lender a duly completed Final Draw Request not later than the Specified Time. A Final Draw Request may only be delivered on a Business Day within the Availability Period applicable to that Facility.

- 4.6 If the Borrower wishes to request that the Lender make available the Accordion Facility (or an Accordion Facility Loan thereunder) it shall issue a Preliminary Draw Request no later than twenty five (25) days prior to the proposed Utilisation Date of an Accordion Facility Loan.

- 4.7 Without prejudice to the other terms of this Agreement (including the uncommitted nature of the Accordion Facility), the Lender will use reasonable endeavours to confirm Due Diligence Clearance within ten (10) days of receipt of a Preliminary Draw Request.

- 4.8 A Final Draw Request may only be submitted in respect of an Accordion Facility Loan if the Lender has delivered an Accordion Confirmation Notice and a Due Diligence Clearance (which may be delivered in the same document).

- 4.9 Each Final Draw Request and Preliminary Draw Request for a Loan is irrevocable and will not be regarded as having been duly completed unless it satisfies the requirements of this Agreement.

Making a Loan

- 4.10 Each Loan will be in Dollars.

- 4.11 The obligation of the Lender to make any Loan available to the Borrower is subject to the conditions that, on the date of each Preliminary Draw Request, Final Draw Request and each Utilisation Date:

- (a) no Default has occurred and is continuing;
- (b) no Default will result from the making of a Loan;
- (c) no Obligor is otherwise in breach of any of the Finance Documents; and

- (d) the representations and warranties set out in clause 9 (*Representations*) are true and accurate.

Additional Conditions to Accordion Facility Loans

4.12 If the Lender has elected to make the Accordion Facility available in accordance with the terms of this Agreement, each Accordion Facility Loan shall be subject to the following additional conditions:

- (a) the amount of each proposed Accordion Facility Loan will be at least five hundred thousand dollars (\$500,000);
- (b) the Accordion Facility Loans can only be drawn after the date falling thirty (30) Business Days after the first Utilisation Date of the Base Facility and before the date falling thirty (30) Business Days prior to the Final Repayment Date;
- (c) the maximum number of Accordion Facility Loans is eight (8);
- (d) an Accordion Facility Loan cannot be made within thirty (30) days of another Accordion Facility Loan;
- (e) the Guarantor shall have issued Additional Warrants in an amount equal to the Additional Warrant Amount by no later than the Utilisation Date in respect of the Accordion Facility Loan; and
- (f) the Guarantor shall have provided evidence to the Lender that the Additional Warrants have been issued and duly registered with the TSX-V by no later than the Utilisation Date in respect of the Accordion Facility Loan.

Conditions Subsequent in respect of the Base Facility

4.13 The Borrower or the Guarantor (as applicable) shall:

- (a) on or immediately after the first Utilisation Date pay the Sierra Antapite Outstanding Tranche;
- (b) on or immediately after the first Utilisation Date pay the Manica Payment;
- (c) promptly once available and in any event within five (5) Business Days of the CP Satisfaction Date, supply to the Lender confirmation from Sierra Antapite that the Second Deposit (as defined in the Sierra Antapite Streaming Agreement) has been received in full in accordance with the terms of the Sierra Antapite Agreements;
- (d) within ninety (90) days of the CP Satisfaction Date, transfer any remaining Residual Assets (and any associated Security granted in favour of the Guarantor) to the Borrower

and provide evidence of the same to the Lender in form and substance satisfactory to the Lender provided that, as long as the Guarantor continues to work on a best efforts basis to transfer any remaining Residual Assets (and any associated Security granted in favour of the Guarantor) to the Borrower, it may seek an extension in connection with the ninety (90) day deadline prescribed, subject to the consent of the Lender (such consent not to be unreasonably withheld if the Guarantor continues to demonstrate that it is working on a best efforts basis and any extension is for a reasonable period of time);

- (e) within ninety (90) days of the CP Satisfaction Date, finalise the Delayed Candelaria Registration in the name of the Guarantor and the Delayed Equipment Pledge Registration in the name of the Guarantor, provided that, as long as the Guarantor continues to work on a best efforts basis to finalise the Delayed Candelaria Registration and the Delayed Equipment Pledge Registration, it may seek an extension in connection with the ninety (90) day deadline prescribed, subject to the consent of the Lender (such consent not to be unreasonably withheld if the Guarantor continues to demonstrate that it is working on a best efforts basis and any extension is for a reasonable period of time);
- (f) within ninety (90) days of completion of the registration outlined in clause 4.13(e) above, finalise the Delayed Candelaria Registration in the name of the Borrower and the Delayed Equipment Pledge Registration in the name of the Borrower provided that, as long as the Guarantor continues to work on a best efforts basis to finalise the Delayed Candelaria Registration and the Delayed Equipment Pledge Registration, it may seek an extension in connection with the ninety (90) day deadline prescribed, subject to the consent of the Lender (such consent not to be unreasonably withheld if the Guarantor continues to demonstrate that it is working on a best efforts basis and any extension is for a reasonable period of time);
- (g) within sixty (60) days of the CP Satisfaction Date, supply to the Lender evidence in a form and substance satisfactory to the Lender of the transfer of all rights and obligations of the Guarantor under the Tahuehueto Trust Agreement to the Borrower, provided that, as long as the Guarantor continues to work on a best efforts basis to transfer the Tahuehueto Trust Agreement to the Borrower, it may seek an extension in connection with the sixty (60) day deadline prescribed subject to the absolute discretion of the Lender;
- (h) within thirty-five (35) days of the CP Satisfaction Date, supply to the Lender evidence in a form and substance satisfactory to the Lender of the SA Security Trust Transfer (other than any public registration required in connection therewith), provided that, as long as the Guarantor continues to work on a best efforts basis to effect the SA Security Trust Transfer, it may seek an extension in connection with the thirty-five (35) day deadline prescribed subject to the absolute discretion of the Lender;

- (i) promptly upon receipt and in any event within twelve (12) weeks of the CP Satisfaction Date, supply to the Lender evidence in a form and substance satisfactory to the Lender of the registration and perfection of the Material Royalty/Stream Agreements (other than the Delayed Candelaria Registration) and Material Royalty/Stream Security (other than the Delayed Equipment Pledge Registration but including the Delayed SA Security Trust Registration) in the name of the Borrower provided that, as long as the Guarantor continues to work on a best efforts basis to supply to the Lender evidence (in a form and substance satisfactory to the Lender) of the registration and perfection of the Material Royalty/Stream Agreements and Material Royalty/Stream Security in the name of the Borrower, it may seek an extension in connection with the twelve (12) week deadline prescribed subject to the absolute discretion of the Lender.

Termination of commitment

- 4.14 Any part of a Facility which is undrawn at the end of the applicable Availability Period will be automatically cancelled.

5. Repayment

- 5.1 The Borrower will repay the Base Facility Loan on each Repayment Date in an amount equal to 8.33% of the Initial Principal Amount, provided that the amount due on the Final Repayment Date shall be equal to the aggregate amount of the Base Facility Loan then outstanding. For the avoidance of doubt, each repayment (other than the repayment due on the Final Repayment Date) shall be of the same amount.
- 5.2 The Borrower shall repay the Accordion Facility Loans in accordance with the repayment terms set out in an Accordion Confirmation Notice.
- 5.3 All amounts owing under the Finance Documents shall be repaid in full on the Final Repayment Date.

6. Prepayment

Mandatory prepayment - illegality

- 6.1 If, in any applicable jurisdiction, it becomes unlawful for the Lender to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Loan (or it becomes unlawful for any of its Affiliates or Related Funds to do so) the Lender shall promptly notify the Borrower upon becoming aware of that event and the Lender may, by further notice to the Borrower given within thirty (30) Business Days of the initial notification declare all or part of the outstanding Loan, together with accrued interest, and all other amounts accrued under the Finance Documents immediately due and payable, whereupon such outstanding Loan and amounts will become immediately due and payable.

Mandatory prepayment – asset disposal and compensation proceeds

6.2 Without prejudice to any other term of this Agreement, the Borrower shall, promptly upon receipt and, in any event, within five (5) Business Days of receipt, prepay the Loans in an amount equal to the amount of any Disposal Proceeds or Compensation Proceeds.

For the purpose of this clause 6.2:

- (a) **Compensation Proceeds** means any amounts received by an Obligor:
- (i) under or in respect of any Material Royalty/Stream Agreement or Residual Assets in connection with the termination or expiry of that agreement or in connection with any nationalisation, expropriation or compulsory purchase of any asset (whether in whole or part) referenced in a Material Royalty/Stream Agreement or which is a Residual Asset;
 - (ii) otherwise in the nature of damages or compensation under, in relation to, or in connection with any Material Royalty/Stream Agreement or Residual Asset; or
 - (iii) by way of repayment or refund of any upfront deposit or pre-payment made by an Obligor under any Material Royalty/Stream Agreement or Residual Asset (other than by way of ordinary course set-off pursuant to the terms of a Material Royalty/Stream Agreement or Residual Asset);
- (b) **Disposal** means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions);
- (c) **Disposal Proceeds** means the consideration receivable by any member of the Group for any Disposal made by any member of the Group except for Excluded Disposal Proceeds and after deducting:
- (i) any reasonable expenses which are incurred by any member of the Group with respect to that Disposal to persons who are not members of the Group; and
 - (ii) any Tax incurred and required to be paid by the seller in connection with that Disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance); and
- (d) **Excluded Disposal Proceeds** means any disposal proceeds:
- (i) in respect of ordinary course sale transactions involving gold or silver credits; or
 - (ii) which are less than \$50,000.

