

EMERITA RESOURCES CORP.
as Borrower

and

EMERITA RESOURCES ESPAÑA SLU
as a Guarantor

and

NEBARI NATURAL RESOURCES CREDIT FUND II, LP
as Lender

\$15,000,000
CREDIT AGREEMENT

August 14, 2024

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CREDIT AGREEMENT

THIS AGREEMENT is made as of August 14, 2024.

AMONG:

EMERITA RESOURCES CORP.
as Borrower

and

EMERITA RESOURCES ESPAÑA SLU
as Guarantor

and

NEBARI NATURAL RESOURCES CREDIT FUND II, LP
as Lender

BACKGROUND:

The Borrower and NNRCFII have agreed that the Lender would arrange a non revolving Credit Facility for the Borrower in the maximum aggregate amount of \$15,000,000. This Agreement is intended to evidence in detail the terms and conditions applicable to those facilities.

NOW THEREFORE in consideration of the mutual obligations contained herein and for other consideration, the receipt and sufficiency of which are acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 General Definitions

Unless the context otherwise requires, in this Agreement:

“**Acquisition**” means an acquisition, directly or indirectly, of all or any part of the business of another person, including any line of business or division or the assets comprised therein, in a single transaction or in a series of transactions, related or not, whether by way of acquisition of assets or of Capital Stock or otherwise.

“**Advance**” means any amount of money or credit advanced, deemed advanced or to be advanced (as the context requires) by the Lender to the Borrower pursuant to the Credit Facility.

“**Advance Request**” means a duly completed and signed notice from the Borrower requesting an Advance in the form of Schedule 2.4 (or in such other form to substantially similar effect as the Lender may accept).

“**Affiliate**” in relation to any person (the “relevant party”) means any other person (i) that, directly or indirectly, Controls, is Controlled by or is under common Control with, the relevant party, (ii) that beneficially owns or Controls **a majority** of the Voting Capital Stock, on an undiluted or a fully diluted basis, of the relevant party or (iii) of which more than **a majority** of the Voting Capital Stock, on an undiluted basis or a fully diluted basis, is beneficially owned or Controlled by the relevant party.

“**Agreement**” means this credit agreement.

“**Anti-Corruption Laws**” means Applicable Laws concerning or relating to bribery or corruption, including the United States *Foreign Corrupt Practices Act of 1977*, the *Freezing Assets of Corrupt Foreign Public Officials Act* (Canada) and Part II of the Criminal Code.

“**Anti-Money Laundering Laws**” means (as the context requires) (i) the *Criminal Code* (Canada), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the *United Nations Act* (Canada), including any guidelines or orders thereunder, (ii) US Anti-Money Laundering Laws or (iii) any other Applicable Laws concerning anti-terrorist financing, economic sanction or “know your client” laws.

“**Anti-Terrorism Laws**” means (as the context requires) (i) the PATRIOT ACT, (ii) the *Canadian Economic Sanctions and Export Control Laws*, the *United Nations Act* (Canada), including the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism* (Canada), or the *United Nations Al-Qaida and Taliban Regulations* (Canada) promulgated under the *United Nations Act* (Canada) or (iii) any other Applicable Laws concerning anti-terrorism laws.

“**Applicable Accounting Principles**” means generally accepted accounting principles from time to time approved by the Chartered Professional Accountants of Canada (or any successor institute) and applied in accordance with IFRS, on a consistent basis.

“**Applicable Law**” means any international treaty, any treaty with first nations peoples, any domestic or foreign constitution or any multinational, federal, provincial, territorial, state, municipal, county or local statute, law, ordinance, code, rule, regulation or order (including any consent decree or administrative order), applicable to, or any guideline or policy (the compliance with which guideline or policy is generally regarded as mandatory by the person to whom it applies) or authorization of any governmental authority or arbitrator or other decision-making authority having jurisdiction with respect to any specified person, property, transaction or event or any of such person’s assets, in each case having the force of

law, and any order made in any proceeding to which the person in question is a party or by which such person or any of its assets is bound.

“**Asset Disposal**” is used as defined in Section 4.3.1.

“**Asset Security**” means the registered, perfected first priority lien senior mortgage, charge over and security interest in, lien on and pledge of (i) all current and future tangible and non-tangible assets and working capital assets relating to or used in connection with the IBW Project and (ii) all real property and mining claims, Mining Rights, permits (including the Exploitation Concession for the IBW Project), usufructs and surface leases in which it now has and hereafter acquires rights relating to or associated with the IBW Project pursuant to one or more Spanish law governed security documents.

“**Auditors**” means the firm of McGovern Hurley LLP or such other nationally recognized firm of chartered professional accountants as the Borrower may designate from time to time as its auditors.

“**Aznacollar Property**” means that certain property which may be acquired by the Borrower or the Guarantor, or such other Subsidiary as the Borrower may determine, located within the area called Aznalcóllar Mining Complex (Seville), delimited by the following geographic coordinates: (DATUM ED50): - PP 6° 15' 40'' W 37° 32' 0'' N. - 6° 13' 0'' W 37° 32' 0'' N. - 6° 13' 0'' W 37° 29' 0'' N. - 6° 15' 40'' W 37° 29' 0'' N.

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership as required by (i) the United States 31 CFR § 1010.230 or (ii) analogous or equivalent information required under Applicable Law in effect in Canada or any other foreign jurisdiction.

“**Beneficial Ownership Regulation**” means (i) the United States 31 CFR § 1010.230 or (ii) analogous or equivalent information required under Applicable Law in effect in Canada.

“**Blocking Law**” means the *Foreign Extraterritorial Measures Act* (Canada) including the Foreign Extraterritorial Measures (United States) Order, 1992.

“**Borrower**” means Emerita Resources Corp., existing as at the date hereof as a corporation continued under the *Business Corporations Act* (Ontario).

“**Borrower’s Counsel**” means (i) in the Province of Ontario, Gowling WLG (Canada) LLP, (ii) in each other relevant jurisdiction, such legal counsel of recognized local standing as the Borrower may designate as the Group’s legal counsel in each such jurisdiction and (iii) each additional or replacement legal counsel of recognized local standing as the Borrower may designate from time to time as the Group’s legal counsel.

“**Business Day**” means a day which is not a Saturday or Sunday on which banks are generally open for commercial lending and foreign exchange business in New York, New York, Toronto, Ontario or Seville, Spain, but shall exclude any day that is not a U.S. Government Securities Business Day.

“**Canadian Employee Benefit Plan**” means any employee benefit plan maintained or contributed to by a Loan Party that is not a government sponsored pension plan (such as the Canada Pension Plan or any Québec pension plan) or a pension plan, including any profit sharing, savings, supplemental retirement, retiring allowance, severance, deferred compensation, welfare, bonus, incentive compensation, phantom stock, legal services, supplementary unemployment benefit plan or arrangement and any life, health, dental and disability plan or arrangement in which the employees or former employees of a Loan Party participate or are eligible to participate, in each case, whether written or oral, funded or unfunded, insured or self-insured, reported or unreported, but excluding all stock option or stock purchase plans.

“**Canadian Multiemployer Plan**” means a “multiemployer pension plan”, as such term is defined in the *Pension Benefits Act* (Ontario) or any similar plan registered under pension standards legislation of another jurisdiction in Canada to which a Loan Party or any Affiliate of the Borrower contributes for its employees or former employees employed in Canada.

“**Canadian Pension Plan**” means a pension plan or plan that is a “registered pension plan” as defined in the Tax Act or is subject to the funding requirements of the *Pension Benefits Act* (Ontario), or any similar pension benefits standards legislation in any Canadian jurisdiction, and which is maintained or contributed to by, or to which there is or may be an obligation to contribute by, any Loan Party, in respect of its employees or former employees employed in Canada, but does not include a Canadian Multiemployer Plan.

“**Canadian Sanctioned Person**” means any person that is a “designated person”, “politically exposed foreign person” or “terrorist group” as described in any Canadian Sanctions laws.

“**Canadian Sanctions**” means any Canadian laws, regulations or orders governing transactions in controlled goods or technologies or dealings with countries, entities, organizations, or individuals subject to economic sanctions and similar measures, including the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Freezing Assets of Corrupt Foreign Officials Act, Part II.1 of the Criminal Code*, (Canada) and the *Export and Import Permits Act* (Canada), and any related regulations.

“**Canadian Securities Administrators**” means the securities regulatory authorities of all of the provinces and territories of Canada including the OSC.

“**Capital Stock**” means common shares, Preferred Shares or other equivalent equity interests (howsoever designated) in a Firm.

“**Capitalization Period**” has the meaning set out in Section 4.1.

“**Cash Equivalents**” means any of the following: (a) cash, (b) marketable direct obligations issued or unconditionally guaranteed by Canada, any agency thereof, the United States of America or any agency thereof maturing within one year from the date of acquisition thereof, (c) commercial paper maturing no more than one year from the date of creation thereof and currently having a rating of at least A-1 from S&P’s, P-1 from Moody’s or F1 from Fitch (each an “**A Rating**”, and any of S&P’s, Moody’s and Fitch, a “**Rating Agency**”), (d) deposits, maturing no more than one year from the date of creation thereof, issued by commercial banks or trust companies incorporated under the laws of Canada, Spain, or the United States of America or a State thereof, each having combined capital, surplus and undivided profits of not less than US\$500,000,000 (or the equivalent amount in any other currency) and having an A Rating from a Rating Agency (each an “**A-Rated Financial Institution**”), and (e) mutual funds that invest solely in one or more of the investments described in clauses (b) through (d) above.

“**Cash Interest Expense**” of a Firm for any period means Interest Expense of that Firm to the extent such amounts are paid in cash for such period, excluding, without duplication, in any event (i) pay-in-kind Interest Expense or other non-cash Interest Expense (including as a result of the effects of purchase accounting), (ii) to the extent included in Interest Expense, the amortization or write-off of any financing fees, discounts or premiums paid by, or on behalf of, the Borrower or any Subsidiary, including such fees paid in connection with the Transactions, and (iii) the amortization of debt discounts, if any, or fees in respect of Derivatives hedging interest expense on Debt; provided that, Cash Interest Expense shall exclude any one time financing fees, including those paid in connection with the Transactions or any amendment of this Agreement.

“**Cdn.\$**” or “**Canadian Dollars**” means dollars which are the lawful money of Canada.

“**Certificate**” from any Firm means a written certificate from that Firm signed by a Responsible Officer of that Firm.

“**Change in Control**” means the consummation of any transaction or event, including any consolidation, business combination, arrangement, amalgamation or merger or any issue, transfer or acquisition of securities, the result of which is that any other person (other than an Affiliate of the subject person) or group of other persons (other than an Affiliate of the subject person) acting jointly or in concert for purposes of such transaction or event (a) becomes the beneficial owners, directly or indirectly, of more than 50% of the votes attached to the voting securities of the subject person or (b) otherwise acquires Control, directly or indirectly, of the subject person, and including by acting with a group of other persons, of the subject person, including through the occupation of a majority of the seats (other than the vacant seats) on the board of the subject person by individuals who were neither (i) nominated by the board of the subject person nor (ii) appointed, approved or endorsed by members of the board of the subject person.

“Change in Law” means any change in, or the coming into effect of, any Applicable Law (whether or not having the force of law), or any change in the interpretation, administration or application thereof by any governmental authority, or compliance by the Lender with any Applicable Law or any order of any governmental authority (whether or not having the force of law). Notwithstanding the foregoing, (i) the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority), the United States regulatory authorities or any applicable Canadian or other foreign governmental authority (including the Office of the Superintendent of Financial Services), in each case pursuant to Basel III, shall, in each case, be treated as a Change in Law regardless of the date enacted, adopted or issued.

“Closing” means the time when the Lender confirms to the Borrower that each of the conditions precedent set forth in Section 5.1 have been met or (to the extent not met) waived by the Lender in accordance with Section 5.3(a) to permit closing of the Tranche 1 Advance contemplated hereby to take place.

“Closing Date” means the date on which Closing occurs.

“Closing Notice” is used as defined in Section 5.1.

“Collateral” means all assets in or to which any Loan Party now or hereafter has rights and which is subject to (or intended by the express or implied terms of any Loan Document to be subject to) the Security, or any item or part thereof.

“Commitment” means the aggregate amount of the Tranche 1 Commitment, the Tranche 2 Commitment and the Tranche 3 Commitment.

“Compliance Certificate” in respect of each calendar month after the Closing Date, means a duly completed and signed Certificate from the Borrower substantially in the form attached as Schedule 10.1.1 (or in such other form to substantially similar effect as the Lender may accept) setting out, among other things, a statement for that Fiscal Quarter of the calculations of the financial tests set out in Section 10.4.

“Consolidated Cash Balance” the cash balance of the Group on a consolidated basis for the applicable period.

“Consolidated Working Capital Balance” the Working Capital balance of the Group on a consolidated basis for the applicable period.

“Constating Documents” in relation to a Firm means the articles, certificate of incorporation, continuation or amalgamation any unanimous shareholder agreement, the limited liability, operating or members’ agreement or the partnership agreement, declaration of trust or equivalent documents governing the

incorporation or formation, capacity, powers, assets and affairs of that Firm; together, in each case, with the by-laws or other documents, regulating the organization, Control or internal management of that Firm.

“Contaminant” means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of any of them that may (i) impair the quality of the Environment for any use that can be made of it, (ii) injure or damage property or plant or animal life, (iii) harm or materially discomfort any individual, (iv) adversely affect the health of any individual, (v) impair the safety of any individual, (vi) render any property or plant or animal life unfit for use by man, (vii) cause loss of enjoyment of normal use of property, or (viii) interfere with the normal course of business, and includes any “pollutant”, “hazardous substance” or “hazardous material” within the meaning assigned to such term in any Environmental Law.

“Contested Tax Proceedings” means proceedings in respect of a Tax claim which are being contested in good faith by a Loan Party by appropriate proceedings, in respect of which adequate reserves in accordance with Applicable Accounting Principles have been recorded in the consolidated accounts and financial statements of a Loan Party and, to the extent required to ensure that no penalties or interest would be charged if such contest is unsuccessful, the amount of Taxes being contested is paid under reserve or protest to the applicable governmental authority.

“Control” when used with respect to any Firm means the power to direct the management and policies of that Firm, directly or indirectly, whether through ownership of Voting Capital Stock, by voting trust or other agreement or otherwise. Control of a general partner of a limited partnership shall be deemed to be Control of that limited partnership.

“Corporate Organization Chart” means the Corporate Organization Chart attached hereto as Schedule 5.1(a)

“Credit Facility” means the Credit Facility being made hereunder and which is available in three Tranches.

“Current Assets” of a Firm at any time means the sum on a consolidated basis (without duplication) of all assets that would, in accordance with Applicable Accounting Principles, be classified on a consolidated balance sheet of that Firm as current assets at that time, other than amounts related to current or deferred Taxes based on income or profits.

“Current Liabilities” of a Firm at any time means on a consolidated basis all liabilities that would, in accordance with Applicable Accounting Principles, be classified on a consolidated balance sheet of that Firm as current liabilities at that time, excluding (u) the current portion of any Debt, (v) accruals of Interest Expense (excluding Interest Expense that is due and unpaid), (w) accruals for current or deferred Taxes based on income or profits, (x) accruals, if any, of transaction costs resulting from the Transactions, (y) accruals of any costs or expenses related to

- (i) severance or termination of employees prior to the Documentary Closing or
- (ii) bonuses, pension and other post-retirement benefit obligations.

“**Debt**” of any person at any time means obligations of such person to pay (in whole or in part) (i) liabilities which, in accordance with Applicable Accounting Principles, would be classified upon the consolidated or unconsolidated statement of financial position or balance sheet of that person prepared as at such time as indebtedness for borrowed money, including bank indebtedness, long-term debt, Right of Use Liabilities and indebtedness to Affiliates and other financial indebtedness, (ii) amounts payable, actual or contingent, primary, secondary or by way of guarantee, matured or unmatured, under, by reason of or otherwise in respect of, any bankers’ acceptance, (iii) amounts payable, actual or contingent, primary, secondary or by way of guarantee, matured or unmatured, under, by reason of or otherwise in respect of any sale of promissory notes, sale of accounts, factoring, securitization or discounting arrangement to the extent recourse to such person or any Affiliate of it exists to recover such amounts payable, (iv) the principal amount of, and any premiums and capitalized interest payable in respect of, indebtedness for the deferred purchase price of property or services, (v) the repurchase amount payable under any repurchase transaction, (vi) the principal amount of, and any premiums and capitalized interest payable in respect of, indebtedness payable under or in respect of any Lien upon any property acquired (whether or not assumed), (vii) the amount by which the sale amount exceeds the purchase amount under any reverse repurchase transaction, (viii) to the extent due and owing, any out-of-the-money Derivative Exposure under any Derivative, (ix) amounts payable, actual or contingent, primary, secondary or by way of guarantee, matured or unmatured, under, by reason of or otherwise in respect of, any (A) standby credit, bank guarantee or performance bond, (B) any liability under any sale and leaseback transaction which does not create a liability on the consolidated statement of financial position of such person prepared in accordance with Applicable Accounting Principles, or (C) any liability under any so-called “synthetic” lease transaction, (D) Earn-Outs and (E) any obligations arising with respect to any other transaction which is the functional equivalent of or takes the place of Advance but which does not constitute a liability on the unconsolidated balance sheet of such person, prepared in accordance with Applicable Accounting Principles, (x) amounts payable under convertible debentures and other like instruments, whether or not they would, in accordance with Applicable Accounting Principles, be included in shareholders’ equity in the unconsolidated statement of financial position (or equivalent) of such person, (xi) the redemption or retraction price of any Preferred Shares and (xii) any amount payable under any direct or indirect guarantee of any amount of the nature described in any of Clauses (i) to (xi) above; provided, however, that reserves for deferred taxes or general contingencies, current trade payables which are payable on customary or usual trade terms, current expenses (other than interest expense) accrued in the ordinary course of business and current payments under operating leases, for any current fiscal period, and customer advance payments and deposits received in the ordinary course of conducting business, are not Debt. Wherever in this Agreement the amount of any Debt is required to be determined or measured, the amount of any

Debt referred to in any of sub-clauses (ix)(A), (B), (C) or (D) above shall be equal to the amount obtained by aggregating the present values of each amount payable under or otherwise in respect thereof at the discount rate equivalent to the implied rate of interest that would be applied under Applicable Accounting Principles to a Right of Use Asset when recording that Right of Use Asset on an unconsolidated statement of financial position (or equivalent).