Voluntary prepayment of Loans

- 6.3 The Borrower may, if it gives the Lender not less than twenty (20) Business Days' (or such shorter period as the Lender may agree) prior notice, prepay the Loans in whole or in part (such part being a minimum amount of one million dollars (\$1,000,000)).
- 6.4 The right of the Borrower to prepay the Loans pursuant to clause 6.3 above is subject to the Lender receiving a minimum absolute return of twenty per cent (20%) on the Loan amount to be prepaid (and for such purpose the absolute return shall exclude any return or value attributable to the Warrants) (the **Absolute Return**). If, at the date of a voluntary prepayment, the Lender has not received the Absolute Return, then the prepaid amount shall include an additional "make-whole" sum equal to the amount required to ensure the Lender achieves the Absolute Return on the prepaid amount.

Restrictions

- 6.5 Subject to clause 6.8 below, any prepayment given by the Borrower under this clause 6 shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant prepayment is to be made and the amount of that prepayment.
- 6.6 Amounts prepaid under this clause 6 shall be applied against each repayment instalment due under clause 5 (*Repayment*) in inverse order of maturity.
- 6.7 Any prepayment under this Agreement shall be made in accordance with clause 6.4 above, together with accrued interest on the amount prepaid and together with any fees and other amounts outstanding in relation to the amount prepaid.
- 6.8 Any prepayment under this clause 6 can only be made on an Interest Payment Date.
- 6.9 The Borrower may not reborrow any part of a Facility which is prepaid.
- 6.10 The Borrower shall not repay or prepay all or any part of a Loan to the extent applicable, except at the times and in the manner expressly provided for in this Agreement.

7. Interest

Dates of payment

- 7.1 Subject to clause 7.2 below, the Borrower will pay interest on the Loans for each Interest Period on its Interest Payment Date.
- 7.2 If a Utilisation Date falls within five (5) days prior to an Interest Payment Date, then the interest for that Interest Period shall not be payable on that Interest Payment Date and instead shall fall due for payment on the following Interest Payment Date (together with any other interest due on that Interest Payment Date).

Rates of interest

- 7.3 The rate of interest is the aggregate of (a) the Margin, and (b) LIBOR (or such other comparable or successor rate selected by the Lender) as determined on the first day of each Interest Period.

Interest Periods

- 7.4 Subject to clause 7.5, Interest Periods for a Loan will be three (3) Months or any other period agreed between the Borrower and the Lender.

- 7.5 Interest Periods will:

- (a) in the case of the first Interest Period in relation to a Loan, begin on its Utilisation Date and end on the next following Interest Payment Date; and
- (b) in the case of all subsequent Interest Periods in relation to a Loan, begin on the day after the last day of the preceding Interest Period applicable to that Loan and end on the following Interest Payment Date (or, if earlier, the Final Repayment Date).

- 7.6 No Interest Period will extend beyond the Final Repayment Date.

Days other than Business Days

- 7.7 If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the preceding Business Day in that month.

Maximum Rate

- 7.8 Notwithstanding anything contained in this Agreement or any other Finance Document, no "interest" shall be paid or payable to the Lender in connection with the "credit advanced" in respect of a Loan at an annual rate of interest greater than that rate which is one (1%) percent per annum less than the "criminal rate" of interest (the "**Maximum Rate**"). In that regard the Borrower agrees not to pay to the Lender and the Lender agrees not to demand from the Borrower, "interest" on the "credit advanced" in respect of a Loan which is in excess of the Maximum Rate (any excess being called "**Excess Interest**").

- 7.9 Any "interest" received by the Lender on the "credit advanced" in respect of a Loan which could, but for this clause, be construed as Excess Interest, will be automatically applied to the outstanding balance of that Loan as a repayment on account of the principal balance of that Loan then outstanding which in turn shall be automatically reduced by the amount of the Excess Interest received. If it is at any time determined that, at the time any Excess Interest was received by the Lender, there were no, or insufficient, principal monies owing to the Lender to allow for an automatic reduction of the principal balance of a Loan as contemplated above, the

Borrower shall reduce the “interest” paid by the Borrower on the “credit advanced” in respect of that Loan to the Maximum Rate by either one or a combination of the following:

- (a) if that Loan has not then been repaid in full, by reducing the “interest” payable thereafter on the “credit advanced” in respect of that Loan:
 - (i) firstly, by reducing the monies payable thereafter on account of the arrangement fee provided for in clause 8.1 (*Arrangement Fee*); and
 - (ii) secondly if necessary, by reducing the monies payable thereafter on account of interest,

until the Excess Interest is repaid to the Borrower in full; or
- (b) if the Loan has been repaid in full, or there are insufficient monies due and owing in account of the Loan to allow for a repayment of the Excess Interest in accordance with subparagraph (a) above, by repaying to the Borrower, on demand, that amount which would repay the outstanding Excess Interest in its entirety.

In this section words or phrases in quotations and which are defined in Section 347 of the Criminal Code of Canada have the meaning set out in that section.

8. Fees and expenses

Arrangement fee

- 8.1 The Borrower shall pay to the Lender an arrangement fee in respect of the Base Facility in the amount of two per cent (2%) of the Lent Funds which shall be payable on the first Utilisation Date out of the proceeds of the Base Facility Loan (and, for such purposes, the Lender shall be entitled to deduct such amounts from the Base Facility Loan to be disbursed to the Borrower).
- 8.2 The Borrower shall pay to the Lender an arrangement fee in respect of the Accordion Facility in the amount of two per cent (2%) of any Lent Funds made available under this Agreement, which shall be payable on the first Utilisation Date of that Accordion Facility Loan out of the proceeds of the Accordion Facility (and, for such purposes, the Lender shall be entitled to deduct such amounts from the Accordion Facility Loan to be disbursed to the Borrower).

Expenses

- 8.3 The Borrower shall promptly on demand pay the Lender the amount of all costs and expenses (including legal fees) reasonably incurred and properly documented by any of them in connection with the negotiation, preparation, delivery and execution of:
 - (a) this Agreement and any other documents referred to in this Agreement;

- (b) the evaluation of any Preliminary Draw Request and its associated materials; and
- (c) any other Finance Documents executed after the date of this Agreement,

but, in each case, subject to any capped fee arrangements which have been agreed in writing between the Borrower and the Lender from time to time.

Amendment costs

- 8.4 If an Obligor requests an amendment, waiver or consent the Borrower shall, within seven (7) Business Days of demand, reimburse the Lender for the amount of all costs and expenses (including legal fees) reasonably incurred by the Lender in responding to, evaluating, negotiating or complying with that request or requirement.

Enforcement costs

- 8.5 The Borrower shall, within five (5) Business Days of demand, pay the Lender the amount of all costs and expenses (including legal fees) incurred by the Lender in connection with the enforcement of, or the preservation of any rights under any Finance Document.

Failure to fulfil conditions precedent

- 8.6 The amounts described in this clause 8 (excluding all Arrangement Fees described in clauses 8.1 and 8.2 (*Arrangement Fee*)) are payable by the Borrower even if the conditions precedent contained in clause 2 (*Conditions precedent*) are never fulfilled.

Borrower breakup event

- 8.7 The Borrower acknowledges it has a requirement to prefund the Lender for any expenses incurred pursuant to clause 8.3(b) (*Expenses*) (the **Due Diligence Amount**).

- 8.8 If the Borrower withdraws its request to draw an Accordion Facility Loan after it has submitted a Preliminary Draw Request but prior to receiving Due Diligence Clearance, then the Borrower shall forfeit the Due Diligence Amount.

- 8.9 If the Borrower withdraws its request to draw an Accordion Facility Loan after receiving Due Diligence Clearance, it shall:

- (a) forfeit the Due Diligence Amount; and
- (b) pay a fee equal to two times the amount of the arrangement fee referred to in clause 8.2 (*Arrangement fee*) (the **Additional Due Diligence Amount**).

- 8.10 The Borrower shall pay the Additional Due Diligence Amount within 30 days of receiving an invoice in respect of such costs from the Lender.

- 8.11 The payments to be made by the Borrower to the Lender pursuant to clauses 8.7 to 8.9 (*Borrower Breakup Event*) above will be the Lender's sole and exclusive remedy in connection with a Borrower breakup event.

9. Representations

- 9.1 Other than in respect of the representations and warranties set out in clauses 9.44 to 9.48 (*Material Counterparties and Material Royalty/Stream Agreements*), which shall be made by each Obligor on the date of this Agreement only, each Obligor makes the representations and warranties set out in this clause 9 to the Lender on the date of this Agreement, each Preliminary Draw Request, each Final Draw Request, each Utilisation Date and on the first day of each Interest Period. Any representations and warranties deemed to be made after the date of this Agreement shall be deemed to be made by each Obligor by reference to the facts and circumstances then existing.

Status

- 9.2 It is duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
- 9.3 It has the power to own its assets and carry on its business as it is being conducted.

Binding obligations

- 9.4 The obligations expressed to be assumed by it in each Finance Document to which it is a party are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.
- 9.5 Subject to the Legal Reservations, and without limiting the generality of clause 9.4 above, each Security Document to which it is a party creates the Security which that Security Document purports to create and that Security is valid and effective.

Non-conflict with other obligations

- 9.6 The entry into and performance by it of, and the transactions contemplated by, the Finance Documents to which it is a party do not and will not conflict with:
- (a) any law or regulation applicable to it;
 - (b) its constitutional documents;
 - (c) the Material Royalty/Stream Agreements; or
 - (d) any other agreement or instrument binding upon it or any of its assets.