“Default” means any Event of Default or any default, breach, failure, event, state or condition which, unless remedied or waived, with the lapse of time, giving of notice, making of a determination, or any combination thereof or otherwise, would constitute or would reasonably be expected to result in the occurrence of an Event of Default.

“Default Rate” means the rate of interest payable pursuant to Subsection 3.1.3.

“Derivative” means any transaction now existing or hereafter entered into which is an interest rate swap, cap, floor or collar, interest rate forward, future or option contract, cross-currency interest rate swap or interest rate future or option, a spot or forward foreign exchange contract or any other transaction the value of which is derived from interest rates, foreign exchange, debt obligations, equities, commodities or other indices.

“Derivative Exposure” in relation to any Firm (the “relevant party”) at any time means the amount (after giving effect to all set-offs provided for under any master agreement governing those Derivatives) which is or (as the case may be) would be payable by or to the relevant party pursuant to the agreement with a counterparty governing the Derivatives entered into by the relevant party and that counterparty and in effect at that time if those Derivatives have been or (as the case may be) were to be terminated at that time as the result of the default of the relevant party.

“Discharge Date” means the date (i) all Advances have been repaid in full, and (ii) all other Secured Obligations (other than in respect of contingent indemnification and expense reimbursement claims and other contingent obligations for which no unsatisfied demand for payment exists) have been paid in full.

“Distribution” in relation to any Firm means (i) the retirement, redemption, retraction, purchase, or other acquisition by that Firm or any Affiliate of it of any of that Firm’s Capital Stock, (ii) the declaration or payment of any dividend, return of capital or other distribution (in cash, securities or other property, or otherwise), on or in respect of, that Firm’s Capital Stock and (iii) any other payment or distribution (in cash, securities or other property, or otherwise) by such Firm or any Affiliate of it of, on or in respect of any Capital Stock of that Firm.

“Documentary Closing” means the date on which all Conditions Precedent to the Advance of the Loan under Tranche 1 listed in Section 5.1, other than the Advance of the Loan under Tranche 1 which will be satisfied or waived as of the Closing Date.

“**Earn-Outs**” means earn-out obligations, deferred purchase obligations and similar deferred payments.

“**Emerita SLU**” means Emerita Resources España SLU.

“**Environment**” means the ambient air, all layers of the atmosphere, surface, water, underground water, all land, all living organisms and the interacting natural systems that include components of air, land, water, organic and inorganic matter and living organisms, and includes indoor spaces.

“**Environmental Law**” means any Applicable Law relating to the Environment; reclamation, restoration, or remediation of property; the regulation, management, treatment, storage, disposal of, or exposure to, Contaminants or Waste; protection of cultural or historic resources; public or occupational health or safety; and all other Applicable Laws relating to manufacturing, processing, distribution, use, treatment, storage, disposal, handling, clean-up or transport of Contaminants, or chemicals or industrial, toxic or other hazardous materials.

“**ERISA**” means the US Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated and rulings issued thereunder from time to time in effect.

“**Event of Default**” means any default, breach, failure, event, state or condition set out in Section 11.1.

“**Exploitation Concession**” means the mining exploitation concession derivative from “Romanera” investigation permit for the IBW Project applied for on 8 September 2023 expected to be granted by the regional mining authorities in accordance with articles 67 to 74 of Spanish Law 22/1973, of 21 July, of Mining.

“**Firm**” means a person that is not an individual, a government or an agency of a government.

“**Fiscal Quarter**” means one of the four (4) three-month accounting periods of the Borrower comprising a Fiscal Year.

“**Fiscal Year**” means the 12-month accounting period of the Borrower which, as at the date hereof, ends on December 31 of each calendar year.

“**Floor**” means 4.0% per annum.

“**Fraudulent Conveyances Law**” means the *Assignment and Preferences Act* (Ontario), the *Fraudulent Conveyances Act* (Ontario), sections 95 and 96 of the *Bankruptcy and Insolvency Act* (Canada), Section 548 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et.seq., or any other like, equivalent or analogous legislation of any jurisdiction, domestic or foreign, as the context requires.

“**Future Project Authorizations**” means, at any time, those Project Authorizations which as at such time are not then (a) necessary or required for the

development, construction, operation or maintenance of the Project in all Material respects giving effect to the then current stage of development, construction operation or maintenance of the Project; or (b) otherwise required to be in effect under the terms of Applicable Law giving effect to the then current stage of development, construction operation or maintenance of the Project.

“**Group**” means the Borrower and the Borrower’s direct and indirect Subsidiaries, and “**Group Member**” means an applicable one of them, as the context requires or so admits, other than Cantabrica del Zinc.

“**Guarantee**” means the guarantee by each Guarantor set forth in Article 7.

“**Guaranteed Obligations**” in relation to any Guarantor, means the Secured Obligations of each other Loan Party.

“**Guarantor**” at any time means (i) the Borrower, (ii) Emerita SLU or (iii) any other Subsidiary of the Borrower required to become a Guarantor hereunder from time to time, as the context requires.

“**Guarantor’s Obligations**” of a Guarantor means that Guarantor’s Secured Obligations, including those under the Guarantee.

“**Hazardous Materials**” means any substance, product, liquid, Waste, pollutant, chemical, Contaminant, insecticide, pesticide, gaseous or solid matter, organic or inorganic matter, fuel, micro organism, ray, odour, radiation, energy, vector, plasma, constituent or other Material which adversely affect the Environment and is or becomes listed, regulated or addressed under any Environmental Laws (including asbestos, cyanide, petroleum and polychlorinated biphenyls).

“**IASB**” means the International Accounting Standards Board or a successor thereto, as the context requires or so admits.

“**IBW Project**” or “**Project**” means the Borrower’s Iberia Belt West mineral exploration, investigation, development and exploitation project located in Andalucía (Spain), which encompasses three polymetallic deposits: Infanta, El Cura and Romanera, including all interests in both current and future areas as set forth on Schedule 3 that will be permitted for exploration, investigation, exploitation and production in the future for the purpose of furthering the Project.

“**IFRS**” means generally accepted accounting principles applied in accordance with International Financial Reporting Standards as adopted by the IASB and approved by the Chartered Professional Accountants of Canada (or any successor institute) for application in Canada adopted by the Borrower and applied to its consolidated financial statements.

“**Immaterial**” means (i) is not, and would not reasonably be expected to be, Material and (ii) does not, and would not reasonably be expected to, have a Material Adverse Effect.

“Insolvency Event” in relation to any person means (i) that person does not pay or perform its obligations generally as they become due or admits its inability to pay or perform its debts generally, that person commits an act of bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada), (ii) any Insolvency Proceeding is instituted by or against that person (excluding any Insolvency Proceeding being contested by that person in good faith by appropriate proceedings so long as enforcement remains stayed, none of the relief sought is granted (either on an interim or permanent basis) and such Insolvency Proceeding is dismissed within 30 days of its commencement) or (iii) if that person is a Firm, that Firm takes corporate, partnership or other internal management action to authorize or consent to the relief sought in any Insolvency Proceeding commenced by or against it.

“Insolvency Law” means the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada), Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. or any other like, equivalent or analogous legislation of any jurisdiction (including, without limitation, the Spanish Insolvency Act), domestic or foreign and any plan of arrangement law provision of any corporations statute under which a corporation may propose a compromise or an arrangement with respect to its creditors or any class or the claims of any class of creditors of the corporation.

“Insolvency Proceeding” in relation to any person means any proceeding contemplated by any application, petition, assignment, filing of notice or other means, whether voluntary or involuntary, under any Insolvency Law seeking any moratorium, reorganization, adjustment, composition, proposal, compromise, arrangement, administration or other like or similar relief in respect of any or all of the obligations of that person, seeking the winding up, liquidation or dissolution of that person if that person is a Firm or all or any part of its property, seeking any judgment or order declaring, finding or adjudging that person Insolvent or bankrupt, seeking the appointment (provisional, interim or permanent) of any receiver or resulting, by operation of law, in the bankruptcy of that person.

“Insolvent” at any time when used with respect to a Firm means:

- (a) if that Firm is formed under the federal laws of Canada or the laws of any Province or Territory thereof, that at such time (i) that Firm is unable to meet its obligations as they generally become due, (ii) that Firm has ceased paying its current obligations in the ordinary course of business as they generally become due or (iii) the aggregate property of that Firm is, at a fair valuation, insufficient, or, if disposed of at a fairly conducted sale under legal process, would be insufficient, to enable payment of all its obligations, due and accruing due; or
- (b) if that Firm is not formed under the federal laws of Canada or the laws of any Province or Territory thereof, that at such time (i) the fair saleable value of the assets of that Firm is less than the total amount of the present value of its liabilities (including for purposes of this definition all liabilities (including loss reserves), whether or not reflected on a balance sheet of that

Firm prepared in accordance with Applicable Accounting Principles and whether direct or indirect, fixed or contingent, secured or unsecured, disputed or undisputed), (ii) that Firm is unable to pay its debts or obligations in the ordinary course as they mature and (iii) in relation to any Firm incorporated or formed under the laws of any jurisdiction that imposes limitations on the legality, validity, binding effect or enforceability of any guarantee by reason of a Firm's unreasonably small capital (or equivalent or like criteria), that Firm has unreasonably small capital (or equivalent or like criteria) to carry out its business as conducted and as proposed to be conducted. For the purposes of this paragraph (b), (1) "debt" means liability on a "claim" and (2) "claim" means any (x) right to payment, whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured or (y) right to an equitable remedy or breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured or unmatured, disputed, undisputed, secured or unsecured. Notwithstanding the foregoing, the amount of the Guarantee of a Guarantor shall be disregarded for the purposes of determining whether or not that Guarantor is Insolvent for so long as the Borrower has no reasonable grounds to believe that an Event of Default has occurred and is continuing or will occur.

"Insurance Event" means any loss or damage to the assets of a Loan Party that gives rise to a claim and payment to a Loan Party under any insurance policy maintained by a Loan Party.

"Insurance Proceeds" means an amount paid to a Loan Party by reason of an Insurance Event, net of any reasonable documented out-of-pocket fees, costs and expenses actually paid by a Loan Party to an Unrelated Party to recover payment of such amount.

"Intercorporate Debt Subordination Agreement" means the intercorporate debt subordination agreement among the Borrower, the Guarantors party thereto and the Lender.

"Interest Expense" with respect to any Firm for any period means the sum (without duplication) determined on a consolidated basis in accordance with Applicable Accounting Principles of (i) gross interest expense of that Firm for such period, including the imputed interest component included in payments or accruals with respect to Right of Use Liabilities, but excluding amortization of deferred financing fees, non-Cash Interest Expense attributable to changes in Derivative Exposure and any other amounts of non-cash payments of interest *plus* (ii) capitalized interest of that Firm *minus* (iii) interest income for such period. For purposes of the foregoing, gross interest expense shall be determined after giving effect to any net payments made or received and costs incurred by any Loan Party with respect to Derivatives, and the imputed interest component included in payments of Right of Use Liabilities, shall be deemed to accrue at an interest rate reasonably determined by

the Borrower to be the rate of interest implicit in such Right of Use Liabilities, in accordance with Applicable Accounting Principles.

“**Interest Payment Date**” means the (i) last day of each month, from and after the conclusion of the Capitalization Period and (ii) the Maturity Date, or should such days not be on a Business Day the next immediate Business Day.

“**Interest Period**” means, the first day of each calendar month after the Loan under Tranche 1 has been Advanced and ending on the last day of such calendar month. After the end of the Capitalization Period, such Interest Periods shall begin on the last day of the preceding Interest Period and end on the following Interest Payment Date.

“**Investment**” means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable on customary or usual trade terms arising in the ordinary course of business) or contribution of capital to any other Firm or any acquisition of Capital Stock, deposit accounts, certificates of deposit, mutual funds, bonds, notes, debentures or other securities of any other Firm or any structured notes or Derivatives. Whenever in this Agreement the amount of any Investment is required to be determined or measured, such amount shall be the original principal or capital amount thereof, less all returns of principal or equity thereof, but not interest, dividends or other distributions of income paid thereon, and shall, if made by the transfer or exchange of property other than cash, be deemed to have been made in an original principal or capital amount equal to the fair market value of such property at the time of such Investment, as determined in good faith by the Borrower.

“**Lender**” means Nebari Natural Resources Credit Fund II, LP, or any of its respective Affiliates as designated by the Lender from time to time.

“**Lender’s Counsel**” means (i) the firm of Fasken Martineau DuMoulin LLP in the Province of Ontario, Canada, (ii) the firm of JonesDay (Spain) in Spain and (iii) such replacement or additional firm in such jurisdiction as the Lender may designate from time to time as the Lender’s legal counsel.

“**Lien**” means (i) any right of set-off intended to secure the payment or performance of an obligation, (ii) any interest in property created by way of mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, hire purchase agreement, conditional sale agreement, repurchase agreement, reverse repurchase agreement, deposit arrangement, title retention, Right of Use Asset, sale-lease-back transaction or discount, factoring or securitization arrangement on recourse terms, (iii) any statutory deemed trust or lien, (iv) any preference, priority, adverse claim, levy, execution, seizure, attachment, garnishment or other encumbrance which binds property and (v) any agreement to grant any of the foregoing rights or interests described in Clauses (i) to (iv) of this definition.

“**Loan**” means an Advance made under the Credit Facility.

“**Loan Documents**” at any time means, collectively, this Agreement, each Security Document executed by each Loan Party and each other document delivered to or for the benefit of the Lender pursuant to or otherwise in connection with any of the foregoing agreements at or before such time.

“**Loan Obligations**” means the Debt and other obligations of each Loan Party owing to the Lender arising under, pursuant to or otherwise in respect of each Loan Document. For certainty, “**Loan Obligations**” shall include interest accruing subsequent to the commencement of, or which would have accrued but for the commencement of, any Insolvency Proceeding in accordance with and at the rate (including the Default Rate to the extent lawful) specified herein or in another applicable Loan Document, whether or not such interest is an allowable claim in such Insolvency Proceeding.

“**Loan Party**” means the Borrower or a Guarantor, as the context requires or so admits.

“**Make-Whole Threshold**” means a minimum absolute return equivalent to [REDACTED] calculated in accordance with Section 4.2.1 on the Loan amount to be prepaid (and for such purpose the Make-Whole Threshold shall exclude any return or value attributable to the Warrants).

Commercially sensitive information.

“**Margin**” means 11.5% per annum.

“**Market Price**” means the last closing price of the common shares of the Borrower on the TSXV prior to the date on which the Borrower issues the relevant Advance Request.

“**Material**” or “**material**” means material in relation to the consolidated business, operations, affairs, properties, prospects, revenues, assets, liabilities (including contingent liabilities), obligations, capitalization, results of operations (financial or otherwise), cash flows or condition (financial or otherwise) of the Group taken as a whole.

“**Material Adverse Change**” means any circumstance, occurrence, fact, condition (financial or otherwise), change (including a change in Applicable Law, event, development or effect (whether or not foreseeable or known as of the date hereof)) that, individually or in the aggregate, has, or would reasonably be expected to have, a Material Adverse Effect.

“**Material Adverse Effect**” means (i) a Material adverse effect on the consolidated business, operations, affairs, properties, revenues, assets, liabilities (including contingent liabilities), prospects, obligations (whether absolute, accrued, conditional or otherwise), capitalization, results of operations (financial or otherwise), cash flows or condition (financial or otherwise) of the Group taken as a whole, (ii) any Material impairment of any Loan Party’s ability to pay or perform any Loan Obligations when due, (iii) a Material adverse effect on the validity, effect, perfection or priority of the Security (taken as a whole) or (iv) any Material

prejudice to, restriction on or rendering unenforceable or ineffective, any of the Material rights intended or purported to be granted under or pursuant to any Loan Document by any Loan Party to or for the benefit of the Lender, *provided* that, any change to commodity prices shall not, in and of itself, be considered a Material Adverse Effect, unless such change to commodity prices results in any of the Material Adverse Effects set forth in paragraph (i) through (iv), inclusive, above in this definition.

“**Material Contract**” at any time means an agreement, contract, permit, license, approval or any other document to which any Loan Party is party that is Material at such time, including, as at the date hereof, each agreement listed in Schedule 1 and each Material Contract identified in a Compliance Certificate after the date hereof.

“**Maturity Date**” means, initially, the date which is forty-eight (48) months from the Closing Date, or such other date to which such date may be extended pursuant to the terms hereof, from time to time.

“**Mining Rights**” all patented and unpatented mining claims, mineral licences, exploration licenses, mining concessions, mining leases, prospecting permits, surface leases, rights-of-way or other authorities which, directly or indirectly, confer or may confer a right to prospect or explore for, or mine, any minerals or ores. Particularly in relation to Spain, Mining Rights includes all legal titles granted in accordance to Law 22/1973, of July 21, 1973, on Mines, including, but not limited to, exploration permits, investigation permits and derivative or direct exploitation concessions for section c) resources.

“**Multiemployer Plan**” means a Canadian Multiemployer Plan or US Multiemployer Plan, as the context requires or so admits.

“**Net Disposal Amount**” of any Asset Disposal means an amount equal to the difference between (i) the aggregate amount of cash consideration (received by the Borrower in respect of that Asset Disposal) *minus* (ii) the sum of (A) all ordinary and reasonable out-of-pocket fees, costs and expenses actually paid by the Borrower to any Unrelated Party in connection with that Asset Disposal *plus* (B) all current taxes payable in respect of the Fiscal Year in which that Asset Disposal occurred which are directly attributable to that Asset Disposal.

“**Nominated Party**” means Nebari Natural Resources AIV II, LP.

“**Nuevo Tintillo Project**” means the mineral exploration, investigation, development and exploitation project located in the Iberian Pyrite Belt as set out in Schedule 4. It is located in the eastern part of the belt, in Seville Province, between the deposits of Aznacollar, in the southeast, and Rio Tinto in the northwest. Accessible by road from Seville for approximately 40km. Nuevo Tintillo encompasses 6,875 hectares (with 7,625 hectares pending), and has a rectangular shape along the east-west axis for about 25 km.

“**Offset Account**” has the meaning ascribed thereto in Section 4.2.2(b).

“**OSC**” means the Ontario Securities Commission.

“**PATRIOT ACT**” means the USA PATRIOT ACT (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“**Periodic Term SOFR Determination Day**” is used as defined in the definition of “Term SOFR”.

“**Permitted Acquisition**” means an Acquisition which is (i) solely for the purpose of operating and/or developing the Project, (ii) of the Aznacollar Property, (iii) in respect of the operation and/or development of any other project of the Loan Parties up to a maximum amount of \$300,000, or (iv) otherwise is consented to by the Lender, with such approval not being unreasonably withheld or delayed.

“**Permitted Asset Sale**” means (i) a disposal of inventory in the normal and ordinary course of business to Unrelated Parties, (ii) a disposal of marketable securities and other investment assets in the normal and ordinary course of business to Unrelated Parties, and (iii) a disposal of used, surplus, obsolete or worn-out equipment no longer used or useful in the business for value or nominal consideration if of no measurable value, and (iv) a transfer of the IBW Project, Nuevo Tintillo Project, the Aznacollar Property (if and when it may be acquired) or any other assets to wholly owned Subsidiaries of the Borrower, *provided that* before any such transfer is to take place, (1) if such transfer is to take place before the Advance of the Loan under Tranche 2, and (A) before the grant of the Exploitation Concession, each such Subsidiary shall become party to the Intercorporate Debt Subordination Agreement and a Share Pledge in the capital of each such Subsidiary shall be granted to the Lender, together with such other documents reasonably requested by the Lender in connection therewith, and (B) if such transfer occurs after the time the Exploitation Concession is granted, such Subsidiary holding an interest in the IBW Project shall become party to the Intercorporate Debt Subordination Agreement and grant Asset Security to the Lender, together with such other documents reasonably requested by the Lender in connection therewith, and (2) after the Advance of the Loan under Tranche 2, each such Subsidiary holding an interest in the IBW Project shall become party to the Intercorporate Debt Subordination Agreement, shall grant Asset Security and a Share Pledge in the capital of each such Subsidiary shall be granted to the Lender. For clarity, upon grant of the Exploitation Concession and the grant and perfection of the Asset Security and completion of the joinder to the Intercorporate Debt Subordination Agreement by each Subsidiary holding an interest in the IBW Project, as applicable, the Lender shall release the Share Pledge on any Subsidiary which does not hold an interest in the IBW Project.

“**Permitted Debt**” means (i) the Secured Obligations, (ii) any intercorporate Debt which is subject to the terms of the Intercorporate Debt Subordination Agreement, (iii) other unsecured Debt incurred in the ordinary course of business up to a maximum amount of \$500,000.00, (iv) Debt relating to Purchase Money

Obligations incurred in the ordinary course of business up to a maximum amount of \$500,000.00, and (v) royalty arrangements over the production interests of any of the mining properties of the Group, provided such arrangements are in form and substance satisfactory to the Lender, acting reasonably, and subordinated to the full and final repayment of the Lender on terms and conditions satisfactory to the Lender, acting reasonably.

“Permitted Liens” means:

- (a) Statutory Prior Liens securing Statutory Prior Claims that are not delinquent or are being contested by Contested Tax Proceedings;
- (b) Liens (other than any Lien imposed by ERISA) consisting of pledges or deposits required in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other social security legislation securing claims not yet delinquent;
- (c) Liens for assessments or governmental charges or levies not at the time delinquent or, if delinquent, the validity or amount of which is being contested in good faith by appropriate proceedings and in respect of which adequate reserves in accordance with Applicable Accounting Principles have been recorded on the consolidated statement of financial position (or equivalent) of the Borrower and its Subsidiaries;
- (d) construction, mechanics, carriers, warehousemen’s, storage, repairers and materialmen’s Liens, but only if the obligations secured by such Liens are not delinquent and no Lien has been registered against any assets of any Loan Party or if a Lien has been registered, same is being vigorously defended in good faith by appropriate proceedings, appropriate security has been posted and enforcement action is stayed;
- (e) Liens arising by virtue of any statutory or common law provision or any account or other agreement, in each case, relating to banker’s liens, rights of set-off or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts or other funds maintained with a creditor depository institution (collectively, **“Banker’s Liens”**); provided that such Banker’s Liens do not relate to any deposit account that (A) is a dedicated cash collateral account which is subject to restrictions against access by the depositor or account holder or (B) is intended by the depositor or account holder to provide collateral to the depository institution for Debt;
- (f) the Security in favour of the Lender;
- (g) liens relating to Purchase Money Obligations to the extent such Purchase Money Obligations qualify as **“Permitted Debt”**;

- (h) liens relating to securing any royalty arrangements over the production interests of any of the mining properties of the Group, provided that such lien is subordinated to the Security in such manner satisfactory to the Lender, acting reasonably; and
- (i) such other Liens securing such obligations as may be approved by the Lender from time to time.

“**PPSA**” means the *Personal Property Security Act* (Ontario); provided that, if the validity, the perfection or the effect of perfection or non-perfection or the priority or enforcement of any security interest in any Collateral is governed by a Personal Property Security Act as in effect in a Canadian jurisdiction other than Ontario or by the Civil Code of Québec, “PPSA” means the Personal Property Security Act as in effect from time to time in such other jurisdiction or the Civil Code of Québec, as applicable, for purposes of the provisions hereof relating to such validity, perfection, effect of perfection or non-perfection or priority or enforcement.

“**Preferred Shares**” means Capital Stock of a Loan Party (i) that may be redeemed by a Loan Party, (ii) that is retractable at the option of the holder, or (iii) which a Loan Party may be required to purchase or otherwise acquire; in each case, on, before or within 12 months after the Maturity Date.

“**Principal Amount**” means the aggregate of the principal amount of the Loans to be made under Tranche 1, Tranche 2 and Tranche 3.

“**Project Assets**” means all assets, property and undertaking (whether real or personal, tangible or intangible) both present and future, which are used or intended for use in, forming part of, or attributable to, the Project, including (i) the Project real property and all mineral deposits covered thereby; (ii) all buildings, improvements, building systems, machinery, equipment and other tangible assets and properties used in connection with the Project, (iii) the Project Authorizations, and (iv) all proceeds derived from the Project.

“**Project Authorizations**” means, at any time, all authorizations, permits, licenses, responsible statements, registrations, prior communications, certificates or any other legal titles necessary for the development, operation and maintenance of the IBW Project, comprising all its phases: construction, exploitation and dismantling.

“**Project Leases**” means all surface and mineral leases and leasehold interests required as part of the Project.

“**Project Mining Rights**” means, at any time, all Mining Rights necessary for the development, operation and maintenance of the Project in accordance with, and as then contemplated by, the Project Authorizations and the Project Leases.

“**Purchase Money Obligations**” indebtedness created under agreements of purchase and sale of goods on customary trade terms in the ordinary course of

business secured only by the goods purchased under such agreement, insurance related thereto and proceeds thereof.

“**Regulation D**” means Regulation D under the U.S. Securities Act.

“**Regulation S**” means Regulation S under the U.S. Securities Act.

“**Regulatory Requirements**” means Applicable Laws regulating the activities of any Group Member, including those imposed by any Canadian Securities Administrators.

“**Related Person**” means any other person (i) that is an associate of the Borrower, (ii) of which twenty percent (20%) or more of the Voting Capital Stock, on an undiluted basis or a fully diluted basis, is beneficially owned or Controlled by the Borrower, (iii) that is a Responsible Officer or director of the Borrower or any person referred to in any of Clauses (i) and (ii) of this definition or (iv) that is a person that does not deal at arm’s length with such Responsible Officer or director.

“**Release**” means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the environment (including, without limitation, ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface).

“**Responsible Officer**” of a Loan Party means the president, chief executive officer, chief operating officer, chief financial officer, treasurer or other executive officer of that Loan Party with responsibility for the administration of this Agreement or any other Loan Document to which such Loan Party is party.

“**Restricted Payment**” by a Firm means (i) any Distribution in relation to that Firm and (ii) any other payment or disposal of cash, securities or other assets to any direct or indirect holder of any Capital Stock of that Firm, or to any Related Person of any such holder; provided that payments made in the ordinary course of business for wages, salaries, reimbursement of expenses incurred on behalf of the reimbursing person and other like payments to employees, directors, officers or members of management of the person making the payments, or Distributions made in the ordinary course under a *bona fide* equity compensation plan of the Borrower shall not constitute Restricted Payments.

“**Right of Use Asset**” means a right-of-use-asset as defined by and determined in accordance with IFRS 16 Leases or, as the case may be, the amount thereof recognized as an asset on the consolidated statement of financial position (or equivalent) of the Borrower.

“**Right of Use Liabilities**” means a right-of-use liability as defined by and determined in accordance with IFRS 16 Leases or, as the case may be, the amount thereof recognized as a liability on the consolidated statement of financial position (or equivalent) of the Borrower.

“**Sanctioned Country**” at any time means a country, region or territory that is the subject or target of comprehensive Sanctions broadly prohibiting dealings with or in such country, region or territory.

“**Sanctioned Person**” at any time means (i) any Canadian Sanctioned Person, (ii) any person listed in any Sanctions-related list of designated persons maintained by OFAC (including OFAC’s Specially Designated Nationals and Blocked Persons List and OFAC’s Consolidated Non-SDN List), the U.S. Department of State, the United Nations Security Council, the European Union, any European member state, His Majesty’s Treasury or other relevant sanctions authority, (iii) any person operating, organized or resident in a Sanctioned Country, (iv) any person owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any such person or persons described in Clause (i), (ii) or (iii) above, including a person that is deemed by OFAC to be a US Sanctions target based on the ownership of such legal entity by a US Sanctioned Person or (v) any person otherwise a target of Sanctions, including vessels and aircraft, that are designated under any US Sanctions program.

“**Sanctions**” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by any Sanctions Authority provided that no (i) sanctions or embargoes shall apply to a Loan Party to the extent that such application would constitute a violation of the Blocking Law.

“**Sanctions Authority**” means (i) the U.S. government, including OFAC and the U.S. Department of State, (ii) the United Nations Security Council, (iii) the Government of Canada or (iv) any other relevant national or supra-national sanctions authority.

“**SEC**” means the U.S. Securities and Exchange Commission, or any governmental authority that assumes or replaces any of its principal functions.

“**Secured Obligations**” in relation to any Loan Party means its Loan Obligations, and any item or part of any thereof.

“**Security**” at any time means the Liens created (or intended by their express or implied terms to be created) by any of the Security Documents.

“**Security Documents**” at any time means the documents delivered or required to be delivered (as the case may be) pursuant to this Agreement to or for the benefit of the Lender at or before such time to guarantee or secure, directly or indirectly, the payment or performance of any of the Secured Obligations.

“**Share Pledge**” means (i) initially, the Spanish law governed quota-share pledge agreement pursuant to which the Borrower shall pledge as security for the Secured Obligations, *inter alia*, all of the issued and outstanding quota-shares it holds in Emerita SLU and (ii) any other pledge of shares entered into in favour of the Lender, on terms and conditions satisfactory to the Lender, acting reasonably, in any Subsidiary of the Borrower which may from time to time hold or be transferred,

beneficially or otherwise, the IBW Project assets or Nuevo Tintillo Project assets or other assets of the Loan Parties, as the context requires.

“**SOFR**” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator’s Website on the immediately succeeding U.S. Government Securities Business Day.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR Administrator’s Website**” means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“**Solvent**” means a person is able to meet their financial obligations as and when such obligation become due and owing.

“**Spain**” means the Kingdom of Spain.

“**Spanish Civil Code**” means the Royal Decree of 24 July 1889 by virtue of which the text of the Civil Code is approved (*Real Decreto Legislativo de 24 de julio de 1889, por el que se aprueba el texto del Código Civil*), as amended, restated, supplemented or otherwise modified or replaced from time to time.

“**Spanish Civil Procedural Act**” means the Spanish law 1/2000, of 7 January, of Civil Proceedings (*de Enjuiciamiento Civil*), as amended, restated, supplemented or otherwise modified or replaced from time to time.

“**Spanish Commercial Code**” means the Spanish Commerce Code (*Código de Comercio*), as amended, restated, supplemented or otherwise modified or replaced from time to time.

“**Spanish Companies Act**” means the Royal Decree 1/2010 of 2 July by virtue of which the restated text of the Spanish Companies Act is approved (*Real Decreto Legislativo 1/2010, de 2 de Julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*), as amended, restated, supplemented or otherwise modified or replaced from time to time.

“**Spanish Guarantor**” means a Guarantor incorporated under the laws of Spain.

“**Spanish Insolvency Act**” means the Spanish Royal Legislative Decree 1/2020, of 5 May, approving the revised text of the Insolvency Act (*Ley Concursal*), as amended from time to time and in particular, without limitation, by the Spanish law 16/2022 of 5 September, amending the consolidated text of the Insolvency Act (*Ley Concursal*).

“**Spanish Public Document**” means a public document (*documento público*) for the purposes of Spanish law (being either an *escritura pública* or a *póliza* or *efecto intervenido por notario español*).

“**Statutory Prior Claim**” means any statutory deemed trust, charge or lien arising under applicable Canadian federal, provincial or territorial law in the ordinary course of business securing a claim for certain unpaid wages (including commissions, disbursements and vacation pay), unpaid pension plan related obligations, unremitted employee source deductions, workers’ compensation or employment insurance premiums or goods and services, harmonized sales, provincial sales taxes or other amounts of a similar nature.

“**Statutory Prior Liens**” means Liens securing Statutory Prior Claims.

“**Subordinated Debt**” means Debt owed by the Borrower which is subordinated and postponed to the prior payment in full of the Secured Obligations pursuant to a Subordination Agreement.

“**Subordination Agreement**” means an agreement amongst a holder (or a trustee for holders) of Subordinated Debt, the Borrower and the Lender pursuant to which payment of the Subordinated Debt is postponed and subordinated to the prior payment in full of the Secured Obligations on terms and conditions acceptable to the Lender.

“**Subsidiary**” of any person (the “relevant party”) at any time means and includes (i) any Firm that is Controlled by the relevant party and a majority of whose Voting Capital Stock is at that time owned by the relevant party directly or indirectly through Subsidiaries of the relevant party and (ii) any other Firm (A) the accounts of which are consolidated with those of the relevant party in the relevant party’s consolidated financial statements prepared in accordance with Applicable Accounting Principles and (B) that is Controlled by the relevant party. A Firm shall be deemed to be a Subsidiary of another person if it is a Subsidiary of a Firm that is that other’s Subsidiary. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of the Borrower.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended.

“**Taxes**” means taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges of any kind or nature whatsoever imposed by any governmental authority, including income, capital (including large corporations), corporate, net worth, sales, consumption, use, transfer, value added, goods and services, stamp, registrations, franchise, withholding, payroll, employment, health, education, excise, business, school, property, occupation, customs, anti-dumping and countervail taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges, together with penalties, fines, additions to Taxes and interest thereon.

“**Term SOFR**” means for any Interest Period, the Term SOFR Reference Rate on the day (such day, the “**Periodic Term SOFR Determination Day**”) that is the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate has not been published by the Term SOFR Administrator, then Term SOFR will be the Term SOFR Reference Rate as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the Term SOFR Administrator provided, that if Term SOFR determined as provided above (including pursuant to the proviso above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor.

“**Term SOFR Administrator**” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of Term SOFR Reference Rate selected by the Lender in its reasonable discretion).

“**Term SOFR Reference Rate**” means the three (3) month forward-looking term rate based on SOFR.

“**Tranche 1**” means the first Tranche under which the Borrower may request a Loan of up to the Tranche 1 Commitment.

“**Tranche 1 Commitment**” means \$6,000,000.