Power and authority

- 9.7 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.
- 9.8 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Material Royalty/Stream Agreements to which it is a party and the transactions contemplated by those Material Royalty/Stream Agreements.
- 9.9 No limit on its powers will be exceeded as a result of the borrowing, grant of Security or giving of guarantees or indemnities contemplated in the Finance Documents to which it is a party.

Authorisations

- 9.10 All Authorisations necessary for the conduct of its business, trade and ordinary activities have been obtained or effected and are in full force and effect if failure to obtain or effect or maintain those Authorisations has or is reasonably likely to have a Material Adverse Effect.
- 9.11 All Authorisations required:
- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party;
 - (b) to ensure that the Transaction Security has the priority and ranking contemplated by the relevant Security Documents; and
 - (c) to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect or will be obtained or effected and will be in full force and effect as and when they are required.

No default

- 9.12 As at the date of this Agreement, no Default has occurred and is continuing.
- 9.13 No Event of Default has occurred and is continuing or might reasonably be expected to result from the making of any Loan or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- 9.14 No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument (other than the Material Royalty/Stream Agreements) which is binding on it or to which its assets are subject which has or would reasonably be expected to have a Material Adverse Effect.

No misleading information

9.15 Any written factual information supplied by it or on its behalf to the Lender was true, accurate and complete in all material respects (and was not misleading in any material respect) as at its date or (as the case may be) as at the date the information is expressed to be given.

No Insolvency

9.16 No:

(a) corporate action, legal proceedings or other procedure or step described in clause 12.9 (*Insolvency proceedings*); or

(b) creditors' process described in clause 12.10 (*Creditors' process*),

has since the date of this Agreement been taken against it and none of the circumstances described in clause 12.7 or 12.8 (*Insolvency*) applies to it.

No proceedings pending or threatened

9.17 As at the date of this Agreement, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency been started or (to the best of its knowledge and belief having made due and careful enquiry) threatened against it.

No breach of laws

9.18 It is in compliance in all material respects with all laws and regulations (including relating to environmental or social matters) to which it is subject.

Good title to assets

9.19 It has good and marketable title (or the equivalent in any relevant jurisdiction) to, or valid leases or licences of, or rights to, the assets (including mining licences or claims) necessary to carry on its business as presently conducted.

Legal and beneficial ownership

9.20 It is (or will be at the relevant date in respect of Security granted over future property) the sole legal and beneficial owner of the respective assets and/or rights over which it purports to grant Security pursuant to the Security Documents.

Ownership and corporate structure

9.21 The Borrower is a wholly owned Subsidiary of the Guarantor.

9.22 The Guarantor has no Subsidiaries other than the Borrower and the Borrower has no Subsidiaries.

- 9.23 The shares which are subject to the Transaction Security are not subject to any option to purchase or similar rights.
- 9.24 The constitutional documents of the Borrower do not and could not restrict or inhibit any transfer of those shares or creation or enforcement of the Transaction Security.
- 9.25 Other than in respect of (i) the Warrants, (ii) the warrants issued in relation to the bought deal in March 2020 and any warrants to be issued by the Guarantor in connection with equity raisings after the date of this Agreement and (iii) all warrants and incentive options issued and allotted in connection with the Guarantor's omnibus incentive plan, there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for, the issue or allotment of, any of its share or loan capital (including any option or right of pre-emption or conversion).
- 9.26 Other than in respect of (i) the Warrants, (ii) the warrants issued in relation to the bought deal in March 2020 and any warrants to be issued by the Guarantor in connection with equity raisings after the date of this Agreement and (iii) all warrants and incentive options issued and allotted in connection with the Guarantor's omnibus incentive plan, no person has any right to call for the issue of any share capital or loan stock in any Obligor other than in accordance with the Finance Documents.

Security and Financial Indebtedness

- 9.27 No Security or Quasi-Security exists over all or any of the present or future assets of any Obligor other than the Transaction Security.
- 9.28 No Obligor has any Financial Indebtedness outstanding other than Permitted Financial Indebtedness.

Ranking

- 9.29 The Transaction Security has or will have first ranking priority and it is not subject to any prior ranking or pari passu ranking Security except those creditors whose claims are mandatorily preferred by laws of general application to companies.
- 9.30 Subject to any filings, registration or notice requirements, all actions required to perfect the Transaction Security have been, or will be in accordance with the terms of the Finance Documents, duly performed and the Transaction Security constitutes or will constitute perfected Security over the assets secured or purported to be secured under the Transaction Security.

No filing or stamp taxes

- 9.31 Under the law of its jurisdiction of incorporation or formation it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or

the transactions contemplated by the Finance Documents other than the filing of financing statements pursuant to the Personal Property Security Act of British Columbia, Canada in connection with the perfection of the Security created under the Security Documents governed by the laws of British Columbia.

The Accounts

- 9.32 The Accounts have been prepared in accordance with IFRS. The Accounts provide a true and fair view of the financial position of the Guarantor as at the Accounts Date and of the operations of the Guarantor for the financial period ended on that date.
- 9.33 There has been no material adverse change in the financial position of the Guarantor from that set out in the Accounts.

Taxation

- 9.34 It is not required to make any Tax Deduction from any payment it may make under any Finance Document.
- 9.35 It is not materially overdue in the filing of any Tax returns.
- 9.36 It has paid or discharged all Taxes due and payable by it except for those which are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with IFRS and, to the extent that any Taxes are not due and payable, it (or the relevant Subsidiary) has provided adequate reserves for the payment of those Taxes in accordance with IFRS.
- 9.37 No claims or investigations are being, or are reasonably likely to be, made or conducted against it with respect to Taxes which are reasonably likely to be adversely determined and which, if adversely determined, would reasonably be expected to have a Material Adverse Effect.
- 9.38 It is resident for Tax purposes only in its jurisdiction of incorporation.
- 9.39 It is not a passive foreign investment company for the purposes of U.S. taxation law.

Anti-corruption law

- 9.40 It has conducted its businesses in compliance with anti-corruption laws (including the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions applicable to each Obligor's business) and has instituted and maintains policies and procedures designed to promote and achieve compliance with such laws.,

Sanctions

- 9.41 Neither it, nor any of the Material Counterparties, nor any of its or their respective directors, officers or employees, nor to its knowledge, any persons acting on any of their behalf:

- (a) is a Restricted Party; or
- (b) has received notice of or is aware of any claim, action, suit, proceeding or investigation against it with respect to Sanctions by any Sanctions Authority.

9.42 It has not and will not use the proceeds of any Facility in any manner that would result in a violation of Sanctions including for the purpose of financing or making funds available directly or indirectly to any person or entity which is a Restricted Party.

Margin stock

9.43 The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Loan will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

Material Counterparties and Material Royalty/Stream Agreements

9.44 Each Material Counterparty is duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

9.45 Each Material Counterparty has the power to own its assets and carry on its business as it is being conducted.

9.46 At the date of entering into the applicable Material Royalty/Stream Agreements, each Material Counterparty had the power to enter into, perform and deliver, and had taken all necessary action to authorise its entry into, performance and delivery of, the Material Royalty/Stream Agreement to which it is a party and the transactions contemplated by those Material Royalty/Stream Agreements.

9.47 Each Material Counterparty has good and marketable title (or the equivalent in any relevant jurisdiction) to, or valid leases or licences of, or rights to, the assets (including mining licences or claims) necessary to carry on its business as presently conducted and as contemplated by the Material Royalty/Stream Agreements.

9.48 Each of the Material Royalty/Stream Agreements are in full force and effect and the obligations expressed to be assumed by each Material Counterparty in each Material Royalty/Stream Agreement to which it is a party are legal, valid, binding and enforceable obligations.

9.49 The conditions that are required to be satisfied for the effectiveness of the Material Royalty/Stream Agreements (including any amounts payable by the Borrower or Guarantor thereunder other than the Sierra Antapite Outstanding Tranche) have been satisfied and confirmed as such by the respective Material Counterparties.

- 9.50 No event or circumstance is outstanding which constitutes a material breach or default under any Material Royalty/Stream Agreement and no notice of termination or dispute of a material nature has been served thereunder.
- 9.51 As at the date of this Agreement, to the best of its knowledge and belief, no material litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency been started or threatened against any Material Counterparty.
- 9.52 To the best of its knowledge and belief, no:
- (a) corporate action, legal proceedings or other procedure or step described in clause 12.9 (*Insolvency proceedings*); or
 - (b) creditors' process described in clause 12.10 (*Creditors' process*),
- has since the date of this Agreement been taken against any Material Counterparty and none of the circumstances described in clause 12.7 or 12.8 (*Insolvency*) applies to a Material Counterparty.
- 9.53 Other than in respect of the Delayed Candelaria Registration, the royalties and/or streams granted under or in connection with the Material Royalty/Stream Agreements have been fully registered in accordance with applicable laws in the name of the Guarantor.
- 9.54 Other than in respect of the Delayed Equipment Pledge Registration, all Material Royalty/Stream Security has been duly registered and perfected in the name of the Guarantor in accordance with applicable laws.
- 9.55 None of the Material Counterparties have granted any Security or guarantee in favour of an Obligor other than the Security and guarantees set out in Schedule 6 (*Material Royalty/Stream Security*).

10. Information Undertakings

- 10.1 The undertakings in this clause 10 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents.

Financial statements

- 10.2 The Guarantor shall supply to the Lender:
- (a) as soon as the same become available, but in any event within one hundred and eighty (180) days after the end of each of its financial years, in the case of the Guarantor audited consolidated financial statements; and

- (b) as soon as the same become available, but in any event within sixty (60) days after the end of each quarter of each of its financial years, its unaudited financial statements for that financial quarter.