“**Tranche 1 Warrant Strike Price**” means the price in Cdn.\$ per common share of the Borrower equal to a twenty-five percent (25%) premium to the lower of: (i) the twenty (20) day VWAP of the Borrower’s share price on the date which the Borrower issues the Advance Request in respect of the Loan under Tranche 1; and (ii) the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 1. Notwithstanding the foregoing, if the Tranche 1 Warrant Strike Price would be lower than the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 1, then the Tranche 1 Warrant Strike Price shall be deemed to be equal to the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 1.

“**Tranche 2**” means the second Tranche under which the Borrower may request a Loan of up to the Tranche 2 Commitment.

“**Tranche 2 Commitment**” means \$4,500,000.

“**Tranche 2 Warrant Strike Price**” means the price in Cdn.\$ per common share of the Borrower equal to a twenty-five percent (25%) premium to the lower of: (i) the twenty (20) day VWAP of the Borrower’s share price on the date which the Borrower issues the Advance Request in respect of the Loan under Tranche 2; and (ii) the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 2. Notwithstanding the foregoing, if the Tranche 2 Warrant Strike Price would be lower than the Market Price as of the date of the Advance Request

in respect of the Loan under Tranche 2, then the Tranche 2 Warrant Strike Price shall be deemed to be equal to the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 2.

“**Tranche 3**” means the third Tranche under which the Borrower may request a Loan of up to the Tranche 3 Commitment.

“**Tranche 3 Commitment**” means \$4,500,000.

“**Tranche 3 Warrant Strike Price**” means the price in Cdn.\$ per common share of the Borrower equal to a twenty-five percent (25%) premium to the lower of: (i) the twenty (20) day VWAP of the Borrower’s share price on the date which the Borrower issues the Advance Request in respect of the Loan under Tranche 3; and (ii) the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 3. Notwithstanding the foregoing, if the Tranche 3 Warrant Strike Price would be lower than the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 3, then the Tranche 3 Warrant Strike Price shall be deemed to be equal to the Market Price as of the date of the Advance Request in respect of the Loan under Tranche 3.

“**Tranches**” means Tranche 1, Tranche 2 and Tranche 3 and each a “**Tranche**”.

“**Transactions**” means the Advances, and other transactions contemplated hereby required to take place on or before the Closing Date in order for Closing to occur.

“**TSXV**” means the Toronto Stock Exchange Venture Exchange.

“**TTM Period**” means period of trailing twelve (12) consecutive months.

“**U.S. Government Securities Business Day**” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“**U.S. Person**” is used with the meaning given to “U.S. Person” in Section 7701(a)(30) of the US Internal Revenue Code.

“**United States Dollars**”, “**US Dollars**” and the symbol “**US\$**” or “**\$**” each means dollars which are the lawful money of the United States of America.

“**Unrelated Party**” means any person that deals at arm’s length with the Borrower and is not a Related Person.

“**US Anti-Money Laundering Laws**” means any and all laws, statutes, regulations or obligatory government orders, decrees, ordinances or rules related to terrorism financing, money laundering, any predicate crime to money laundering or any financial record keeping, including any applicable provision of the PATRIOT ACT and The Currency and Foreign Transactions Reporting Act (also known as the

“Bank Secrecy Act,” 31 U.S.C. §§ 5311-5330 and 12 U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

“**US Internal Revenue Code**” means *the United States Internal Revenue Code of 1986*, as amended, and the U.S. Treasury Regulations promulgated thereunder.

“**US Sanctioned Person**” at any time means (i) any person listed in any US Sanctions-related list of designated persons maintained by OFAC (including OFAC’s Specially Designated Nationals and Blocked Persons List and OFAC’s Consolidated Non-SDN List), the U.S. Department of State, the United Nations Security Council, or other relevant sanctions authority, (ii) any person operating, organized or resident in a Sanctioned Country or (iii) any person owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any such person or persons described in Clauses (i) and (ii), including a person that or (iv) any person otherwise a target of Sanctions.

“**US Sanctions**” means any and all economic or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes and restrictions and anti-terrorism laws, including those imposed, administered or enforced from time to time by the U.S. government (including those administered by OFAC or the U.S. Department of State) provided that no (i) sanctions or embargoes shall apply to a Loan Party to the extent that such application would constitute a violation of the Blocking Law.

“**U.S. Securities Act**” means the United States *Securities Act of 1933* as amended, and the rules and regulations promulgated thereunder.

“**U.S. Securities Laws**” means applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, and any applicable state securities laws.

“**Voting Capital Stock**” means Capital Stock of a Firm which carries voting rights or the right to Control such person under any circumstances; provided that Capital Stock which carries the right to vote or Control conditionally upon the happening of an event shall not be considered Voting Capital Stock until the occurrence of such event and then only during the continuance of such right to vote or Control.

“**VWAP**” means the volume weighted adjusted price

“**Warrants – Tranche 1**” means the whole rounded-down number of non transferable common share purchase warrants in the Borrower equal to \$6,000,000 converted to Canadian Dollars based on the Bank of Canada exchange rate on the date which the Borrower issues the Advance Request in respect of the Loan under Tranche 1 divided by the Tranche 1 Warrant Strike Price, with each such warrant being exercisable at the option of the Lender from time to time for a period of time equal to 48 months from the Closing Date, in accordance with their terms as specified in the form of warrant certificate attached hereto as Schedule 6.1 and

subject to the rules of the TSXV. If and when the Warrants – Tranche 1 are issued they shall be issued to the Nominated Party.

“**Warrants – Tranche 2**” means the whole rounded-down number of non transferable common share purchase warrants in the Borrower equal to \$1,687,500 converted to Canadian Dollars based on the Bank of Canada exchange rate on the date which the Borrower issues the Advance Request in respect of the Loan under Tranche 2 divided by the Tranche 2 Warrant Strike Price, with each such warrant being exercisable at the option of the Lender from time to time for a period of time equal to 48 months from the Closing Date, in accordance with their terms as specified in the form of warrant certificate attached hereto as Schedule 6.1 and subject to the rules of the TSXV. If and when the Warrants – Tranche 2 are issued they shall be issued to the Nominated Party.

“**Warrants – Tranche 3**” means the whole rounded-down number of non transferable common share purchase warrants in the Borrower equal to \$1,687,500 converted to Canadian Dollars based on the Bank of Canada exchange rate on the date which the Borrower issues the Advance Request in respect of the Loan under Tranche 3 divided by the Tranche 3 Warrant Strike Price, with each such warrant being exercisable at the option of the Lender from time to time for a period of time equal to 48 months from the Closing Date, in accordance with their terms as specified in the form of warrant certificate attached hereto as Schedule 6.1 and subject to the rules of the TSXV. If and when the Warrants – Tranche 3 are issued they shall be issued to the Nominated Party.

“**Warrants**” means collectively, the Warrants – Tranche 1, the Warrants – Tranche 2 and the Warrants – Tranche 3.

“**Waste**” means ashes, garbage and refuse and includes domestic waste, industrial waste, municipal refuse or such other wastes as are designated as such under any Environmental Law, including, in the case of Spain, the definition of waste as comprised in article 2.al) of Spanish Law 7/2022, of April 8, on waste and contaminated soils for a circular economy.

“**Wholly-Owned Subsidiary**” of a person (the “relevant party”) means any Subsidiary, all of the outstanding Capital Stock of which, shall at the time be owned and Controlled, directly or indirectly, by the relevant party or one or more Wholly-Owned Subsidiaries of the relevant party, or by the relevant party and one or more Wholly-Owned Subsidiaries of the relevant party. A person shall be deemed to be a Wholly-Owned Subsidiary of another person if it is a Wholly-Owned Subsidiary of a person that is that other’s Wholly-Owned Subsidiary.

“**Working Capital**” as at any date of determination means the sum for the Borrower and the Subsidiaries on a consolidated basis as at such date of (i) their Current Assets *minus* (ii) their Current Liabilities, excluding ore and raw material inventory, any proceeds of any Loan and any amounts which are held for the purpose of meeting any reclamation and rehabilitation obligations.

1.2 Extended Meanings

To the extent the context so admits, in this Agreement the following words and expressions shall be given the following corresponding extended meanings:

an “**agreement**” – any agreement, oral or written, any simple contract, deed or specialty, and includes any bond, bill of exchange, indenture, instrument or undertaking.

“**arm’s length**” – the meaning attributed thereto under the Tax Act.

an “**asset**” – any undertaking, business, property (real, personal or mixed, tangible or intangible) or other asset.

“**associate**” is used as defined in the *Business Corporations Act* (Ontario).

an “**authorization**” – any authorization, approval, consent, exemption, licence, permit, franchise, quota, privilege or no-action letter from any governmental authority or from any person in connection with any easements or contractual rights.

“**change**” – change, modify, alter, amend, supplement, extend, renew, compromise, novate, replace, terminate, release, discharge, cancel, suspend or waive.

“**claim**” – claim, claim over, counter-claim, cross-claim, defence, demand or liability (actual or contingent, now existing or arising hereafter), whether arising by agreement or statute, at law or in equity or otherwise, or any proceeding, judgment or order of any court or other governmental authority or arbitrator.

“**dispose**” – lease, sell, transfer, licence or otherwise dispose of any property, or the commercial benefits of use or ownership of any property, including the right to profit or gain therefrom, whether in a single transaction or in a series of related transactions (other than the payment of money).

a “**document**” – a written agreement, consent, waiver, certificate, notice or other document or instrument.

“**fair market value**” – the highest price, expressed in terms of money and moneys worth, available in an open and unrestricted market between informed and prudent parties, each acting at arm’s length, where neither party is under any compulsion to act.

a “**final judgment**” – a judgment, order, declaration or award of a court, other governmental authority, arbitrator or other alternative dispute resolution authority of competent jurisdiction from which no appeal may be made or from which all rights of appeal have expired or been exhausted.

a “**government**” – (i) the Crown in right of Canada or in the right of any Province of Canada, (ii) the government of a Territory in Canada, (iii) a municipality in

Canada, (iv) the government of a foreign country or any political subdivision of it, or (v) any supra-national authority of nations or a union of nations such as the European Union.

a “**governmental authority**” – any court, administrative tribunal, regulatory authority, government, union of nations or any agency or other authority of a government or union of nations.

“**guarantee**” – any guarantee, indemnity, letter of comfort or other assurance made in respect of any Debt, other obligation or financial condition of another, including (i) any purchase or repurchase agreement, (ii) any obligation to supply funds or invest in such other, (iii) any keep-well, take-or-pay, through-put or other arrangement having the effect of assuring or holding harmless another against financial loss, or maintaining another’s solvency or financial viability or (iv) any obligation under any credit Derivative, but shall exclude endorsements on notes, bills and cheques presented to financial institutions for collection or deposit in the ordinary course of business. Whenever in this Agreement the amount of any guarantee is required to be determined or measured, such amount shall be an amount equal to the stated or determinable amount of the Debt in respect of which such guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming the guarantor is required to perform thereunder) as determined by the guarantor in good faith or, if the guarantee is expressly limited to a specified amount, such specified amount.

“**include**” – include without limitation and such term shall not be construed to limit any word or statement which it follows to the specific items or matters immediately following it or similar terms or matters (and the rule of *ejusdem generis* shall not be applicable to limit a general statement that is followed by or referable to an enumeration of specific matters to matters similar to the matters specifically mentioned).

“**knowledge**” of any person – to the best of that person’s knowledge, information and belief after reasonable enquiry.

“**losses and expenses**” – losses, costs, expenses, damages, penalties, awards, orders, claims, demands and liabilities, including any applicable court costs and legal fees and disbursements on a full indemnity basis.

“**obligations**” – indebtedness, obligations, promises, covenants, responsibilities, duties and liabilities (actual or contingent, direct or indirect, matured or unmatured, now existing or arising hereafter), whether arising by agreement or statute, at law, in equity or otherwise.

“**order**” – any order, directive, direction or request of any governmental authority, arbitrator or other decision-making authority of competent jurisdiction.

“**ordinary course of business**” in respect of any transaction involving any person – the ordinary course of such person’s business, as conducted by any such person

in accordance with past practice and undertaken by such person in good faith and not for purposes of evading any obligation or restriction contained in any Loan Document.

“**paid in full**” and “**repaid in full**” in relation to any payment obligation owing to any person (the “creditor”) – permanent, indefeasible and irrevocable payment in cash or wire or bank transfer (or other freely available funds transfer as may be expressly provided for in the applicable document creating or evidencing such payment obligation) to the applicable creditor in full of such payment obligation in accordance with the express provisions of the applicable document creating or evidencing such payment obligation, without regard to any compromise, reduction or disallowance of all or any item or part thereof by virtue of the application of any Insolvency Law, Fraudulent Conveyances Law or other similar such laws, any law affecting creditors’ rights generally or general principles of equity, and, if applicable, the cancellation or expiry of any commitment of the creditor to lend or otherwise extend credit.

a “**person**” – an individual, including an individual in his or her capacity as trustee, executor, administrator or other representative, a sole proprietorship, a partnership, an unincorporated association, an unincorporated syndicate, an unincorporated organization, a trust, including a business trust, a body corporate organized under the laws of any jurisdiction, a government or agency of a government or any other artificial legal or commercial entity.

a “**proceeding**” – any proceeding, legal action, lawsuit, arbitration, mediation, alternative dispute resolution proceeding or other proceeding.

a “**rate of exchange**” – the rate of exchange, including any premiums or costs payable in connection with any currency conversion being effected.

a “**receiver**” – a privately appointed or court appointed receiver or receiver and manager, interim receiver, liquidator, trustee-in-bankruptcy, administrator, administrative receiver, monitor and any other like or similar official.

“**register**” – register, file or record with an applicable governmental authority.

a “**representative**” – any person empowered to act for another, including an agent, an officer or other employee of a body corporate or association and a trustee, executor or administrator of an estate.

“**rights**” – rights, rights to transfer, titles, benefits, interests, powers, authorities, discretions, privileges, immunities and remedies (actual or contingent, direct or indirect, matured or unmatured, now existing or arising hereafter), whether arising by agreement or statute, at law, in equity or otherwise.

“**set-off**” – any right or obligation of set-off, compensation, offset, combination of accounts, netting, retention, withholding, reduction, deduction, counter-claim or

any similar right or obligation, or (as the context requires) any exercise of any such right or performance of such obligation.

“**successor**” of a person (the “relevant party”) – (i) any amalgamated or other body corporate of which the relevant party or any of its successors is one of the amalgamating or merging body corporates, (ii) any person resulting from any court approved arrangement of which the relevant party or any of its successors is party, (iii) any person to whom all or substantially all the assets of the relevant party is transferred, (iv) any body corporate resulting from the continuance of the relevant party or any successor of it under the laws of another jurisdiction of incorporation or of the same jurisdiction but under different enabling legislation, and (v) any successor (determined as aforesaid or in any similar or comparable procedure under the laws of any other jurisdiction) of any person referred to in Clause (i), (ii), (iii), (iv) or (v) of this definition.

“**written**” and “**in writing**” – an original writing, a writing signed by electronic signature, a portable document format or facsimile copy of a writing, an electronic document, an e-mail or an electronic or digital image of any of the foregoing.

1.3 Spanish terms

Unless a contrary indication appears, and without prejudice to the generality of any provision of this Agreement, in this Agreement where it relates to a Firm incorporated in Spain or to an entity having its centre of main interests (as that term is used in Article 3(1) of the Regulation (EU) No 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings (recast), as amended from time to time) in Spain, any reference to:

(i) “**amendment**” includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and “**amended**” will be construed accordingly. For the purposes of Spanish law, the parties reciprocally acknowledge and confirm that any amendment to this Agreement shall constitute, and shall be construed as, a non-extinctive novation (*novación modificativa no extintiva*) of the obligations contemplated in this Agreement and will not have extinctive effects (*efectos extintivos*) on such obligations;

(ii) “**insolvency**” or “**insolvent**” (*concurso* or any other equivalent legal proceeding) and any step or proceeding related to it has the meaning attributed to them under the Spanish Insolvency Act and “**insolvency proceeding**” includes, without limitation, a *declaración de concurso*, necessary or voluntary (*necesario o voluntario*) and “**pre-insolvency**” includes the filing of the notice foreseen in Article 583 of the Spanish Insolvency Act (excluding when such petition is in relation to negotiations with the Lender);

(iii) a “**winding-up**”, “**administration**”, “**bankruptcy**” or “**dissolution**” of a person or a Firm shall be construed as to include any equivalent or analogous procedures under the laws of any jurisdiction in which such person is incorporated or resident in any jurisdiction in which such person carries on business or in which any of its assets are located (including the seeking of a liquidation, winding-up, appointment of bankruptcy trustee, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors, insolvency, suspension of payments, *disolución*, *liquidación*, *administración concursal* or any other similar proceedings);

(iv) “**composition**”, “**compromise**”, “**assignment**” or “**arrangement**” with any creditor includes a *convenio or acuerdo extrajudicial de refinanciación* for the purposes of the Spanish Insolvency Act;

(v) “**compulsory manager**”, “**receiver**” or “**administrator**” includes an *administrador concursal, liquidador* or any other person performing a similar function appointed as a result of any proceedings described in paragraphs (ii), (iii) and (iv) above;

(vi) “**matured obligation**” includes, without limitation, any *crédito líquido, vencido y exigible*;

(vii) the grant, creation or transfer of a “**security interest**” or a collateral includes any in *rem or garantía real, derecho de retención, crédito privilegiado, preminencia en el orden de prelación de créditos* and any transfer by way of security or other transaction having the same effect as each of the foregoing;

(viii) “**Security**”, a “**security interest**” or a “**lien**” includes without limitation, any security, including any *prenda, (con o sin desplazamiento posesorio), hipoteca*, any financial collateral or guarantee under Spanish law including Royal Decree Law 5/2005 and any other *garantía real, derecho de retención* or other transaction having the same effect as each of the foregoing;

(ix) “**financial assistance**” has the meaning stated under:

(A) Article 150 of the Spanish Companies Act for a Spanish public limited liability company (*sociedad anónima*) or in any other legal provision that may substitute such Article 150 or be applicable to any Spanish Guarantor in respect of such financial assistance; or

(B) Article 143 of the Spanish Companies Act for a Spanish private limited liability company (*sociedad de responsabilidad limitada*) or in any other legal provision that may substitute such Article 143 or be applicable to any Spanish Guarantor in respect of such financial assistance;

(x) “**guarantee**” includes any *garantía (real or personal), aval* or security or guarantee which is independent from the debt to which it relates;

(xi) a person being “**unable to pay its debts**” includes that person being in a state of *insolvencia or concurso* as defined in the Spanish Insolvency Act

(xii) “**set-off rights**” would include to the extent legally possible the rights to *compensar* under the Spanish Civil Code; and

(xiii) a “**receiver**”, “**administrative receiver**” or “**administrator**” or the like includes, without limitation, *Administración del concurso, Administrador concursal, liquidador, experto en la reestructuración* or any other person performing a similar function.

;

1.4 References to Agreements and Documents

Unless the context otherwise requires, each reference in this Agreement to any agreement or document (including this Agreement and any other defined term that is an agreement or document) shall be construed so as to include such agreement or document (including any attached schedules, appendices and exhibits) and each change made to it at or before the time in question; provided that (a) no change to this Agreement shall be effective unless it is made in compliance with Section 12.19 and (b) any change to any agreement or document which is not made in compliance with the Loan Documents shall be disregarded for the purposes of determining whether or not the Borrower is in compliance with its obligations relative thereto under the Loan Documents (save for any obligations not to change such agreement or document contained in any Loan Document).

1.5 Reference to Statutes

Unless the context otherwise requires, each reference in this Agreement to any code, statute, regulation, official interpretation, directive or other legislative enactment of any Canadian or foreign jurisdiction (including any political subdivision of any thereof) at any time shall be construed so as to include such code, statute, regulation, official interpretation, directive or enactment and each change thereto made at or before that time.

1.6 Headings, etc.

The division of this Agreement into Articles, Sections and Schedules and the insertion of headings and titles are for the convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “**this Agreement**”, “**hereof**”, “**hereunder**” and similar expressions refer to this Agreement and not to any particular Article, Section, Subsection, Schedule, paragraph, subparagraph, Clause or other portion of this Agreement.

1.7 Grammatical Variations

In this Agreement, unless the context otherwise requires, (i) words and expressions (including words and expressions (capitalized or not) defined, given extended meanings or incorporated by reference herein) in the singular include the plural and *vice versa* (the necessary changes being made to fit the context), (ii) words in one gender include all genders, (iii) grammatical variations of words and expressions (capitalized or not) which are defined, given extended meanings or incorporated by reference in this Agreement shall be construed in like manner and (iv) “or” is not necessarily to be construed in the alternative.

1.8 References to Time and Time Periods

Unless otherwise stated, each reference in this Agreement to (a) any time of the day shall be construed as a reference to Toronto time or (b) any period of time shall commence on (and include) the first day of such period and end on (but exclude) the last day of such period.

1.9 Continuing

A Default (other than an Event of Default) which occurs at any time shall be deemed to be continuing at all times thereafter unless it is expressly waived in writing by the Lender or cured or remedied by a Loan Party. An Event of Default which occurs at any time shall be deemed to be continuing at all times thereafter unless it is expressly waived in writing by the Lender, whether or not the default, breach, failure, event, state or condition that gave rise to such Event of Default is remedied at any time after the Event of Default occurs.

1.10 Rounding

Unless otherwise stated, (a) all currency amounts determined pursuant to this Agreement shall be rounded up, if necessary to be expressed in a whole number of cents, to the nearest cent and (b) all financial ratios required to be determined hereunder shall be truncated after two (2) decimal places without rounding.

1.11 Uniform Electronic Commerce Act

The words “execution”, “signed”, “signature” and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any law, including Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario) and other similar federal or provincial laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or its Uniform Electronic Evidence Act as the case may be. Each party hereto agrees that each such electronic or digital image of this Agreement, other Loan Document or other document maintained by the Lender shall constitute an authoritative copy of this Agreement or such other Loan Document or other document, as the case may be, shall be binding on it (if it is party thereto) and shall be admissible in any legal, administrative or other proceeding having the same force and effect as an original authentic copy thereof.

ARTICLE 2 THE CREDIT FACILITY

2.1 Establishment of the Credit Facility

Upon and subject to the terms and conditions of this Agreement, the Lender hereby establishes a US Dollar Credit Facility in favour of the Borrower in the maximum amount of the Commitment to be used for working capital requirements related to exploration and geological drilling, advancement of study work, environmental permitting, and general and administrative costs of the Group.

2.2 Availability

Subject to the terms hereof, the Borrower may borrow one Advance under each Tranche in the amount of the Tranche 1 Commitment, the Tranche 2 Commitment and the Tranche 3 Commitment, respectively. The Loan under Tranche 1 shall be made available on the Closing

Date. The Loan under Tranche 2 may be made upon satisfaction of the Tranche 2 Conditions Precedent, provided the Tranche 2 Conditions Precedent are satisfied in full (or otherwise waived by the Lender). The Loan under Tranche 3 may be made upon satisfaction of the Tranche 3 Conditions Precedent, provided the Tranche 3 Conditions Precedent are satisfied in full (or otherwise waived by the Lender).

2.3 Advance Requests under the Credit Facility

The Borrower must deliver an Advance Request to the Lender to obtain an Advance under a Tranche.

ARTICLE 3 INTEREST AND FEE CALCULATIONS AND CHANGES IN CIRCUMSTANCES

3.1 Interest

3.1.1 *Dates of Payment.* Subject to Sections 4.1, 4.2 and 4.3 below, the Borrower will pay interest on the Loans on each Interest Payment Date. The rate of interest for each Loan shall be the aggregate of (a) the Margin, and (b) Term SOFR.

3.1.2 The Lender does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate, or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any benchmark replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any benchmark replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as the Term SOFR Reference Rate, Term SOFR or any other benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any conforming changes. The Lender may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Term SOFR, any alternative, successor or replacement rate (including any benchmark replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Lender may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate, Term SOFR or any other benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, the Lender or any other person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

3.1.3 *Overdue Amounts and Default Interest.* If any sum payable by the Borrower under any provision of this Agreement is not paid when due and payable hereunder (whether on its stipulated due date, on demand, on acceleration or otherwise), or an Event of Default has occurred and is continuing, the Borrower shall pay interest on the outstanding balance thereof or on the outstanding balance of the Credit Facility at the rate otherwise set forth herein *plus 7.0%* per annum.

3.2 Fees

The Borrower shall pay on or before the Closing to the Lender the fees required to be paid before the Closing in accordance with Section 4.4.3.

3.3 Interest and Fee Calculations and Payments

3.3.1 *General.* Interest payable on any amount under this Agreement shall be (a) calculated upon the daily outstanding balance of such amount from (and including) the date it is first outstanding or advanced until (but excluding) the date it is paid or repaid in full to the Lender, (b) paid in the same currency as such amount is denominated and (c) payable in arrears on each Interest Payment Date and on the date the final balance thereof is paid or repaid in full based upon the actual number of days elapsed in the relevant period of calculation. Interest payable on each such amount shall be payable both before and after demand, default and judgment at the applicable rate set out in Section 3.1 with interest on overdue interest at the same rate (except to the extent provided otherwise in Section 3.1).

3.3.2 *Interest Act Compliance.* For the purposes of the *Interest Act* (Canada), any rate of interest made payable under the terms of this Agreement at a rate or percentage (the “**Contract Rate**”) for any period that is less than a consecutive 12 month period, such as a 360 or 365 day basis, (the “**Contract Rate Basis**”), is equivalent to the yearly rate or percentage of interest determined by multiplying the Contract Rate by a fraction, the numerator of which is the number of days in the consecutive 12 month period commencing on the date such equivalent rate or percentage is being determined and the denominator of which is the number of days in the Contract Rate Basis.

3.4 Market Disruption

3.4.1 *Problems with Term SOFR.* At any time before the start of an Interest Period or any other period for which the Term SOFR Reference Rate needs to be established, the Lender may notify the Borrower that, Section 3.4.3 is applicable. The Lender shall notify the Borrower once the circumstances described in that Section no longer exist.

3.4.2 *Post-Notification.* If the Lender gives notification to the Borrower under clause 3.4.1:

- (a) no Loans may be drawn by the Borrower until the Lender and the Borrower have mutually agreed on an alternative basis in accordance with paragraph (b) below;
- (b) the Lender and the Borrower will mutually agree, each acting reasonably, to an alternative basis on which existing Loans will be made available; and
- (c) any basis agreed by the Lender and the Borrower pursuant to paragraph (b) above will apply to any outstanding affected Loan from the end of the next Interest Period for that Loan.

3.4.3 *Alternate Rate Determination.* If at any time prior to the commencement of a proposed Interest Period the Lender determines (which determination shall be made reasonably but shall be conclusive and bind the Borrower) that:

- (a) by reason of circumstances affecting the financial markets generally, or any participants therein generally, adequate and fair means do not exist for ascertaining the rate of interest with respect to a Loan during the proposed Interest Period;
- (b) the making or continuing by the Lender of any Loan during the proposed Interest Period has been made impracticable by the occurrence of any change in national or international financial, political or economic conditions or currency exchange rates or exchange control, or an event (including an act of terrorism) which materially and adversely affects the financial markets generally;
- (c) the Lender is unable to determine the Term SOFR Reference Rate for the proposed Interest Period of the Loan;
- (d) (i) the methodology, formula or other means of determining Term SOFR Reference Rate has, in the opinion of the Lender, materially changed, (ii) the administrator of SOFR or its supervisor publicly announces that such administrator is Insolvent or information is published in any order, decree, notice, petition or filing, however described, of or filed with a governmental authority which reasonably confirms that the administrator of SOFR is Insolvent (provided in each case that, at the time, there is no successor administrator to continue to provide the Term SOFR Reference Rate), (iii) the administrator of SOFR publicly announces that it has ceased or will cease to provide the Term SOFR Reference Rate permanently or indefinitely and at that time there is no successor administrator to continue to provide the Term SOFR Reference Rate or (iv) the administrator of SOFR announces that SOFR may no longer be used,

then the Lender and the Borrower will mutually agree to an alternative basis on which the Lender will make or continue to make any existing Loans available in accordance with Section 3.4.2; and that alternative basis will be binding on the parties until the Lender has delivered notice to the Borrower in accordance with Subsection 12.9.

3.5 Illegality

If at any time the Lender (acting reasonably) determines (which determination shall be conclusive and bind the Borrower) that any Change in Law has made it unlawful, impossible for that Lender to make, fund or maintain its portion of any Loan or to give effect to its obligations in respect of such Loan (an “**Affected Loan**”), that Lender (for the purposes of this Section, the “**Affected Lender**”) will promptly notify the Lender who will promptly notify the Borrower. Upon giving such notice, the obligation of the Affected Lender to make or continue its portion of any Loan made or to be made in any Affected Loan shall be suspended for so long as such condition exists. Thereafter, and until the Lender notifies the Borrower otherwise, the Borrower shall not have the right to require such Affected Lender to make its portion of such Affected Loan available.

3.6 Withholding Taxes

Each Loan Party will be entitled to deduct or withhold from any payment under any Loan Document such amounts as the Loan Party is required to deduct or withhold with respect to such payment under any Applicable Law in respect of Taxes. To the extent that any amounts are

so deducted or withheld, such amounts shall be treated for all purposes of the Loan Documents as having been paid to the person to whom such amounts would otherwise have been paid, provided that such deducted or withheld amounts are actually remitted to the appropriate governmental authority. For greater certainty, the sum payable by the applicable Loan Party shall not be increased to take into account any additional amount for deduction or withholding in respect of Taxes.

ARTICLE 4 REPAYMENT AND PREPAYMENT

4.1 Repayment of the Credit Facility

4.1.1 *Repayment of the Credit Facility.* Subject to Section 11.2, the Borrower shall repay in full to the Lender the outstanding Principal Amount of the Advances outstanding under the Credit Facility on the Maturity Date. Subject to the following sentence, the Borrower shall pay interest on each Loan on each Interest Payment Date, in accordance with the terms hereof. Interest accruing from the Closing Date (being the date Tranche 1 is advanced) to the date which is 18 months following the Closing Date (the “**Capitalization Period**”) shall be capitalized and added to the Principal Amount of the Loan under Tranche 1. After the Capitalization Period is over, interest shall be paid in cash on each Interest Payment Date. If an Event of Default has occurred and is continuing, the Lender may demand repayment of the Principal Amount of the Loans outstanding under the Credit Facility and the Loan Documents, including all outstanding interest and all other fees, expenses and charges incurred in connection with the Credit Facility and the Loan Documents and payable by the Loan Parties pursuant to the terms thereof.

4.2 Optional Repayments

4.2.1 The Borrower shall have the option to prepay the Lender in full or in part (and, if in part, subject to two (2) Business Days notice), the outstanding Principal Amount subject to (i) a minimum prepayment amount of \$1,000,000, and (ii) the Lender shall also be entitled to the Make-Whole Threshold in respect of the Principal Amount to be prepaid. If the Lender has not achieved the Make-Whole Threshold on the prepaid Principal Amount at an applicable prepayment date, the prepayment shall include a cash payment equal to an amount sufficient to achieve the Make-Whole Threshold on the prepaid Principal Amount.

4.2.2 The Borrower may:

- (a) at any time on or after three hundred sixty-six (366) days after the Advance of each Loan, upon giving the Lender not less than two (2) Business Days’ (or such shorter period as the Lender may agree) prior notice, prepay that Loan in whole or in part (such part being a minimum amount of one million dollars (\$1,000,000)); and
- (b) if the Borrower wishes to prepay a Loan at any time prior to the date falling three hundred sixty-six (366) days after the Advance of such Loan, the Borrower must segregate funds for a future prepayment by depositing such portion of the Principal Amount outstanding which the Borrower wishes to prepay into a bank account (the “**Offset Account**”) which Offset Account shall be pledged by way of Security to

the Lender. The Borrower may not withdraw any amounts from such Offset Account.

4.2.3 No interest shall be paid on or in relation to the Principal Amount intended to be prepaid and which prepayment funds have been deposited into an Offset Account. Interest will only be charged on and in relation to the total Principal Amount together with any interest, fees or charges payable hereunder and which remain outstanding less the aggregate amount of funds in any Offset Account.

4.2.4 If the aggregate amount of funds in any Offset Account at such time are equal to the total outstanding Principal Amount under all Tranches, plus all interest, charges, expenses, fees and other costs owing in connection therewith and any additional amounts required pursuant to clause 4.2.6 below, then the Lender will, upon such funding of the Offset Account, automatically release all Loan Documents and release the Borrower from all other obligations hereunder (except for final repayment of accrued interest, and all other amounts accrued hereunder or under the other Loan Documents) and the sole recourse to the Lender will be the balance of funds in the Offset Accounts.

4.2.5 In the event of a voluntary prepayment funded into an Offset Account, on the three hundred sixty-sixth (366th) day after the date of Advance of any Loan in respect of each prepayment made pursuant to clause 4.2.2(b), the balance of funds in such Offset Account will automatically be used to make a prepayment of the Principal Amounts that were designated at the time of funding to the Offset Account. For clarity, no prepayment made by the Borrower will relieve the Borrower from its obligations to deliver the full amount of the Warrants as required pursuant to 6.1, nor shall the term of the Warrants be reduced by any such prepayment, except as may be required by the policies of the TSXV.

4.2.6 The right of the Borrower to prepay the Loans or any portion thereof, pursuant to 4.2.2 and 4.2.4 above is subject to the Lender receiving the Make-Whole Threshold on the Loan amount to be prepaid. If, at the date of a voluntary prepayment, the Lender has not received the Make-Whole Threshold, then the prepaid amount shall include an additional sum equal to the Make-Whole Threshold required to ensure the Lender achieves the Make-Whole Threshold on the prepaid amount.

4.3 Mandatory Prepayments

4.3.1 *Asset Disposals.* If the aggregate Net Disposal Amount derived from all Asset Disposals occurring during any TTM Period exceeds \$500,000, the Borrower shall, on or before the tenth (10th) Business Day falling after receipt of such excess funds, prepay Loans outstanding under the Credit Facility in an amount equal to the excess proceeds. For the purposes of this Subsection 4.3.1, an “**Asset Disposal**” means any disposal of capital assets, other than the assets described in the definition of Permitted Asset Sale, of any Loan Party.

4.3.2 *Comprehensive Insurance Proceeds.* If the aggregate Insurance Proceeds derived from all Insurance Events occurring during any TTM Period exceeds \$500,000, the Borrower shall, on or before the sixth (6th) month falling after receipt of such Insurance Proceeds (i) reinvest such Insurance Proceeds for the sole purpose of repairing or replacing the assets compensated for by

the Insurance Proceeds derived from that Insurance Event, or (ii) prepay Loans outstanding under the Credit Facility in an amount equal to the excess Insurance Proceeds.