Requirements as to financial statements

- 10.3 Each set of financial statements delivered pursuant to clause 10.2 (*Financial statements*) shall be certified by an authorised signatory of the Guarantor as fairly presenting its financial condition as at the date as at which those financial statements were drawn up.
- 10.4 The Guarantor shall procure that each set of its financial statements delivered pursuant to clause 10.2 (*Financial statements*) is prepared using IFRS.

Other management reporting

- 10.5 The Obligors shall supply to the Lender:
 - (a) promptly, and in any event within sixty (60) days after the end of each of its financial years, the annual business plan and forecasts of the Group;
 - (b) on a quarterly basis, a compliance certificate for that quarter demonstrating that, on the last day of that quarter, the Obligors were in compliance with clause 11.31 (*Financial covenants*) and providing appropriate supporting information and confirming that, on such date, no Default is continuing;
 - (c) on a quarterly basis, a summary of the material aspects of any report (including royalty/streaming statements, site visit reports, and changes to production forecasts) received by an Obligor from a Material Counterparty or any other counterparty to a Residual Asset;
 - (d) promptly, and in any event within ten (10) days after the end of each of month, the monthly report in the same format as delivered to executive management of the Borrower and/or Guarantor, which shall include (as a minimum):
 - (i) the cash position of each Obligor;
 - (ii) a statement of each Obligor's assets and liabilities;
 - (iii) the budget for each Obligor;
 - (iv) the forecast revenue for each Obligor (including any new royalty or stream anticipated to become revenue-generating);

- (v) a monthly summary of any developments concerning the Material Counterparties which have occurred during the previous month and which may be reasonably expected to have a Material Adverse Effect on Borrower's forecast revenue; and
- (vi) its anticipated acquisition pipeline.

Information: miscellaneous

10.6 The Obligors shall supply to the Lender:

- (a) promptly upon becoming aware of them, details of any material litigation, arbitration or administrative proceedings which are started against any Obligor;
- (b) promptly upon becoming aware of them, details of any material litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes commenced against any Material Counterparty;
- (c) promptly upon becoming aware of them, details of any material dispute, breach, default, non-payment, termination, amendment, waiver or the payment of any material compensation under any Material Royalty/Stream Agreement;
- (d) promptly upon becoming aware of it, details of any material amendment to any mining claim in connection with any of the Material Royalty/Stream Agreements, which would reasonably be expected to have a Material Adverse Effect on the value of such mining claim;
- (e) promptly upon becoming aware of them, the details of any material claims, disputes or investigations which are being, or are reasonably likely to be, made or conducted against any Obligor with respect to Taxes; and
- (f) promptly, such further information regarding the financial condition, business, assets and operations of any Obligor as the Lender may reasonably request, except to the extent that disclosure of the information would breach any law, regulation or stock exchange requirement applicable to it, or would be in breach of a duty of confidentiality to a person who is not an Affiliate of any member of the Group (provided that the Borrower has taken, or has procured the Guarantor to take, all reasonable steps to obtain the permission of such third party to disclose such information).

Notification of default

10.7 The Borrower shall notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

10.8 Promptly upon a request by the Lender, the Borrower shall supply to the Lender a certificate signed by two (2) of its authorised signatories on its behalf certifying that no Default is

continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

Know your customer checks

10.9 If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
- (b) any change in the status of an Obligor after the date of this Agreement; or
- (c) a proposed assignment or transfer by the Lender of any of its rights and obligations under this Agreement,

obliges the Lender (or, in the case of clause 10.9(c) above, any prospective new Lender) to comply with know your customer or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall promptly upon the request of the Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Lender (for itself or, in the case of the event described in clause 10.9(c) above, on behalf of any prospective new Lender) in order for the Lender or, in the case of the event described in clause 10.9(c) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

11. General Undertakings

11.1 The undertakings in this clause 11 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents.

Purpose

11.2 The Obligors shall only use the proceeds of a Loan for the purposes specified in clause 3.3 (*Purpose*).

Authorisations

11.3 Each Obligor shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) on the reasonable request of the Lender, supply a certified copy to the Lender of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Finance Document.

Compliance with laws

- 11.4 Each Obligor shall comply in all material respects with all laws and regulations to which it is subject.

Negative pledge

- 11.5 No Obligor shall create or permit to subsist any Security over any of its assets other than the Transaction Security.

Ranking

- 11.6 Each Obligor shall ensure that at all times any unsecured and unsubordinated claims of the Lender against it under the Finance Documents will be first ranking and rank ahead of the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

No guarantees or indemnities

- 11.7 No Obligor shall incur or allow to remain outstanding any guarantee in respect of any obligation of any person.

Distributions

- 11.8 Except for Permitted Distributions, the Obligors shall not make or pay any Distribution without the prior written consent of the Lender.

Books and records

- 11.9 The Obligors shall:
- (a) keep proper books of records and accounts, in which full, true and correct entries in conformity with IFRS and all other legal requirements shall be made of all dealings and transactions and assets in relation to its business and activities; and
 - (b) permit the Lender to visit and inspect any of its offices and examine and make abstracts from any of its books and records up to two times per year provided no Event of Default has occurred and is continuing (or, if an Event of Default has occurred and is continuing, at such times as the Lender shall deem fit) and to discuss its business operations, properties and financial and other condition with its officers and employees and its independent public accountants.

Share capital

- 11.10 No Obligor shall, without the prior written consent of the Lender:
- (a) purchase, reduce, cancel, repay or redeem any of its share capital, interests, participations, rights in, option over its share capital or other equivalent ownership interests;
 - (b) redeem, reduce, cancel, repay, purchase or transfer any shareholder loans or loan stock;
 - (c) issue any shares or voting capital or grant any right to acquire or be issued any shares, unless such shares are issued for the purpose of making equity contributions or raising equity, and, in the case of shares in the Borrower, all such shares are subject to the Transaction Security; or
 - (d) alter the nature of, or any rights attaching to, any of its shares.

Financial Indebtedness, Loans or credit

- 11.11 No Obligor shall incur or allow to remain outstanding any Financial Indebtedness.
- 11.12 No Obligor shall be a creditor in respect of any Financial Indebtedness.
- 11.13 Clauses 11.11 and 11.12 above do not apply to Permitted Financial Indebtedness.

Acquisitions

- 11.14 No Obligor shall, without the prior written consent of the Lender:
- (a) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them);
 - (b) incorporate a company; or
 - (c) acquire any business or interest therein or form or enter into, any partnership, consortium, joint venture or other like arrangement or agree to do so,

but this shall not preclude (i) the Guarantor from undertaking any new equity raises or issuances or (ii) the Guarantor or any new Subsidiary from acquiring any additional royalty or streaming assets after the date of this Agreement.

Disposals

- 11.15 No Obligor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any material rights under a Material Royalty/Stream Agreement or Residual Assets without the prior written consent of the Lender.

11.16 No Obligor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any of its other material assets unless the Borrower demonstrates to the satisfaction of the Lender that such sale is at fair market value and the net proceeds are to be applied in prepayment of the Loans.

Arm's length basis

11.17 No Obligor shall enter into any transaction with any person except on arm's length terms and for full market value.

Corporate Reorganisation

11.18 No Obligor shall enter into any amalgamation, demerger, merger or corporate reconstruction.

Anti-corruption law

11.19 No Obligor shall directly or indirectly use the proceeds of a Facility for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions applicable to each Obligor's business.

11.20 Each Obligor shall:

- (a) (and the Obligors shall procure that each of their Subsidiaries shall) conduct its businesses in compliance with anti-corruption laws (including the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions applicable to each Obligor's business); and
- (b) maintain policies and procedures designed to promote and achieve compliance with such laws.

Sanctions

11.21 The Obligors shall not, and shall not permit or authorise any other person to, directly or indirectly, use, lend, make payments of, contribute or otherwise make available, all or any part of the proceeds of a Facility or other transaction(s) contemplated by this Agreement to fund any trade, business or other activities:

- (a) involving or for the benefit of any Restricted Party; or
- (b) in any other manner that would reasonably be expected to result in it, or any of its Subsidiaries or the Lender being in breach of any Sanctions (if and to the extent applicable to any of them) or becoming a Restricted Party.

Taxation

- 11.22 Each Obligor shall:
- (a) file all tax returns required to be filed by it in any jurisdiction;
 - (b) pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties unless and only to the extent that:
 - (i) such payment is being contested in good faith;
 - (ii) adequate reserves are being maintained for those Taxes and the costs required to contest them which have been disclosed in its latest financial statements delivered to the Lender under clause 10.2 (*Financial statements*); and
 - (iii) such payment can be lawfully withheld and failure to pay those Taxes does not have or is not reasonably likely to have a Material Adverse Effect.

11.23 No Obligor may change its residence for Tax purposes.

Corporate structure and ownership of Obligors

11.24 The Obligors shall not form, acquire or have any Subsidiaries other than, in respect of the Guarantor, the Borrower.

Property

11.25 Each Obligor shall maintain, preserve, protect and keep good and marketable title to all of its assets which are the subject of any Transaction Security.

11.26 No member of the Group other than the Borrower shall enter into any royalty or streaming agreement after the date of this Agreement which is funded by the Facilities in part or in whole.

Insurance

11.27 Each Obligor shall maintain and preserve all of its property useful and necessary in its business in good working order and condition in accordance with industry standards, ordinary wear and tear excepted.

11.28 Each Obligor shall maintain liability and property damage insurance with respect to its property and business with financially sound and reputable insurance companies that are not Affiliates of the Obligors, in such amounts and covering such risks as are usually insured against by similar companies engaged in the same or a similar business.