4.4 Place of Payment of Principal, Interest and Fees

4.4.1 *Payments Generally.* Each payment of principal of, or interest or fees computed on, any Advance and each other amount owing by any Loan Party under or otherwise in respect of any Loan Document shall be made by such Loan Party to the Lender in the currency in which such amount is denominated no later than noon (local time in the place of payment) in immediately available, freely transferable, cleared funds for value on the due date (or if such due date is not a Business Day on the Business Day next following) by bank transfer to the credit of the Lender's accounts.

4.4.2 *Late Day Payments.* If any payment is made to the Lender on any day after the times specified in Subsection 4.4.1 that payment shall, for the purposes of determining the amount of interest payable by a Loan Party thereon hereunder, be deemed to have been made on the following Business Day.

4.4.3 *Arrangement Fee.* The Borrower shall pay to the Lender an arrangement fee in respect of the Credit Facility in the amount of [REDACTED] of each Loan (the "Arrangement Fee") which shall be payable:

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- (a) in respect of the Loan under Tranche 1, on or before Closing, in cash or, at the Borrower's election, deducted from the proceeds of such Loan;
- (b) in respect of the Loan under Tranche 2, on or before the date the Loan under Tranche 2 is Advanced, in cash or, at the Borrower's election, deducted from the proceeds of such Loan; and
- (c) in respect of the Loan under Tranche 3, on or before the date the Loan under Tranche 3 is Advanced, in cash or, at the Borrower's election, deducted from the proceeds of such Loan.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions Precedent to Closing and Tranche 1 Advance

The Closing and the Advance under Tranche 1 shall not occur until the time the Lender notifies the Borrower (the "Closing Notice") that each of the conditions set forth below has been satisfied or (to the extent any such conditions have not been satisfied) the Lender has waived non-compliance in accordance with Section 5.3(a) to permit the Closing to occur:

- (a) The Lender has received each of the following in form and substance satisfactory to the Lender (in pdf, facsimile, electronic document or other copy, unless specifically indicated that an original is required):
 - i. a Certificate of each Loan Party (A) attaching true copies of (1) the articles and by-laws (or equivalent) of such Loan Party and (2) all necessary corporate

action taken by such Loan Party to authorize the execution, delivery and performance of each Loan Document to which it is party and the consummation of the transactions contemplated thereby, (B) confirming all authorizations and approvals from governmental authorities (including the TSXV) or any other persons required to enable each Loan Party to execute, deliver, incur and perform its obligations under each Loan Document to which it is a party and consummate the transactions contemplated thereby, (C) as to incumbency and true signatures of each Responsible Officer of such Loan Party executing any Loan Documents to be delivered at Documentary Closing, (D) as to such other matters as the Lender may reasonably require and (E) confirming the matters set forth in Sections 5.1(c), (d), (e) and (f) have been satisfied;

- ii. a certificate of status, compliance, good standing (or equivalent) with respect to each Loan Party for its jurisdiction of incorporation and, if the Lender so requires, a corporate profile report or other governmental certificate from any applicable governmental authority of any other jurisdiction in which any Material assets of any Loan Party are located or any Loan Party conducts Material business; for clarity, in the case of a Spanish Guarantor, an electronic excerpt (*nota simple electronica*) issued by the relevant Mercantile Registry, not dated earlier than five (5) days before the date of the execution of this Agreement;
- iii. each Loan Document to which each Loan Party is a party duly executed by each party thereto, including the Security Documents listed in Schedule 2;
- iv. confirmation of receipt of all required authorizations and approvals from the TSXV;
- v. issuance of the Warrants – Tranche 1 to the Nominated Party in accordance with the terms hereof;
- vi. all “know your customer”, anti-money laundering, anti-terrorism or similar identification information required for the Lender to comply with Anti-Money Laundering Laws and Anti-Terrorism Laws, reasonably requested by the Lender;
- vii. opinions from the Borrower’s Counsel on all matters relating to the Loan Parties and the Loan Documents entered into as of the Documentary Closing;
- viii. such Subordination Agreements and limitation of interest letters as the Lender may require, acting reasonably;
- ix. such releases and discharges and undertakings to release and discharge (including evidence of registration of or authorizations to register such releases and discharges) of all Liens on the assets of each Loan Party, other than Permitted Liens, as the Lender may require, acting reasonably;

- x. such payout statements of all financial indebtedness that is not Permitted Debt, together with such evidence of payment thereof, as the Lender may reasonably require;
 - xi. evidence that this Agreement and the Share Pledge have been executed as or raised to the status of a Spanish Public Document; and
 - xii. such other documents that the Lender may reasonably require;
- (b) Registration of the Security created under the Security Documents listed in Part 1 of Schedule 2 to which each Loan Party is party wheresoever reasonably required by the Lender;
 - (c) No action, suit, proceeding or investigation shall be pending or, to the knowledge of any Loan Party, threatened in any court or before any arbitrator or any governmental authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Agreement or the other Loan Documents or the consummation of the Advance of Tranche 1, that could reasonably be expected to have a Material Adverse Effect;
 - (d) No Material Adverse Change has occurred since the date of the most recent audited consolidated financial statements of the Borrower furnished to the Lender;
 - (e) No Default has occurred that is continuing;
 - (f) Each representation and warranty made by each Loan Party under each Loan Document is true, accurate and complete in all respects;
 - (g) Receipt by the Lender of an Advance Request requesting the Loan under Tranche 1; and
 - (h) Payment to the Lender by the Borrower (or arrangements satisfactory to the Lender has been made to ensure payment to the Lender) on or before Closing of: (A) the applicable Arrangement Fee for Tranche 1; (B) all other fees payable to the Lender pursuant to or otherwise in connection with this Agreement and the Advance of the Loan under Tranche 1; and (C) all other reasonable and documented fees, costs and expenses (invoiced or estimated) payable by the Lender to the Lender's Counsel in respect of the negotiation, execution, delivery and entry into effect of this Agreement, the other Loan Documents and any other document related to or entered into in anticipation of this Agreement and the administration and implementation thereof in accordance with Section 12.1.

5.2 Conditions Precedent to Tranche 2 Advance

The Borrower agrees to satisfy each of the following conditions precedent to the Advance under Tranche 2 (the "**Tranche 2 Conditions Precedent**"). The Lender shall not be obliged to make or allow, any Advance under Tranche 2 unless and until each of the following conditions precedent to each such Advance has been satisfied or (to the extent not satisfied) waived by the Lender in accordance with Section 5.3(a) to permit each such Advance to occur:

- (a) no Default has occurred that is continuing;
- (b) each representation and warranty made by each Loan Party under each Loan Document is true, accurate and complete in all material respects, at the time each such Advance occurs;
- (c) issuance of the Warrants – Tranche 2 to the Nominated Party in accordance with the terms hereof;
- (d) receipt by the Lender of each item listed under Part 2 of Schedule 2 to the Lender's satisfaction;
- (e) final approval of Lender's Investment Committee of Tranche 2;
- (f) timely receipt by the Lender of an Advance Request for the requested Advance;
- (g) each other term and condition applicable to the Advance under Tranche 2 contained in this Agreement has been fully complied with;
- (h) issuance of a Preliminary Economic Assessment (as defined by NI-43-101 standards) report to the satisfaction of Lender;
- (i) issuance of a revised Mineral Resource Estimate (as defined by NI-43-101 standards) report for the Project;
- (j) the IBW Project having been granted or receiving the following:
 - i. the obtaining of the mining Exploitation Concession;
 - ii. the approval of the mining exploitation project (*projecto de ejecución*) for the IBW Project;
 - iii. the approval of the environmental restoration plan for the IBW Project;
 - iv. the issuance of the favourable environmental impact statement for the IBW Project;
 - v. the granting of the water intake concession from the Guadiana Basin Authority (*Confederación Hidrográfica del Guadiana*) for the IBW Project;
 - vi. the granting of the environmental unified authorization for the IBW Project; and
 - vii. the obtaining of the required urban planning permits for the IBW Project (e.g. municipal licences or rural exceptional use permit, if needed);
- (k) the final approval and entry into full force and effect of an amendment in Paimogo's municipal urban planning regulations so that the exploitation mining activities planned in the IBW Project are permitted;

- (l) payment to the Lender (or arrangements satisfactory to the Lender has been made to ensure payment to the Lender) concurrently with or before the Advance under Tranche 2 of: (A) the applicable Arrangement Fee for Tranche 2; (B) all other fees payable to the Lender pursuant to or otherwise in connection with this Agreement and the Advance of the Loan under Tranche 2; and (C) all reasonable and documented fees, costs and expenses (invoiced or estimated) payable by the Lender to the Lender's Counsel in respect of the Advance of the Loan under Tranche 2 and the administration and implementation thereof in accordance with Section 12.1;
- (m) satisfactory evidence that the insurance policies required by Section 10.2.8 are in full force and effect, together with appropriate evidence showing loss payable to the Lender as additional named insured, with appropriate mortgage clauses or endorsements, as required by the Lender;
- (n) finalized purchase agreements, leases, expropriation or temporary occupation agreements or processes, as applicable, on all land required for the execution of the IBW Project; and
- (o) confirmation of no material change to the Project which would have an adverse effect on the Lender's rights under all Loan Documents or the Security created by the Security Documents.

5.3 Conditions Precedent to Tranche 3 Advance

The Borrower agrees to satisfy each of the following conditions precedent to the Advance under Tranche 3 (the "**Tranche 3 Conditions Precedent**"). The Lender shall not be obliged to make or allow, any Advance under Tranche 3 unless and until each of the following conditions precedent to each such Advance has been satisfied or (to the extent not satisfied) waived by the Lender in accordance with Section (a) to permit each such Advance to occur:

- (a) completion of the Advance under Tranche 2;
- (b) no Default has occurred that is continuing;
- (c) each representation and warranty made by each Loan Party under each Loan Document is true, accurate and complete in all respects, at the time each such Advance occurs.;
- (d) issuance of the Warrants – Tranche 3 to the Nominated Party in accordance with the terms hereof;
- (e) delivery of each Security Document or other items required to be delivered pursuant to Part 2 of Schedule 5.1(a)ii prior to the Advance of the Loan under Tranche 3, if any;
- (f) final approval of Lender's Investment Committee of Tranche 3;
- (g) timely receipt by the Lender of an Advance Request for the requested Advance;

- (h) payment to the Lender (or arrangements satisfactory to the Lender has been made to ensure payment to the Lender) concurrently with or before the Advance under Tranche 3 of: (A) the applicable Arrangement Fee for Tranche 3; (B) all other fees payable to the Lender pursuant to or otherwise in connection with this Agreement and the Advance of the Loan under Tranche 3; and (C) all reasonable and documented fees, costs and expenses (invoiced or estimated) payable by the Lender to the Lender's Counsel in respect of the Advance of the Loan under Tranche 3 and the administration and implementation thereof in accordance with Section 12.1; and
- (i) each other term and condition applicable to the Advance under Tranche 3 contained in this Agreement has been fully complied with.

5.4 Waiver

The conditions precedent set forth in Section 5.1, 5.2 and 5.3 are included for the sole benefit of the Lender and may be waived, in whole or in part and with or without conditions, by the Lender.

5.5 Conditions Subsequent

The Borrower agrees to satisfy each of the conditions subsequent listed in Schedule 5.5 (the "**Conditions Subsequent**") in the manner and by the times noted in such schedule. The Lender shall not be obliged to make or continue to make any Advance under this Agreement available, unless and until the Lender is satisfied that the Conditions Subsequent have been satisfied, in the Lender's sole discretion, acting reasonably, as and when required.

ARTICLE 6 WARRANTS

6.1 Issuance and Exercise of Warrants

6.1.1 The Borrower will issue the Warrants to the Nominated Party as a bonus and in consideration for the risk taken by the Lender for advancing each Loan to the Borrower as follows:

- (a) on the Closing Date, the Warrants – Tranche 1;
- (b) on the date that the Loan under Tranche 2 is issued, the Warrants – Tranche 2; and
- (c) on the date that the Loan under Tranche 3 is issued, the Warrants – Tranche 3.

6.1.2 The Warrants and any common shares for which they may be exercised will be subject to a four (4) month and one (1) day resale hold period in Canada from the date of issue of the Warrants under applicable securities laws, and will bear a restrictive legend to that effect.

6.1.3 The Warrants will be exercisable in full or multiple parts at any time and have an expiration date forty-eight (48) months after the Closing Date, subject to the rules of the TSXV and contain the terms as specified in the form of certificate evidencing such Warrants as attached hereto as Schedule 6.1.

6.1.4 Warrant pricing, the term of the Warrants and any amendment(s) to said term of the Warrants is subject to receipt of all applicable regulatory approvals including the TSXV, and compliance with applicable securities laws.

6.1.5 The Lender covenants and agrees that, for itself and its Affiliates, for so long as the Credit Facility is outstanding, they will not make short sales or purchase puts in respect of Borrower shares, either directly or through a broker or other intermediary. The Lender covenants and agrees that, for so long as the Credit Facility is outstanding, they will not, and will cause of all its affiliates not, make short sales or purchase puts in respect of Borrower shares, either directly or through a broker or other intermediary.

6.1.6 If, for a period of thirty (30) consecutive trading days, the VWAP (as measured on the close of trading on each day of such thirty (30) day period) equals or exceeds a [REDACTED] premium above the Tranche 1 Warrant Strike Price, the Borrower shall have the right, exercisable in its sole discretion on delivery of written notice (the “**Forced Exercise Notice 1**”) to the Lender, to require the Lender or the Nominated Party to exercise within twenty (20) Business Days of receipt of such notice up to [REDACTED] (or up to [REDACTED] if a block buyer has been identified by the Borrower) of the Warrants – Tranche 1 (to the extent they have not already been exercised) (the “**Forced Exercise 1**”). To the extent such Warrants-Tranche 1 are subject to the Forced Exercise 1 are not exercised by the Lender or the Nominated Party in accordance with the Forced Exercise Notice 1 within such twenty (20) Business Day period, such Warrants – Tranche 1 will expire and be of no further force and effect.

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6.1.7 If, for a period of thirty (30) consecutive trading days, the VWAP (as measured on the close of trading on each day of such thirty (30) day period) equals or exceeds a [REDACTED] premium above the Tranche 2 Warrant Strike Price, the Borrower shall have the right, exercisable in its sole discretion on delivery of written notice (the “**Forced Exercise Notice 2**”) to the Lender, to require the Lender or the Nominated Party to exercise within twenty (20) Business Days of receipt of such notice up to [REDACTED] (or up to [REDACTED] if a block buyer has been identified by the Borrower) of the Warrants – Tranche 2 (to the extent they have not already been exercised) (the “**Forced Exercise 2**”). To the extent such Warrants – Tranche 2 are subject to the Forced Exercise 2 are not exercised by the Lender or the Nominated Party in accordance with the Forced Exercise Notice 2 within such twenty (20) Business Day period, such Warrants – Tranche 2 will expire and be of no further force and effect.

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6.1.8 If, for a period of thirty (30) consecutive trading days, the VWAP (as measured on the close of trading on each day of such thirty (30) day period) equals or exceeds a [REDACTED] premium above the Tranche 3 Warrant Strike Price, the Borrower shall have the right, exercisable in its sole discretion on delivery of written notice (the “**Forced Exercise Notice 3**”) to the Lender, to require the Lender or the Nominated Party to exercise within twenty (20) Business Days of receipt of such notice up to [REDACTED] (or up to [REDACTED] if a block buyer has been identified by the Borrower) of the Warrants – Tranche 3 (to the extent they have not already been exercised) (the “**Forced Exercise 3**”). To the extent such Warrants – Tranche 3 are subject to the Forced Exercise 3 are not exercised by the Lender or the Nominated Party in accordance with the Forced Exercise Notice 3 within such twenty (20) Business Day period, such Warrants – Tranche 3 will expire and be of no further force and effect.

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6.1.9 Upon the Lender's or the Nominated Party's receipt of a Forced Exercise Notice 1, Forced Exercise Notice 2 or Forced Exercise Notice 3, Lender shall have the right to request that the Borrower, in its sole discretion, use commercially reasonable efforts to identify and introduce to Lender one or more potential purchasers for the Warrant Shares subject to the Forced Exercise 1, Forced Exercise 2 or Forced Exercise 3 in order to assist the Lender or the Nominated Party in the sale of such underlying shares.

Commercially sensitive information.

6.1.10 The Borrower may exercise Forced Exercise 1, Forced Exercise 2 or Forced Exercise 3 up to four times during the term of the Warrants, provided that (i) each exercise by the Borrower is at least two months following the Borrower's last exercise and (ii) the number of Warrants exercised by the Lender or the Nominated Party pursuant to a Forced Exercise 1, Forced Exercise 2 or Forced Exercise 3, at such time does not exceed [REDACTED] of the number of Warrants in each Warrants – Tranche 1, Warrants – Tranche 3 or Warrants – Tranche 3 issued to the Lender or the Nominated Party, as applicable, issued to the Lender or the Nominated Party, as applicable.

6.1.11 The Lender may elect to apply any funds raised from the exercise of Warrants – Tranche 1, Warrants – Tranche 2 and Warrants – Tranche 3 to be used for prepayment of some or all of the outstanding Principal Amount, at such time, which amount prepaid shall not be subject to application of Make-Whole Threshold.

6.1.12 The Lender acknowledges and understands that the Warrants, and, if issued, the underlying common shares of the Borrower to be issued upon exercise of the Warrants, have not been registered under any applicable U.S. Securities Laws, and that the Warrants and, if issued, any underlying common shares of the Borrower to be issued upon exercise of the Warrants, are being issued pursuant to an exemption from (i) prospectus requirements of Canadian securities laws, and (ii) the registration and prospectus requirements of the securities laws of United States, and, as a consequence, certain protections, rights and remedies provided by the applicable securities laws, including statutory rights of rescission or damages, will not be available to the Lender. The Lender acknowledges that the Borrower will rely on the Lender's representations, warranties and certifications set forth below for purposes of confirming the availability of any exemption from such registration and prospectus requirements. No Lender has received a document purporting to describe the business and affairs of the Borrower that has been prepared primarily for delivery to and review by prospective investors so as to assist those investors to make an investment decision in respect of the Borrower under the terms of this Agreement. The Lender has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of an investment in the Borrower's shares. The Lender will execute and deliver within the applicable time periods all documentation as may be required by Canadian securities laws or U.S. Securities Laws, as applicable, to permit the issuance of the Warrants (and, if issued, the underlying common shares of the Borrower to be issued upon exercise of the Warrants) on the terms set forth herein and, if required by Canadian securities laws, will execute, deliver and file or assist the Borrower in obtaining and filing such reports, undertakings and other documents relating to the issuance of the Warrants and, if issued, the underlying common shares of the Borrower to be issued upon exercise of the Warrants, as may be required by any Canadian securities laws, U.S. Securities Laws, securities regulator, stock exchange or other regulatory authority, and completing regulatory filings required by the applicable securities commissions. Accordingly, the Lender consents to the collection, use and disclosure of certain information to the TSXV, applicable Canadian securities regulatory authorities (including the Ontario Securities Commission) and the

Borrower's advisors solely for and expressly limited to the purposes of meeting legal, regulatory, self-regulatory, security and audit requirements (including any applicable tax, securities, Anti-Money Laundering Laws or Anti-Terrorism Laws). The Lender hereby acknowledges that it has been notified by the Borrower (i) of the requirement to deliver to the TSXV and/or the applicable Canadian and U.S. securities regulatory authorities the full name, address, email address and telephone number of the party to whom the Warrants and, if issued, the underlying common shares of the Borrower to be issued upon exercise of the Warrants, are issued, the number of securities issued and the date(s) of distribution; (ii) that this information is being collected under the authority granted in Canadian securities legislation; and (iii) that this information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario.

6.1.13 In addition to the representations, warranties and compliance with the terms set forth in Section 6.1.12, at the time of issuance of any Warrants or shares underlying the Warrants ("**Warrant Shares**") the Lender represents, warrants, agrees and acknowledges that:

- (a) it is aware that the Warrants and Warrant Shares, if applicable, have not been, and will not be, registered under the U.S. Securities Act or the securities laws of an applicable state of the United States, and that any issuance of the Warrants or any Warrant Shares, as applicable, to the Lender is or would be made in reliance on the exemption from registration provided by Rule 506(b) of Regulation D only to "accredited investors" within the meaning of Rule 501(a) of Regulation D or such other applicable exemptions under the U.S. Securities Act; (ii) it is an "accredited investor" within the meaning of Rule 501(a) of Regulation D and such securities would be acquired for its own account or for the account of one or more "accredited investors" with respect to which it exercises sole investment discretion, and not with a view to resale, distribution or other disposition of such securities in violation of U.S. Securities Laws;
- (b) it understands that the Warrants may not be exercised in the U.S. or by, or on behalf or for the benefit of, a U.S. Person, unless an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available at that time for the issuance of any Warrant Shares, if any, to the U.S. Person and, if requested, such U.S. Person has furnished an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Borrower to such effect and any other certificates or documentation reasonably requested by the Borrower, the registrar and transfer agent or as required under the terms of the Warrant;
- (c) it understands and acknowledges that because the Warrants and any Warrant Shares, as applicable, will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, that the Warrants and any Warrant Shares issued, transferred or in exchange for or in substitution of such securities, will bear the a customary U.S. restrictive legend(s) set forth herein, and any transfer or exercise of any such securities, as applicable, shall be done pursuant to the requirements set forth in all such U.S. restrictive legend(s), which restrictive legend(s) shall affixed to any such securities (certificated or uncertificated) and any securities issued in exchange for or in substitution of such securities, as applicable, upon the original issuance and until the restrictive legend is no longer required under applicable

requirements of applicable U.S. Securities Laws. The Lender consents to the Borrower making a notation on its records or giving instructions to its transfer agent, as applicable, in order to implement the restrictions on transfer set forth and described herein;

- (d) Securities set forth herein, including the Warrants and Warrant Shares, if any, have not been recommended, approved or disapproved by the, SEC by any state regulatory authority in the U.S. or by any Canadian regulatory authority, and that any representation to the contrary is a criminal offense;
- (e) Lender acknowledges that the Borrower and its representatives area and will rely on the Lender's representations, warranties and certifications set forth in this section for purposes of confirming the availability of any exemption from such registration under U.S. Securities Laws and shall provide such documents, certifications or information as may be reasonably requested by the Borrower to comply with applicable U.S. Securities Laws; and
- (f) acknowledges and understands that securities issued or to be issued, have not been registered under any applicable U.S. Securities Laws, and, as a consequence, certain protections, rights and remedies provided by the applicable securities laws, including statutory rights of rescission or damages, will not be available to the Lender. No Lender has received a document purporting to describe the business and affairs of the Borrower that has been prepared primarily for delivery to and review by prospective investors so as to assist those investors to make an investment decision in respect of the Borrower under the terms of this Agreement. The Lender has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of an investment in the Borrower's securities and is able to bear the economic risks of such investment and is able, without impairing its financial condition, to hold the Warrants and the Warrant Shares, as applicable, for an indefinite period of time and to bear the economic risks, and withstand a complete loss of such investment.
- (g) will execute and deliver within the applicable time periods all documentation as may be required by U.S. Securities Laws, as applicable, to permit the issuance of any securities on the terms set forth herein and, if required, will execute, deliver and file or assist the Borrower in obtaining and filing such reports, undertakings and other documents relating to the issuance under U.S. Securities Laws, securities regulator, stock exchange or other regulatory authority (including any applicable tax, securities, Anti-Money Laundering Laws or Anti-Terrorism Laws);
- (h) acknowledges that purchasing, holding and disposing of any of the Warrants and any Warrant Shares, as applicable, may have tax consequences under the laws of both Canada and the United States, and that it is solely responsible for determining the tax consequences of investment in such securities and the Borrower gives no opinion and makes no representation with respect to the tax consequences to the Lender under United States, state, local or foreign tax law of the undersigned's acquisition or disposition of any such securities, or as to any other tax consequences related to any of such securities; and no determination has been made whether the

issuer will be a “passive foreign investment company” within the meaning of Section 1297 of the United States Internal Revenue Code; and

- (i) the enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Borrower is incorporated or organized outside the United States, that some or all of its officers and directors and the experts named herein are residents of a foreign country, and that all or a substantial portion of the assets of the Borrower and said persons are located outside the United States. In addition, holders of such securities (or any underlying securities) in the United States should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States.

6.2 Regulatory Filings, Exemptions or Other Actions.

6.2.1 The Lender will reasonably assist with the preparation of, or execute all such other documentation, certificates or affirmations as may be required to assist with regulatory filings, exemption from registration, or other actions that the Borrower may need to complete with TSXV or any applicable securities commission, including under applicable U.S. Securities Laws. In addition, the Lender will sign such other documents as the Borrower may require in order to finalize the issue of the Warrants and the underlying shares, if available, and as set forth in the Warrant and exhibits or attachments thereto. The Borrower agrees to assist the Lender and each other applicable party with the removal of any legend on the Warrants as permitted under in and compliance with applicable securities laws.

ARTICLE 7 GUARANTEE

7.1 Guarantee

Each Guarantor unconditionally and irrevocably guarantees to the Lender, payment in full and performance in full by each Loan Party of the Guaranteed Obligations of each Loan Party as they become due from time to time in accordance with the express provisions of the Loan Documents to which each Loan Party is a party.

7.2 Alternative Obligation

Each Guarantor shall unconditionally and irrevocably pay to the Lender, all such amounts as shall be required from time to time to ensure the Lender is fully indemnified against and saved fully harmless from and against all losses and expenses which the Lender may at any time suffer or incur by reason of or otherwise in connection with the unenforceability or invalidity of the Guaranteed Obligations for any reason whatsoever, including by operation of any Fraudulent Conveyances Law, or any US equivalent, any laws affecting creditors’ rights generally or general

principles of equity other than any actions on account of fraud, gross negligence or wilful misconduct of the Lender. Each Guarantor's indemnity under this Section 7.2 constitutes a separate and independent obligation of each Guarantor from the guarantee set out in Section 7.1 and may be enforced, without duplication of recovery, by the Lender in lieu of or in addition to such guarantee.

7.3 Reinstatement

If any payment made by any Loan Party or any other person which is applied to the Guaranteed Obligations is at any time annulled, avoided, set aside, rescinded, invalidated, declared to be fraudulent or preferential or otherwise required to be refunded or repaid, then, to the extent of such payment, each Guarantor's liability hereunder in respect thereof shall be and remain in full force and effect, as fully as if such payment had never been made. If, prior to any of the foregoing, any Guarantor's Obligations shall have been cancelled or surrendered, those Guarantor's Obligations shall automatically be reinstated in full force and effect, and such prior cancellation or surrender shall not diminish, impair, change or otherwise affect such Guarantor's Obligations in respect of the Guaranteed Obligations relating to amount of such payment.

7.4 Nature of Guarantee

This Guarantee is an unconditional, irrevocable and continuing guarantee in respect of all of the Guaranteed Obligations.

7.5 Performance of Borrower's Obligations

Each Guarantor shall pay or perform the Guaranteed Obligations immediately on the occurrence of an Insolvency Event with respect to a Loan Party or upon demand from the Lender under Section 7.10, without any requirement that the Lender has demanded that such Loan Party pay or perform any of the Guaranteed Obligations. Without duplication of interest payable by a Loan Party under any Loan Document, each Guarantor shall pay interest to the Lender entitled thereto, on each amount due and payable under this Guarantee at the Default Rate, compounded and payable monthly, both before and after judgment and default, commencing from the date due until the date each Guarantor's Obligations are paid in full.

7.6 Guarantor's Obligations Unconditional

This Guarantee is effective irrespective of whether or not the Guaranteed Obligations are valid or enforceable. No circumstance, act or omission, whether or not if known by any Guarantor or the Lender, which might otherwise limit, lessen or release any Guarantor's Obligations or discharge this Guarantee (except for payment of the Guaranteed Obligations in full) shall release or discharge, or wholly or partly exonerate any Guarantor from, any Guarantor's Obligations or prejudice the rights of the Lender under this Guarantee. A Lender may at any time vary, compromise, exchange, renew, discharge, release or abandon any Guarantor's Obligations or any other right it may have without thereby lessening, limiting or releasing any of the other Guarantor's Secured Obligations.

Notwithstanding the above and anything set out to the contrary in this Agreement or any other Loan Document, the obligations and liabilities of any Spanish Guarantor under this

Clause 7 or any other provision of this Agreement or any other Loan Document to which it is a party shall be deemed to have been given only to the extent such guarantee does not violate the financial assistance rules and limitations provided in articles 143 and 150 of the Spanish Companies Act. Accordingly:

- (a) The obligations of any Spanish Guarantor incorporated as a limited liability company (*sociedad de responsabilidad limitada*) shall not extend to any obligations or liabilities incurred by any Loan Party as a result of such Loan Party borrowing (or guaranteeing the borrowing of) funds (but only in respect of those funds) under any Credit Facility for the purpose of (a) acquiring quotas (*participaciones sociales*) representing the share capital of such Spanish Guarantor or quotas (*participaciones sociales*) or shares (*acciones*) representing the share capital of a company within its group (including, for the avoidance of doubt, the acquisition of quotas or shares of an entity to the extent such entity becomes a member of the group as a result of any Permitted Acquisition), or (b) refinancing a previous debt incurred by any Loan Party for the acquisition of quotas (*participaciones sociales*) representing the share capital of such Spanish Guarantor or quotas (*participaciones sociales*) or shares (*acciones*) representing the share capital of a company within its group.
- (b) For the purposes of the paragraph (a) above, a reference to the “**group**” of a Spanish company shall mean such Spanish company and any other companies constituting a group as such term is defined under article 42 of the Spanish Commercial Code. It shall be presumed that there is unity of decision when any of the scenarios set out in section 1 of article 42 of the Spanish Commercial Code are met.
- (c) If an additional Spanish Guarantor incorporated under the laws of Spain in the form of a Spanish public limited company (*sociedad anónima*) accedes to this Agreement (or if the Spanish Guarantor is transformed into a Spanish *sociedad anónima*), the obligations of such Spanish Guarantor shall not extend to any obligations or liabilities incurred by any Loan Party as a result of such Loan Party borrowing (or guaranteeing the borrowing of) funds (but only in respect of those funds) under any Credit Facility for the purpose of (a) acquiring shares (*acciones*) representing the share capital of such Spanish Guarantor or shares (*acciones*) or quotas (*participaciones sociales*) representing the share capital of its holding company, or (b) refinancing a previous debt incurred by any Loan Party for the acquisition of shares (*acciones*) representing the share capital of such Spanish Guarantor or shares (*acciones*) or quotas (*participaciones sociales*) representing the share capital of its holding company.
- (d) For the purposes of paragraph (c) above, a reference to a “**holding company**” of a Spanish Guarantor shall mean the company which, directly or indirectly, owns the majority of the voting rights of such Spanish Guarantor or that may have a dominant influence on such Spanish Guarantor. It shall be presumed that one company has a dominant influence on another company when: (i) any of the scenarios set out in section 1 of article 42 of the Spanish Commercial Code are met; or (ii) at least half plus one of the members of the managing body of the Spanish Guarantor are also

members of the managing body or top managers (*altos directivos*) of the dominant company or of another company controlled by such dominant company.

The limitations set out in this Clause 7.6 shall apply *mutatis mutandis* to any Security created by any Spanish Loan Party under the Security Documents and to any borrowing, guarantee, undertaking, obligation, indemnity and payment, including (but not limited to) distributions, cash sweeps, credits, loans and set-offs, pursuant to or permitted by the Loan Documents and made by a Spanish Loan Party.

7.7 Guarantee Unaffected by Judgment or Bankruptcy

Without limiting Section 7.6, and the applicable provisions under the Spanish Insolvency Act, no Guarantor's Obligations shall be limited, lessened or released, nor shall this Guarantee be discharged, by the recovery of any judgment against any Loan Party or any other person, by any voluntary or involuntary liquidation, dissolution, winding-up, merger, amalgamation or other similar or comparable proceeding in respect of any Loan Party or any other person, by any sale or other disposition of all or substantially all of the assets of any Loan Party or any other person, or by any judicial or extra-judicial receivership, Insolvency Proceeding or other similar or comparable proceedings affecting any Loan Party or any other person. If a Loan Party becomes subject to any proceedings described in the preceding sentence, the Guaranteed Obligations shall, unless the Lender notifies each Guarantor to the contrary, be treated as having been accelerated and become immediately due and payable, and in such instance each Guarantor shall be obligated to pay the Guaranteed Obligations to the Lender forthwith on demand of the Lender even if the Borrower is not obliged to so pay the Guaranteed Obligations.

7.8 Waiver

Each Guarantor hereby waives both notice of the existence or creation of the Guaranteed Obligations and presentment, demand, dishonour, notice of dishonour, protest, noting of protest and all other notices whatsoever. Each Guarantor hereby waives all defences against the Lender to any proceeding brought to enforce this Guarantee (other than payment in full of the Guaranteed Obligations), including any defences of a surety or guarantor of any other Loan Party on any obligations arising in connection with or in respect of any of the following and hereby agrees that its obligations under this Guarantee are absolute and unconditional and shall not be discharged, impaired, changed or otherwise affected as a result of any of the following:

- (a) any of the matters, actions or inactions referred to in any of Sections 7.6 and 7.7;
- (b) the avoidance of any Lien in favour of the Lender for any reason; or
- (c) any defence, set-off or counterclaim (other than a defence of payment in full of the Guaranteed Obligations or those mechanisms available to the Guarantor under Applicable Law) which may at any time be available to or be asserted by a Guarantor or any other person against the Lender.

7.9 No Requirement to Exhaust Recourse

No Lender shall be bound to seek or exhaust its recourse against any Loan Party or any other person nor to enforce, marshal or value any security before the Lender becomes entitled to payment under this Guarantee. Each Guarantor renounces the benefits of discussion and division, if applicable.

7.10 Payment of Guarantor's Obligations

Each Guarantor shall, immediately upon demand of the Lender (which may only be made after an Event of Default occurs and for so long as it is continuing) or forthwith upon the occurrence of an Insolvency Event in relation to any Loan Party, pay to the Lender all amounts (a) then due and payable under any provision of this Guarantee in the case of a demand and (b) payable under this Guarantee, whether or not they are then due, in the case of such an Insolvency Event.