Anti-money laundering law

11.29 Each Obligor shall:

- (a) comply with applicable anti-money laundering laws including, without limitation the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada); and
- (b) maintain policies and procedures designed to promote and achieve compliance with such laws.

Further assurance

11.30 Each Obligor shall promptly do all such acts or execute all such documents (including assignments, transfers, charges, notices and instructions) as the Lender may reasonably specify (and in such form as the Lender may require):

- (a) to create, perfect, protect or maintain the Security created or intended to be created under or evidenced by the Security Documents (which may include the placing or removal of any registration or financing statement) or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law;
- (b) to ensure that the Transaction Security has or will have first ranking priority; and/or
- (c) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Documents.

Financial Covenants

11.31 The Guarantor shall ensure that, at the end of each month:

- (a) its consolidated cash balance is no less than seven hundred and fifty thousand Canadian Dollars (C\$750,000); and
- (b) it has a positive adjusted working capital balance (including cash on its balance sheet) on a consolidated basis.

Undertakings in respect of the Material Royalty/Stream Agreements

11.32 Each Obligor shall:

- (a) comply in all material respects with all of its obligations under each Material Royalty/Stream Agreement;
- (b) enforce its rights under each Material Royalty/Stream Agreement in accordance with its terms; and
- (c) upon request of the Lender, make to each Material Counterparty such demands and requests for information and reports or for action as it is entitled to make under such Material Royalty/Stream Agreement.

- 11.33 No Obligor shall, without the prior consent of the Lender, permit or agree to:
- (a) any material amendment of a Material Royalty/Stream Agreement;
 - (b) the suspension, waiver, repudiation, revocation, annulment or cancellation of the whole of, or any material provision of, a Material Royalty/Stream Agreement;
 - (c) the assignment or transfer of a Material Royalty/Stream Agreement, provided such Material Royalty/Stream Agreement provides the Obligor with such a consent right;
 - (d) any other party to a Material Royalty/Stream Agreement assigning or transferring that party's rights or obligations under that Material Royalty/Stream Agreement, provided such Material Royalty/Stream Agreement provides the Obligor with such a consent right; or
 - (e) the termination of a Material Royalty/Stream Agreement.

12. Events of Default

- 12.1 Each of the events or circumstances set out in clause 12 is an Event of Default (save for clause 12.28 (*Forecast Debt Service Cover Ratio (Saving Provision)*) and clause 12.29 (*Acceleration*)).

Non-payment

- 12.2 An Obligor does not pay on the due date any amount payable pursuant to a Finance Document in the manner in which it is expressed to be payable unless its failure to pay is caused by an administrative or technical error and payment is made within three (3) Business Days of the due date.

Other obligations

- 12.3 An Obligor does not comply with any provision of the Finance Documents (other than those referred to in clause 12.2 (*Non-payment*)) unless the relevant non-compliance is capable of remedy and is remedied within ten (10) Business Days of the earlier of (i) the Lender giving notice to the Borrower and (ii) the Borrower (or the relevant Obligor) becoming aware of the failure to comply.

Misrepresentation

- 12.4 Any representation or statement made or deemed to be made by an Obligor in the Finance Documents or any other document delivered by or on behalf of an Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made or repeated unless the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within ten (10) Business Days of the earlier of (i) the Lender giving notice to the Borrower and (ii) the Borrower (or the relevant Obligor) becoming aware of the misrepresentation.

Cross default

- 12.5 Any Financial Indebtedness of any Obligor is not paid when due nor within any applicable grace period.
- 12.6 Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).

Insolvency

- 12.7 Any Obligor or Material Counterparty:
- (a) is unable or admits inability to pay its debts as they fall due; or
 - (b) suspends or threatens in writing to suspend making payments on any of its debts or announces in writing or threatens in writing an intention to do so.
- 12.8 On a consolidated basis, the value of the assets of the Obligors is less than their liabilities (taking into account contingent and prospective liabilities).

Insolvency proceedings

- 12.9 Any corporate action, legal proceedings or other procedure or step is taken in relation to:
- (a) the suspension of payments, a moratorium of any indebtedness, striking off, winding up, dissolution, bankruptcy, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor or a Material Counterparty;
 - (b) a composition, compromise, assignment or arrangement with any creditor of any Obligor or a Material Counterparty;
 - (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Obligor or a Material Counterparty or any of its assets; or
 - (d) the enforcement of any Security over any assets of any Obligor or a Material Counterparty,

or any analogous procedure or step is taken in any jurisdiction.

Creditors' process

- 12.10 Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Obligor or a Material Counterparty.

Share ownership

12.11 The Guarantor ceases to:

- (a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) cast, or control the casting of, less than one hundred per cent (100%) of the maximum number of votes that might be cast at a general meeting of the Borrower;
 - (ii) appoint or remove all of the directors or other equivalent officers of the Borrower; or
 - (iii) give directions with respect to the operating and financial policies of the Borrower with which the directors or other equivalent officers of the Borrower are obliged to comply; or
- (b) hold legally or beneficially one hundred per cent (100%) of the issued share capital, interests, participations, rights in or other equivalent ownership interests of the Borrower.

12.12 There is a Change of Control in respect of the Guarantor.

For the purpose of this clause 12.12:

Change of Control means any person or group of persons acting in concert gains direct or indirect control of the Guarantor. For the purposes of this definition:

- (a) **control** of the Guarantor means:
 - (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (A) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the Guarantor; or
 - (B) appoint or remove all, or the majority, of the directors or other equivalent officers of the Guarantor;
 - (C) give directions with respect to the operating and financial policies of the Guarantor with which the directors or other equivalent officers of the Guarantor are obliged to comply; or
 - (ii) the holding beneficially of more than 50% of the issued share capital, interests, participations, rights in or other equivalent ownership interests of the Guarantor

(excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); and

- (b) **acting in concert** means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition directly or indirectly of shares in the Guarantor by any of them, either directly or indirectly, to obtain or consolidate control of the Guarantor.

Unlawfulness and invalidity

- 12.13 It is or becomes unlawful for any person (other than the Lender) to perform any of its obligations under the Finance Documents.
- 12.14 Any obligation or obligations of any person (other than the Lender) under any Finance Document are not or cease to be legal, valid, binding or enforceable.
- 12.15 Any Obligor rescinds, terminates or repudiates or purports or gives notice to rescind, terminate or repudiate a Finance Document to which it is a party or evidences an intention to rescind, terminate or repudiate such Finance Document.
- 12.16 Any Transaction Security ceases to be legal, valid, binding, enforceable or effective.

Cessation of business

- 12.17 Any Obligor suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business.

Material Adverse Change

- 12.18 Any event or circumstance or series of events or circumstances (including any change to any law or regulation) occurs which has or is reasonably likely to have a Material Adverse Effect.

Legal process

- 12.19 Any Obligor fails to comply with or pay by the required time any sum due from it under any final judgment or any final order made or given by a court or arbitral tribunal or other arbitral body, in each case of competent jurisdiction.
- 12.20 Any assets of an Obligor or a Material Counterparty become the subject of any legal process (for instance, execution, sequestration or enforcement by a landlord) and are not discharged within seven (7) days.
- 12.21 Any steps are taken to enforce any Security over any assets of an Obligor or a Material Counterparty.

Material Royalty/Stream Agreement and Material Counterparties

- 12.22 Any Material Royalty/Stream Agreement is terminated, cancelled, suspended or revoked (whether wholly or in part) other than any such termination, cancellation or suspension in accordance with its terms.
- 12.23 Any Material Counterparty rescinds, or repudiates or purports or gives notice to rescind, or repudiate a Material Royalty/Stream Agreement to which it is a party.
- 12.24 Any Material Counterparty suspends or ceases to carry on its business.
- 12.25 Any obligation of any person under any Material Royalty/Stream Agreement are not or cease to be legal, valid, binding or enforceable.
- 12.26 Any Material Royalty/Stream Security ceases to be legal, valid, binding, enforceable or effective.

Sierra Antapite Outstanding Tranche

- 12.27 An Obligor does not pay the Sierra Antapite Outstanding Tranche by 31 December 2021.

Forecast Debt Service Cover Ratio (Saving Provision)

- 12.28 Notwithstanding the terms of this clause 12, no Event of Default shall occur pursuant to:
- (a) clause 12.7 (*Insolvency*);
 - (b) clause 12.9 (*Insolvency proceedings*);
 - (c) clause 12.10 (*Creditors' process*);
 - (d) clause 12.20 (*Legal process*); or
 - (e) clauses 12.22 to 12.26 (*Material Royalty/Stream Agreement and Material Counterparties*),
- if:
- (i) such Event of Default is caused by, or relates to, a Material Counterparty (but not an Obligor) or the obligations of any Material Counterparty under a Material Royalty/Stream Agreement (but not the obligations of an Obligor under a Material Royalty/Stream Agreement);
 - (ii) promptly, and in any event within five (5) Business Days of the occurrence of the Event of Default, the Borrower notifies the Lender of such Event of Default (the **Notification Date**);

(iii) the Obligors are otherwise in compliance with all of their obligations under the Finance Documents at such time; and

(iv) on the Calculation Date applicable to such Event of Default the Borrower delivers a Cashflow Model to the Lender demonstrating (to the Lender's reasonable satisfaction) that, notwithstanding the event or circumstance relating to the Material Counterparty and/or Material Royalty/Stream Agreement, the Forecast Debt Service Cover Ratio for the applicable Calculation Period is no less than 1.10:1,

provided that, if the Forecast Debt Service Cover Ratio for the applicable Calculation Period is less than 1.10:1, and:

(A) on the applicable Calculation Date the Guarantor delivers a notice to the Lender confirming that (in lieu of providing a compliant Cashflow Model) it shall raise equity to cure such Forecast Debt Service Cover Ratio; and

(B) within thirty (30) days of such notice, the Guarantor deposits the proceeds of an equity raise on to a bank account of the Borrower in such amount which, if treated as revenues in the relevant Calculation Period, would raise the Forecast Debt Service Cover Ratio to no less than 1.10:1 upon a recalculation of that ratio,

no Event of Default shall be deemed to occur.

Acceleration

12.29 On and at any time after the occurrence of an Event of Default, the Lender may:

(a) by notice to the Borrower:

(i) cancel all or any part of a Facility, whereupon it shall immediately be cancelled;

(ii) declare that all or part of a Loan, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or

(iii) declare that all or part of a Loan be payable on demand, whereupon it shall immediately become payable on demand by the Lender; and/or

(b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents (including any Security Document).

13. Guarantee and indemnity

Guarantee and indemnity

- 13.1 The Guarantor irrevocably and unconditionally jointly and severally:
- (a) guarantees to the Lender punctual performance by the Borrower of all the Borrower's obligations under the Finance Documents;
 - (b) undertakes with the Lender that whenever the Borrower does not pay any amount when due under or in connection with any Finance Document, the Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
 - (c) agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of the Borrower not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay under this clause 13 if the amount claimed had been recoverable on the basis of a guarantee.

Continuing guarantee

- 13.2 This guarantee is a guarantee of payment and not collection and is a continuing guarantee and will extend to the ultimate balance of sums payable by the Borrower under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

- 13.3 If any discharge, release or arrangement (whether in respect of the obligations of the Borrower or any security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this clause 13 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

Waiver of defences

- 13.4 The obligations of the Guarantor under this clause 13 will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this clause 13 (without limitation and whether or not known to it or the Lender) including:

- (a) any time, waiver or consent granted to, or composition with, the Borrower or other person;
- (b) the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

Immediate recourse

- 13.5 The Guarantor waives any right it may have of first requiring the Lender to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this clause 13. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

Appropriations

- 13.6 Until all amounts which may be or become payable by the Borrower under or in connection with the Finance Documents have been irrevocably paid in full, the Lender may:
- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Lender in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and

- (b) hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of any Guarantor's liability under this clause 13.

13.7 **Deferral of Guarantors' rights**

- (a) Until all amounts which may be or become payable by the Borrower under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this clause 13:
 - (i) to be indemnified by the Borrower;
 - (ii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;
 - (iii) to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under clause 13.1 above;
 - (iv) to exercise any right of set-off against the Borrower; and/or
 - (v) to claim or prove as a creditor of the Borrower in competition with the Lender.
- (b) If the Guarantor receives any benefit, payment or distribution in relation to such rights it will promptly pay an equal amount to the Lender for application in accordance with the Finance Documents.

Additional security

- 13.8 This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender.

14. Payments

Date of payment

- 14.1 Each payment to be made by the Borrower under the Finance Documents will be paid on the due date. If that date is not a Business Day, it will be paid on the next Business Day. However, if that would take the payment into the next month or beyond the Final Repayment Date, it will be paid on the preceding Business Day.

Nature of Payment

- 14.2 Each payment to be made by the Borrower under the Finance Documents will be made in full, without any set-off or deduction and in accordance with clause 15 (*Tax*).
- 14.3 All Loan repayments, payments, commissions, interest, fees, costs, expenses and any other amounts incurred under the Finance Documents will be paid in Dollars.
- 14.4 If a payment is received from the Borrower in the wrong currency, that payment will not discharge any part of the obligation in respect of which it was made. The Lender is irrevocably authorised to convert the amount received into the correct currency and to apply the net proceeds in reduction of the Borrower's liability. However, the Lender is under no obligation to do so, either at all or at any particular time, and has no responsibility for any loss suffered by the Borrower as a result of the Lender's action or inaction.

Partial payments

- 14.5 If a payment received from the Borrower under the Finance Documents is insufficient to pay in full all amounts then payable by the Borrower under the Finance Documents, the amount received may be applied by the Lender towards payment of any amounts payable under the Finance Documents in such order as it may choose.
- 14.6 This clause overrides any appropriation of such a payment by the Borrower.

15. Tax

Indemnity

- 15.1 The Borrower will (within seven (7) Business Days of a demand by the Lender) pay to the Lender an amount equal to the loss, liability or cost incurred as a result of Tax imposed on the Lender in respect of any Finance Document.
- 15.2 Clause 15.1 will not apply to Taxes payable calculated by reference to the net income received or receivable (but not sums deemed to be received or receivable) by the Lender, or to the extent that the loss liability or cost is compensated for in clause 15.4 below.
- 15.3 If the Lender intends to make a claim under clause 15.1 above then it will notify the Borrower of the event giving rise to the claim.

Grossing-up

- 15.4 If the Borrower is required to make a deduction in respect of Tax from any payment for the account of the Lender under the Finance Documents, the amount payable by the Borrower will be increased to the extent necessary to ensure that, after such deduction has been made, the

Lender receives (and is able to retain) a net sum equal to the amount which it would have received had no such deduction been required to be made.

Tax Credit

- 15.5 If the Lender has received an increased payment from the Borrower under clause 15.1 and subsequently receives a credit against, or remission for, Tax payable by it, the Lender will, in its discretion, establish the amount (if any) which, as a result of such receipt, it is able to repay to the Borrower promptly without putting itself in a worse position than if no deduction had been required; and will pay it to the Borrower as soon as reasonably practicable.
- 15.6 The Lender has no obligation (a) to arrange its tax affairs in order to obtain a credit against, or remission for, Tax payable by it or (b) to disclose any information about its tax affairs.

Stamp and other duties

- 15.7 The Borrower will promptly pay all stamp duties or similar Tax and all filing, registration or notarisation fees payable in connection with the Facilities or the Finance Documents, including those payable by the Lender.

16. Interest for late payment

- 16.1 If the Borrower fails to pay an amount payable in connection with the Finance Documents (including an amount payable under this clause 16) on the due date for payment, it will pay interest on that amount from the due date until the date of payment (whether before or after judgment) in accordance with this clause 16.
- 16.2 The Lender will divide the period beginning on the due date and ending on the date of payment into successive Interest Periods of such length as it will decide in its discretion. The rate of interest applicable to each Interest Period will be the aggregate of (a) the Margin (as adjusted as a result of the occurrence and continuance of an Event of Default), and (b) LIBOR.
- 16.3 Interest is payable under this clause 16 on the last day of each such period selected by the Lender or, if earlier, on the date on which the Borrower pays an amount in respect of which the interest is accruing.
- 16.4 The Lender will notify the Borrower of the duration of each such period and of the rate of interest applicable to that period.

17. Indemnities

General indemnities

- 17.1 The Borrower will, within three Business Days after a demand, indemnify the Lender against any loss which it may have suffered as a result of:
- (a) any failure by the Borrower to pay any amount under the Finance Documents when it is due;
 - (b) any prepayment of all or part of a Loan otherwise than in accordance with clause 6 (*Prepayment*);
 - (c) any Loan not being made for any reason (other than a default by the Lender) after a Final Draw Request has been given;
 - (d) the occurrence of any other Event of Default;
 - (e) any other breach of the Finance Documents by an Obligor; or
 - (f) complying with clause 22.5 (*Changes in Regulation*).
- 17.2 In clause 17.1, "loss" means a loss or expense of any kind certified as such by the Lender, including losses arising as a result of funding a Loan or re-employing deposits which are no longer required for such funding or re-employing funds received from the Borrower otherwise than on an Interest Payment Date.

Currency indemnity

- 17.3 If any amount owing by an Obligor in connection with the Finance Documents is required to be converted into another currency for any purpose (such as the making of a claim against an Obligor or obtaining or enforcing any judgment or order against it) the Borrower will indemnify the Lender against any loss which it may suffer as a result.
- 17.4 In clause 17.3, "loss" means a loss or expense of any kind certified as such by the Lender, including any loss arising from any difference between the rate of exchange used for the purpose of the conversion and the actual rates of exchange which the Lender would, in the ordinary course of business, have obtained.

18. Set-off

- 18.1 The Lender may at any time set off any credit balance to which the Borrower is entitled or any other Indebtedness of the Lender to the Borrower against any sum then payable by the Borrower to the Lender under the Finance Documents.

- 18.2 The Borrower irrevocably authorises the Lender to purchase such other currencies as may be necessary to effect the set-off.
- 18.3 The Lender will notify the Borrower of any exercise of this power of set-off.

19. Calculations and certificates

- 19.1 The entries made in accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.
- 19.2 All interest, commission and other payments of an annual nature under the Finance Documents will accrue monthly. They will be calculated on the basis of a thirty (30) day month and a three hundred and sixty (360) day year.
- 19.3 Any certificate or determination by the Lender as to any rate of interest, exchange rate, or amount payable under the Finance Documents is conclusive and binding on the Borrower, unless there is a manifest error.

20. Market disruption

Problems with LIBOR

- 20.1 At any time before the start of an Interest Period or any other period for which LIBOR needs to be established, the Lender may notify the Borrower that, in the Lender's opinion:
- (a) adequate and fair means do not exist for ascertaining the rate at which banks are offered funds in the London interbank market during that period in relation Dollars; or
 - (b) LIBOR for that period will not accurately reflect the cost of funding of that Loan.
- 20.2 If the Lender gives notification to the Borrower under clause 20.1:
- (a) no Loans may be drawn by the Borrower; and
 - (b) the Lender will specify an alternative basis on which it will make any existing Loans available; and that basis will be binding on the Borrower.
- 20.3 Clauses 20.1 to 20.2 will continue to apply until the Lender gives notice to the Borrower that the circumstances described in clause 20.1 no longer exist.

21. Changes in Regulation

- 21.1 Clauses 21.2 to 21.3 apply if a new Regulation is introduced or there is a change to an existing Regulation or to its interpretation or application after the date of this Agreement and, in any such case, its effect is, in relation to a Facility or the Finance Documents:

- (a) to reduce the amount payable to the Lender;
- (b) to subject the Lender or any of its Affiliates to any additional or increased Taxation or other cost;
- (c) that the Lender or any of its Affiliates incurs any loss (including a loss of potential future profits); or
- (d) to reduce in any other way the effective return of the Lender or any of its Affiliates.

21.2 The Lender will notify the Borrower as soon as practicable. The Borrower will, within ten (10) Business Days of demand, pay to the Lender the amount which the Lender certifies is required to compensate it or its Affiliate for the matters specified in clause 21.1. Such a demand may be made even after a Loan, or any part of it, has been repaid. The certificate must set out the basis of the computation of the amount, but need not include any matters which the Lender or its Affiliate regards as confidential.

21.3 Neither the Lender nor any Affiliate will be entitled to receive any compensation under clause 21.2 to the extent that the amount otherwise payable under that clause:

- (a) is the subject of additional payment under clause 15 (*Tax*); or
- (b) arises as a consequence of any change in the taxation of its overall net income, profits or gains imposed in the jurisdiction in which it is incorporated.

22. Transfer

No transfer by the Obligor

22.1 No Obligor may assign or otherwise transfer any of its Rights or Duties under the Finance Documents.

Transfer by the Lender

22.2 The Lender may assign or otherwise transfer all or part of its Rights and/or obligations under the Finance Documents to any Affiliate, Related Fund or any other bank, financial institution or investor, provided that prior to an Event of Default, the Lender shall not be permitted to transfer all or part of its Rights and/or obligations under the Finance Documents to any hedge fund, vulture fund or any similar entity that specializes in distressed assets or any competitors of the Guarantor.

22.3 In addition to the other rights provided to the Lender under this clause 22, the Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or

otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of the Lender.

Disclosure of information

22.4 The Lender may disclose to any Permitted Person such information about the Obligors, the Material Royalty/Stream Agreements, the Facilities and the Finance Documents as the Lender may consider appropriate.

In this clause 22.4, **Permitted Person** means:

- (a) Affiliates and Related Funds of the Lender and any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives;
- (b) any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents and, in each case, to any of that person's Affiliates, Related Funds, representatives and professional advisers;
 - (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, representatives and professional advisers;
 - (iii) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
 - (iv) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
 - (v) to whom or for whose benefit the Lender charges, assigns or otherwise creates Security (or may do so) pursuant to clause 22.3 above;
 - (vi) who is a Party; or
 - (vii) with the consent of an Obligor.

Increased Costs

- 22.5 If the Lender assigns any of its Rights under the Finance Documents or changes its facility office and as a result of circumstances existing at the date of the assignment or change, the Borrower would have to make an increased payment to the assignee or Lender acting through its new facility office under clauses 15 (*Tax*) or 21 (*Changes in Regulation*), then the assignee or Lender acting through its new facility office can only receive payment under those clauses to the same extent as the assignor or Lender acting through its previous facility office, would have received payment had the assignment, or change not occurred.

23. Remedies

- 23.1 The Rights of the Lender against the Obligors under the Finance Documents are cumulative. They do not limit any Rights of the Lender against the Obligors existing under the general law.
- 23.2 No failure by the Lender to exercise any Right under the Finance Documents will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by the Lender preclude its further exercise.

24. Warrants and Additional Warrants

The Warrants and any Additional Warrants and any shares for which they may be exercised will be subject to a four (4) month resale hold period in Canada under applicable securities laws, and will bear a restrictive legend to that effect.

25. Notices

- 25.1 Any notice or other communication to a party to this Agreement must be in writing. It must be addressed for the attention of such person, and sent to such address or email address as that party may from time to time notify to the other parties.
- 25.2 Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
- (a) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; and
 - (b) if by way of email, when it is received in readable form.
- 25.3 Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of

the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).

- 25.4 Any communication or document made or delivered to the Borrower in accordance with this clause will be deemed to have been made or delivered to each of the Obligors.
- 25.5 Any communication or document which becomes effective, in accordance with paragraphs 25.2 to 25.4 above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.
- 25.6 The initial administrative details of the parties are contained in Schedule 1, but a party may amend its own details at any time by notice to the other parties.

English translations

- 25.7 Any notice given under or in connection with any Finance Document must be in English.
- 25.8 Where any other document provided to the Lender under the terms of the Finance Documents is not in English, the Borrower shall request that the document be provided in an electronic format where the text can be recognised and/or digitized into a document so that it can be electronically translated, provided that the cost of providing the document in an electronic format (or undertaking a manual translation where it is not possible to create or convert to an electronic format) will be borne by the Lender if it is made aware of the cost in advance and agrees to bear such cost.
- 25.9 The English translation will prevail over the original document unless that document is a constitutional, statutory or other official document.

26. Amendments and waivers

Any term of the Finance Documents may be amended or waived only in writing with the consent of all parties.

27. Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

28. Law and jurisdiction

Law

- 28.1 This Agreement and any non-contractual obligations connected with it are governed by laws of the Province of British Columbia and the federal laws of Canada applicable therein.

Jurisdiction

- 28.2 The Borrower irrevocably agrees that the courts of British Columbia shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Finance Documents or any non-contractual disputes or claims connected with the Finance Documents (including regarding their existence).
- 28.3 The Borrower agrees that the courts of British Columbia are the most appropriate and convenient courts to settle any matter falling within clause 28.2.
- 28.4 The Lender may, however, bring proceedings in connection with the Finance Documents (including their existence) in any court of competent jurisdiction and, to the extent allowed by law, take concurrent proceedings in any number of jurisdictions.

Process agent

- 28.5 The parties irrevocably consent to service of process in the manner provided for notices in Schedule 1 (*Initial administrative details of the Parties*). Nothing in this Agreement shall affect the right of the parties to serve process in any other manner permitted by law.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

Schedule 1

Initial administrative details of the parties

Party	Address	Email	Attention
Borrower	1 - 15782 Marine Drive, White Rock, BC, V4B 1E6	[REDACTED]	Corporate Secretary
Guarantor	1 - 15782 Marine Drive, White Rock, BC, V4B 1E6	[REDACTED]	Corporate Secretary
Lender	460 NE 28th Street, Unit 4201, Miami FL 33137	[REDACTED] [REDACTED]	Corporate Secretary

Schedule 2
Conditions precedent to Base Facility

1 Obligors

- (a) A certified copy of the constitutional and/or registration documents of each Obligor.
- (b) A certified copy of a resolution of the board of directors of each Obligor:
 - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;
 - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf;
 - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including any Preliminary Draw Request and Final Draw Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party; and
 - (iv) if required, authorising the encumbrance, and transfer, of any shares in its capital encumbered by the Security Documents.
- (c) A specimen of the signature of each person authorised by the resolution referred to in clause (b) above;
- (d) A certificate of each Obligor (signed by a director) confirming that borrowing, guaranteeing or securing, as appropriate, the Facilities would not cause any borrowing, guaranteeing or similar limit binding on it to be exceeded.
- (e) A solvency certificate in respect of the Guarantor signed by a director of the Guarantor.
- (f) A certified copy of the register of shareholders of the Borrower.
- (g) A certificate of each Obligor (signed by a director) certifying that each copy document delivered by or relating to it specified in this paragraph 1 or paragraph 4 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

2 Finance Documents and security

- (a) Executed originals of the following documents:
 - (i) this Agreement;

- (ii) each Security Document; and
 - (iii) the Warrants.
- (b) Copies of the Consent and Transfer Agreements (other than any agreements entered into in connection with the SA Security Trust Transfer).
 - (c) Evidence that the Warrants have been issued and duly registered with the TSX-V.
 - (d) An original of all share certificates, transfers and stock transfer forms or equivalent duly executed by the relevant Obligor in blank in relation to the shares subject to or expressed to be subject to the Security Documents and other documents of title to be provided under the Security Documents.
 - (e) Evidence that all filings, stampings, registrations, recordings, notifications and other actions (or documents to effect such actions) in all relevant jurisdictions which are necessary or desirable in order to create in favour of the Lender valid perfected first-ranking Security over all of the property which is or is expressed to be the subject of the Security Documents.

3 Reports and due diligence

- (a) The Lender has confirmed it has completed all of its confirmatory due diligence.
- (b) The Lender has received satisfactory results in relation to all Security, litigation and other corporate searches it requires in respect of the Obligors.
- (c) The Lender has received satisfactory results or confirmations from the relevant local counsel in Mexico, Peru and Mozambique, in relation to all Material Royalty/Stream Security, litigation, mining claims and other corporate searches it requires in respect of the Material Counterparties.
- (d) A legal opinion from counsel to the Obligors, in form and substance satisfactory to the Lender.
- (e) This Agreement is subject to the approval of the TSX-V.

4 Other documents and evidence

- (a) The Accounts.
- (b) Certified copies of each of the Material Royalty/Stream Agreements and the Material Royalty/Stream Security.
- (c) Other than in respect of the Delayed Candelaria Registration, evidence that the royalties and/or streams granted under or in connection with the Material Royalty/Stream

Agreements have been fully registered and perfected in the name of the Guarantor in accordance with applicable laws.

- (d) Other than in respect of the Delayed Equipment Pledge Registration, evidence that all Material Royalty/Stream Security has been duly registered and perfected in the name of the Guarantor in accordance with the applicable laws.
- (e) Evidence that the Guarantor has transferred all its rights and obligations under:
 - (i) the Material Royalty/Stream Agreements; and
 - (ii) the Material Royalty/Stream Security (other than in respect of the SA Security Trust Agreement and any outstanding signature from Citi bank in connection with the transfer of the Tahuehueto Trust Agreement),to the Borrower.
- (f) Evidence that, to the greatest extent possible, the Guarantor has transferred all its rights and obligations under the Residual Assets to the Borrower and the same has been duly registered and perfected in each applicable jurisdiction.
- (g) Evidence that any amounts required to be paid, and any conditions required to be satisfied, in connection with a Material Royalty/Stream Agreement have been paid and/or satisfied or will be satisfied within 30 days in accordance with customary receipt of credits.
- (h) Evidence that the Obligors have no Financial Indebtedness or Security over their assets other than as permitted by this Agreement.
- (i) Investment committee approval being received by the Lender for its entry into the Finance Documents.
- (j) Evidence that the fees, costs and expenses then due from the Borrower pursuant to clause 8 (*Fees and Expenses*) have been paid by the date of this Agreement or, in respect of the arrangement fee only, will be paid by the Utilisation Date (taking into account which fees, costs and expenses will be deducted from the proceeds of the Utilisation).
- (k) Evidence necessary to satisfy any "know your customer" requirements or any similar identification procedures and checks.
- (l) A copy of any other Authorisation or other document, opinion or assurance which the Lender considers to be necessary or desirable (if it has notified the Borrower accordingly)

in connection with the entry into and performance of the transactions contemplated by any Finance Document or for the validity and enforceability of any Finance Document.

Schedule 3

Conditions precedent to Accordion Facility

1 Preliminary Draw Request

The Borrower may request that the Lender makes available the Accordion Facility or an Accordion Facility Loan thereunder by submitting to the Lender a Preliminary Draw Request no less than twenty five (25) days prior to the proposed Utilisation Date of any Accordion Facility Loan attaching:

- (a) the draft of the royalty/stream agreement in relation to the proposed acquisition
- (b) the business case for the proposed acquisition of the applicable royalty or stream;
- (c) an applicable information memorandum;
- (d) all due diligence materials collected by the Obligors in respect of the proposed acquisition;
- (e) a pro-forma consolidated cash-flow model for the Obligors;
- (f) evidence that the proposed Accordion Facility Loan will not exceed 0.3x the anticipated asset acquisition net asset value as set out in the Borrower's Cashflow Model provided to the Lender;
- (g) evidence that the Accordion Facility Loan will be disbursed simultaneously with completion of the proposed acquisition; and
- (h) any other relevant materials which the Obligors believe will be relevant to assist the Lender in determining whether to make such an Accordion Facility Loan.

2 Additional Warrants

Drafts of the Additional Warrants in an amount equal to the Additional Warrant Amount.

3 Further conditions to Accordion Facility Loans

The Lender will only consider a request to make the Accordion Facility available or an Accordion Facility Loan thereunder upon receipt by the Lender of the documents and evidence described in Schedule 2 (Conditions precedent), together with such other documents and evidence (or updated forms of the documentation supplied pursuant to Schedule 2 (*Conditions precedent*)) as it may, in its absolute discretion request, in each case in form and substance satisfactory to the Lender.

- 4 Any Accordion Facility and related documentation is subject to the approval of the TSX-V.

Schedule 4
Form of Preliminary Draw Request

To: Nebari Natural Resources Credit Fund I, LP

Attention: [] Dated: []

Loan facility agreement dated [] and entered into between Empress Royalty Holding Corp., Empress Royalty Corp. and Nebari Natural Resources Credit Fund I, LP (the **Agreement**).

- 1 We propose to acquire [*provide details of royalty/streaming asset to be acquired*] (the **Proposed Acquisition**).
- 2 We would like to borrow an Accordion Facility Loan to fund the Proposed Acquisition [in whole/part] and therefore attach the following documents to facilitate your review and determination:
 - (a) the [draft of the royalty/stream agreement] in relation to the Proposed Acquisition;
 - (b) the business case for the Proposed Acquisition;
 - (c) an applicable information memorandum;
 - (d) all due diligence materials collected by the Obligors in respect of the Proposed Acquisition;
 - (e) a pro-forma consolidated cash-flow model for the Obligors;
 - (f) evidence that the proposed Accordion Facility Loan will not exceed 0.3x the anticipated asset acquisition net asset value as set out in the Borrower's Cashflow Model provided to the Lender; and
 - (g) [any other relevant materials which the Obligors believe will be relevant to assist the Lender in determining whether to make such an Accordion Facility Loan].
- 3 We wish to draw down an Accordion Facility Loan of \$[] on [].
- 4 We represent that all of the matters described in clause 9 (*Representations*) of the Agreement are true today. We also warrant that they will continue to be true on the Utilisation Date.
- 5 We confirm that:
 - (a) no Default has occurred and is continuing;
 - (b) no Default will result from the making of the Loan; and

(c) no Obligor is otherwise in breach of any of the Finance Documents.

6 We acknowledge that you have no obligation to make any Accordion Facility Loan available.

7 Words defined in the Agreement have the same meanings in this notice.

Yours faithfully

for Empress Royalty Holding Corp.

.....

Authorised signatory

Schedule 5
Form of Final Draw Request

To: Nebari Natural Resources Credit Fund I, LP

Attention: []

Dated: []

Loan facility agreement dated [] and entered into between Empress Royalty Holding Corp., Empress Royalty Corp. and Nebari Natural Resources Credit Fund I, LP (the **Agreement**).

- 1 We wish to draw down a [Base Facility Loan][Accordion Facility Loan] of \$[] on [].
- 2 The funds should be credited to [**account details**].
- 3 We represent that all of the matters described in clause 9 (*Representations*) of the Agreement are true today. We also warrant that they will continue to be true on the Utilisation Date.
- 4 We confirm that:
 - (a) no Default has occurred and is continuing;
 - (b) no Default will result from the making of the Loan; and
 - (c) no Obligor is otherwise in breach of any of the Finance Documents.
- 5 Words defined in the Agreement have the same meanings in this notice.

Yours faithfully

for Empress Royalty Holding Corp.

.....

Authorised signatory

Schedule 6
Material Royalty/Stream Security

- 1 Tahuehueto Trust Agreement
- 2 Equipment Pledge Agreement
- 3 The guarantee dated 31 March 2021 and issued by Ramree in favour of the Guarantor in respect of the obligations of Endor and MMP under the Manica Agreements
- 4 The guarantee dated 29 March 2021 and issued by Meteor in favour of the Guarantor in respect of the obligations of Endor and MMP under the Manica Agreements
- 5 The subsidiary ownership agreement dated 29 March 2021 and entered into between the Guarantor and Horizon Corporation (Seychelles) Ltd. in respect of Endor
- 6 SA Security Trust Agreement

Schedule 7 Residual Assets

#	Property	Operator	Location	Stage	Commodity	Terms
1	Windfall East	Osisko Mining Inc.	Quebec	Exploration	Gold	1% NSR
2	Destiny	Big Ridge Gold Corp	Quebec	Exploration	Gold	0.5% NSR / 1.0% NSR
3	Oxford Lake	Big Ridge Gold Corp	Manitoba	Exploration	Gold	0.5% NSR / 1.0% NSR
4	Brookbank East	Big Ridge Gold Corp	Ontario	Exploration	Gold	1.0% NSR
5	Coldstream	Wesdome Gold Mines Ltd.	Ontario	Exploration	Gold	0.5% - 1.5% NSR
6	Miner Lake	Big Ridge Gold Corp	Ontario	Exploration	Gold	0.5% NSR / 1.0% NSR
7	Greenoaks	Big Ridge Gold Corp	Ontario	Exploration	Gold	0.5%
8	Mud Lake	Big Ridge Gold Corp	Ontario	Exploration	Gold	0.5% NSR / 1.0% NSR
9	Empress	Sanatana Resources Inc.	Ontario	Exploration	Gold	1% NSR
10	Three Towers	Big Ridge Gold Corp	Ontario	Exploration	Gold	0.5% NSR
11	Golden Heart	Big Ridge Gold Corp	Ontario	Exploration	Gold	1.0% NSR
12	Fisher	Big Ridge Gold Corp	Saskatchewan	Exploration	Copper/Zinc	0.5% NSR / 1.0% NSR
13	Dog Lake	Big Ridge Gold Corp	Ontario	Exploration	Gold	1.0% NSR

SIGNATORIES

The Borrower

EXECUTED by)
for and on behalf of)
EMPRESS ROYALTY HOLDING CORP.)
)



By:
Name: Alexandra Woodyer Sherron
Position: CEO & President

.....

The Guarantor

EXECUTED by)
for and on behalf of)
EMPRESS ROYALTY CORP.)
)



By:
Name: Alexandra Woodyer Sherron
Position: Director

.....

The Lender

EXECUTED by
for and on behalf of
**NEBARI NATURAL RESOURCES CREDIT
FUND I, LP**

By:
Name:
Position:



SIGNATORIES

The Borrower

EXECUTED by)
for and on behalf of)
EMPRESS ROYALTY HOLDING CORP.)
)

By:
Name:
Position:

The Guarantor

EXECUTED by)
for and on behalf of)
EMPRESS ROYALTY CORP.)
)

By:
Name:
Position:

The Lender

EXECUTED by
for and on behalf of
**NEBARI NATURAL RESOURCES CREDIT
FUND I, LP**

By: 
Name: John Clark Gillam
Position: Co-Manager