7.11 Subordination, Postponement and Assignment of Claim

Subject to the penultimate sentence of this Section 7.11, all obligations of each Loan Party to any Guarantor shall be subordinated and postponed to the prior payment in full of all the Guaranteed Obligations and all monies received from a Loan Party by or for the account of any Guarantor shall be received in trust for the Lender and, forthwith upon receipt, paid over to the Lender for application in accordance with the provisions of the Loan Documents, all without prejudice to and without in any way limiting, lessening or releasing the Guarantor's Obligations. No Guarantor shall, in any circumstance, do anything, including take any action or commence any proceeding to recover, collect or otherwise exercise or realize upon any rights it may now or hereafter have against any Loan Party without the prior consent of the Lender. None of the obligations of a Loan Party to any Guarantor, or any of them, shall be released, transferred or charged in any manner whatsoever or allowed or permitted to become unenforceable through lapse of time, and the Lender may, on behalf any Guarantor lending to a Loan Party entitled thereto, but shall not be bound to, claim and prove in respect of any or all obligations of any Loan Party to any Guarantor, or any of them, in any Insolvency Proceeding, affecting a Loan Party or any winding-up or other distribution of assets of a Loan Party among creditors of a Loan Party, and all of the obligations of that Loan Party to such Guarantor, or any of them, shall be assigned and transferred to the Lender. The Borrower hereby agrees to the foregoing with respect to itself and shall ensure that each other Loan Party agrees to the provisions of this Section 7.11.

7.12 Postponed Subrogation

No Guarantor shall be subrogated to any right of the Lender until payment in full of the Guaranteed Obligations. Thereafter, the Guarantors may require the Lender to assign to the Guarantors, and each other person that has made payment of the Guaranteed Obligations to the Lender pursuant to this Guarantee or any other guarantee, any of its rights then remaining with respect to the Guaranteed Obligations, but any such assignment shall be without representation or warranty by, or recourse against, the Lender.

7.13 Insolvency

Upon any Insolvency Proceeding or any winding-up being commenced in respect of any Loan Party, any sale or other disposition of all or substantially all of the assets of any Loan Party or any judicial or extra-judicial receivership, or other similar or comparable proceedings affecting any Loan Party or its assets, the rights of the Lender under this Guarantee shall not be limited, lessened or released by the omission to prove their claim or to prove their full claim and the Lender may prove such claim as the Lender sees fit and may refrain from proving any claim and, in the discretion of Lender, the Lender may value as it sees fit or refrain from valuing any security held by the Lender, without in any way lessening, limiting or releasing the Guarantor's Obligations of each Guarantor and until payment in full of the Guaranteed Obligations, the Lender shall have the right to include in the claim of the Lender the amount of all sums paid to the Lender, under this Guarantee and to prove and rank for and receive dividends in respect thereof. Each Guarantor irrevocably waives and agrees not to exercise any and all rights to prove and rank for such sums paid by such Guarantor to the Lender, or to receive any or all dividends in respect thereto until the Guaranteed Obligations are paid in full.

For the purposes of the provisions of Article 573 of Spanish Civil Procedural Act, the Guarantor indicates as its domicile for the purposes of notifications, in relation to the obligations guaranteed in this Agreement, those listed in Clause 12.9 and expressly accept the jurisdiction to which the parties submit and which is set out in Clause 12.15.

7.14 Survival of Guarantee

The Guarantor's Obligations of each Guarantor shall continue unaffected by any change in the name of any Loan Party, or by any change whatever in the objects, capital structure or constitution of any Loan Party, or by any Loan Party being amalgamated or merged with another person, becoming subject to a statutory arrangement or any other similar or comparable proceeding or continuing under the laws of another jurisdiction.

7.15 Where Required to Be Several

Notwithstanding any other provision contained herein or in any other Loan Document if a "secured creditor" (as that term is defined under the *Bankruptcy and Insolvency Act* (Canada)) is determined by a court of competent jurisdiction not to include a person to whom obligations are owed on a joint or joint and several basis, then each Guarantor's Obligations hereunder (and such obligations of each other Guarantor), to the extent such obligations are secured, shall be several obligations and not joint or joint and several obligations.

ARTICLE 8 SECURITY

8.1 Security

To secure the due payment and performance of the Secured Obligations, the Borrower shall deliver to the Lender, or cause the delivery to the Lender, each of the documents (each in form and substance satisfactory to the Lender, acting reasonably) listed in Part 1 of Schedule 2 on or before the Closing Date. Within forty-five (45) days of the Borrower receiving

the Exploitation Concession, the Borrower shall deliver or cause to be delivered to the Lender the documents referenced the Asset Security. Upon Asset Security, being in full force and effect, with the Security granted pursuant thereto, in first-priority position and fully perfected, the Lender agrees, at the sole cost and expense of the Borrower, to do all such things reasonably required in order to release within ten (10) Business Days, the Security granted pursuant to the Share Pledge, any irrevocable powers or attorney granted in connection with the Share Pledge and to reconvey the assets charged thereunder.

8.2 Registration

Unless the Lender notifies the Borrower otherwise, the Borrower shall cause the Borrower's Counsel and their respective agents to register the Security (or a financing statement, notice or other document in respect thereof) in all offices where (a) such registration is necessary to create, preserve, protect and perfect the Security and its validity, effect, priority and perfection at all times or (b) as the Lender's Counsel shall direct.

8.3 Further Assurances

The Borrower shall, forthwith and from time to time on request from the Lender, execute or cause to be executed, all such documents (including any change to any Loan Document) and do or cause to be done all such other matters and things which in the reasonable opinion of the Lender's Counsel may be necessary to give the Lender (so far as may be possible under any Applicable Law) the Liens and the priority intended to be created by the Loan Documents or to facilitate realization under such Liens. It is the intention of the parties that the Lender will, among other things, have a first priority Lien, subject to Permitted Liens, over all assets which constitute Collateral of each Loan Party (other than the Borrower).

ARTICLE 9 REPRESENTATIONS AND WARRANTIES

9.1 Borrower Representations and Warranties

To induce the Lender to make the Credit Facility available to the Borrower, the Borrower represents and warrants to and in favour of the Lender as follows:

9.1.1 *Existence and Good Standing.* Each Loan Party is duly and validly formed, organized and existing under the laws of its jurisdiction of formation and has the legal capacity and right to own its assets and to carry on its business in each jurisdiction in which its Material assets are located or it carries on Material business.

9.1.2 *Capacity and Authority.* Each Loan Party has the legal capacity and right to enter into each Loan Document to which it is a party and do all acts and things and execute and deliver all documents as are required thereunder to be done, observed or performed by it in accordance with the terms and conditions thereof.

9.1.3 *Due Authorization.* Each Loan Party has taken all necessary action to authorize the execution and delivery of each Loan Document to which it is a party, the creation and performance

of its obligations thereunder and the creation of the Liens over its assets and the consummation of the transactions contemplated thereby.

9.1.4 *Due Execution and Delivery.* Each Loan Party has duly executed and delivered each Loan Document to which it is a party.

9.1.5 *Enforceability.* To the best of its knowledge and belief, each Loan Document constitutes a valid and legally binding obligation of each Loan Party party thereto enforceable against it in accordance with its terms, subject only to bankruptcy, insolvency, winding-up, dissolution, administration reorganization, arrangement or other statutes or judicial decisions affecting the enforcement of creditors' rights in general and to general principles of equity under which specific performance and injunctive relief may be refused by a court in its discretion.

9.1.6 *Shareholders Agreements.* There are no shareholders agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the Capital Stock of any Loan Party.

9.1.7 *Perfection and Priority of Security.* To the best of its knowledge and belief, the Security including any supplements or amendments thereto, executed and delivered on or prior to this representation being given, is legal, valid, binding, effective and to the extent applicable perfected ranking in the priority in the manner contemplated hereby and by the Security Documents. Registration has been made in all public places of registration necessary to preserve, protect and (to the extent applicable) perfect the Security with the priority and in the manner contemplated hereby and by the Security Documents, except to the extent permitted otherwise by Section 8.1, as it relates to real property other than real property required or used in connection with the development and operation of the Project, or otherwise agreed to by the Lender.

9.1.8 *Validity of Loan Documents - Non-Conflict.* None of the authorization, execution, delivery or performance of the Loan Documents, nor the creation of any Liens over the assets of any Loan Party to the extent and in the manner contemplated by the Security Documents, nor the consummation of any of the transactions contemplated by the Loan Documents:

- (a) requires any authorization to be obtained or registration to be made (except such as have already been obtained or made and are now in full force and effect);
- (b) conflicts with, contravenes or gives rise to any default under (i) any of the articles (or equivalent), by-laws or resolutions of any Loan Party, (ii) the provisions of any Material indenture, instrument, agreement or undertaking to which any Loan Party is a party or by which any Loan Party or any of its assets is bound, including each Material Contract or (iii) any Applicable Law; or
- (c) has resulted or will result in the creation or imposition of any Lien (other than the Security) upon any of the Collateral.

9.1.9 *Absence of Litigation.* There is no existing, pending or, to its knowledge, threatened in writing proceeding against any Loan Party which has not been disclosed to the Lender and which, if adversely determined to any Loan Party or the Lender, either alone or when aggregated with all other such proceedings would reasonably be expected to result in a Material Adverse

Effect. To the best of its knowledge, there is no judgment, order or award outstanding against any Loan Party which would reasonably be expected to have a Material Adverse Effect.

9.1.10 *Financial Statements.* To the best of the knowledge of the Borrower, each financial statement of each Loan Party delivered to the Lender pursuant to or in connection with this Agreement or filed on SEDAR has been prepared in accordance with Applicable Accounting Principles, if audited and fairly presents, in all Material respects, the financial information and the financial position of such Loan Party and its Subsidiaries contained therein as at their respective preparation dates and the financial performance and cash flows of such Loan Party and its Subsidiaries for the period then ended.

9.1.11 *Accuracy of Information.* To the best of the knowledge of the Borrower, no information furnished in writing to the Lender by or on behalf of any Loan Party in connection with any of the Loan Documents contains any Material misstatement of fact or omits to state a Material fact at the time furnished necessary to make the statements contained therein not misleading in light of the circumstances in which they were made and as of the date made. Each financial forecast and projection (“**Forecast**”) prepared and furnished by or on behalf of any Loan Party to the Lender pursuant to or in connection with any Loan Document was based upon assumptions believed to be reasonable by such Loan Party at the time made. For avoidance of doubt, results in the Forecasts provided may deviate from actual results and the Loan Party makes no representations about the ability of the Loan Parties or any one of them to achieve any Forecast.

9.1.12 *No Material Adverse Change.* Since the date of the most recent audited consolidated financial statements of the Borrower furnished to the Lender pursuant to or in connection with any Loan Document, there has been no Material Adverse Change.

9.1.13 *Compliance with Laws and Regulatory Requirements.* Each Loan Party is in compliance with all Regulatory Requirements and all Applicable Laws, save (except for Anti-Corruption Laws, Anti-Money Laundering Laws and Anti-Terrorism Laws which must be complied with in all respects) for non-compliance with Applicable Laws that is Immaterial.

9.1.14 *All Authorizations Obtained and Registrations Made.* To the best of the knowledge of the Borrower, all authorizations and registrations necessary to permit each Loan Party to execute, deliver and perform each Loan Document to which it is party, grant any Security and consummate the transactions contemplated thereby have been obtained or effected and are in full force and effect. Each Loan Party is in compliance with the requirements of all such authorizations and registrations and there is no judgment, order or award outstanding or proceeding existing, pending or, to its knowledge, threatened in writing which would reasonably be expected to result in the revocation, cancellation, suspension or any adverse modification of any of such authorizations and registrations, except for any such authorization or registration the absence of which is Immaterial.

9.1.15 *No Default.* To the knowledge of the Loan Parties, no Default has occurred which is continuing and no Event of Default has occurred which has not been expressly waived by the Lender in writing or otherwise cured.

9.1.16 *Real Property.* Each Loan Party has a subsisting leasehold interest in, or good and marketable title to, all real property interests owned or leased by it relating to the IBW Project,

which are reflected in the latest consolidated financial statements of the Borrower provided to the Lender.

9.1.17 *Personal Property.* Each Loan Party is the sole legal and beneficial owner of all personal property reflected as an asset owned by it (including, without limitation, any assets required in connection with the IBW Project) in the latest consolidated financial statements of the Borrower provided to the Lender, except for (w) personal property that is Immaterial, (x) Permitted Liens, (y) personal property disposed in the ordinary course of business since the date of those financial statements and (z) title defects that do not, in the aggregate, detract from the value of any Material assets of any Loan Party or impair the use thereof in the conduct of business of any Loan Party.

9.1.18 *Disaster Recovery Program.* Each Loan Party maintains adequate safeguards to prevent unauthorized access to and preserve the integrity of its data processing systems and the data recorded therein.

9.1.19 *Related Party Accounts.* No amount is owing to any Loan Party by any shareholder, Loan Party (other than any shareholder of the Borrower), director, officer or employee of any Loan Party or any Related Person, except (w) between the Loan Parties and other Loan Parties, (w) between the Loan Parties and members of the Group which are not Loan Parties which are either (i) existing as of the date of this Agreement or (ii) amounts following the date of this Agreement which constitute Permitted Debt, (x) for employment compensation and director's emoluments payable in the ordinary course of business, (y) for wage advances or loans to employees from time to time outstanding none of which are in excess of \$10,000 per employee and do not exceed \$50,000 in the aggregate or (z) for other amounts from time to time disclosed in writing by the Borrower to the Lender and not objected to by the Lender.

9.1.20 *No Subsidiaries.* The Borrower has no Subsidiaries, except for those set out in the Corporate Organization Chart attached at Schedule 9.1.20.

9.1.21 *Taxes.* To the knowledge of each Loan Party, each Loan Party has:

- (a) filed all Tax returns when and as due, to the appropriate governmental authority;
- (b) paid and discharged all Material Taxes payable by it when due, except for Taxes the validity or amount of which is being contested by Contested Tax Proceedings;
- (c) made provision for appropriate amounts in respect of any Taxes likely to be exigible in accordance with Applicable Accounting Principles or Applicable Laws;
- (d) withheld and collected all Taxes required by Applicable Law to be withheld and collected by it and remitted such Taxes to the appropriate governmental authority when due; and
- (e) paid and discharged all Statutory Prior Claims before they were delinquent,

and no assessment or appeal is, to its knowledge, being asserted or processed with respect to such returns, Taxes or Statutory Prior Claims, except for assessments or appeals which could not reasonably be expected to have a Material Adverse Effect (y) respecting an aggregate Tax liability

for the Borrower not exceeding \$100,000 (or equivalent in foreign currency), or (z) which have been disclosed to the Lender and are being contested by Contested Tax Proceedings.

9.1.22 *Solvency.* Each Loan Party is Solvent.

9.1.23 *Material Contracts.* Each Loan Party is in good standing under each Material Contract to which it is party.

9.1.24 *Technical Expertise.* To the knowledge of the Borrower, all necessary technical and professional resources and expertise needed to develop, operate and maintain the IBW Project are available to the Borrower for the current stage of development, operation and/or maintenance of the IBW Project as of the date of this representation.

9.1.25 *General Environmental Representations and Warranties.* With respect to the Environment, to the knowledge of the Loan Parties, after due inquiry:

- (a) the IBW Project and all real property (including the buildings, erections and facilities constructed thereon) and appurtenances comprising or used in connection therewith, are and have at all times been owned, leased, managed, controlled or operated in compliance with all Environmental Laws for the period they have been owned, leased, managed, controlled or operated by a Loan Party (including its predecessors by amalgamation, merger or other business combination); and
- (b) so far as known to the Borrower, all real property (including the buildings, erections and facilities constructed thereon) and appurtenances comprising or used in connection with the IBW Project were at all times owned, leased, managed, controlled or operated by the predecessors in title to such real property in compliance with all Environmental Laws,

save where non-compliance would not reasonably be expected to result in a Material Adverse Effect.

9.1.26 *Specific Environmental Matters.* Except as disclosed in Schedule 9.1:

- (a) *Notices, Permits, Etc.* To the best of the knowledge of the Group Members acting reasonably, all notices, permits, licenses or similar authorizations, if any, required to be obtained or filed by the Group Members in connection with the operation or use of any and all property of the Group Members, including but not limited to past or present treatment, transportation, storage, disposal or Release of Hazardous Materials into the environment, have been duly obtained or filed, except to the extent the failure to obtain or file such notices, permits, licenses or similar authorizations would not reasonably be expected to have a Material Adverse Effect, or which would not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable governmental authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.

- (b) *Hazardous Substances Carriers.* To the knowledge of the Group Members after due inquiry, Hazardous Materials generated at any and all property of the Group Members as and from the acquisition and/or occupation of such properties by the relevant Group Member have been treated, transported, stored and disposed of only in accordance with all Environmental Laws applicable to them, except to the extent the failure to have such Hazardous Materials transported, treated or disposed of by such carriers would not reasonably be expected to have a Material Adverse Effect, and only at treatment, storage and disposal facilities maintaining valid permits under applicable Environmental Laws, which carriers and facilities have been and are operating in compliance with such permits, except to the extent the failure to have such Hazardous Materials treated, transported, stored or disposed of at such facilities, or the failure of such carriers or facilities to so operate, would not reasonably be expected to have a Material Adverse Effect or which would not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable governmental authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.
- (c) *Hazardous Materials Disposal.* The Group Members have taken all reasonable steps necessary to determine and have determined that no Hazardous Materials have been disposed of or otherwise released on or to any property of the Group Members other than in compliance with Environmental Laws, except to the extent the failure to do so would not reasonably be expected to have a Material Adverse Effect or which would not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable governmental authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.
- (d) *No Contingent Liability.* The Group Members have no Material contingent liability in connection with any Release of any Hazardous Materials into the environment except contingent liabilities which would not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable governmental authority of all relevant facts, conditions and circumstances, if any, pertaining to such Release.

9.1.27 *No Collective Bargaining Agreements.* No Loan Party is party to or bound by any collective bargaining agreement.

9.1.28 *Canadian Pension and Benefit Plans.* No Loan Party sponsors, maintains, administers, contributes to or has contributed to, or has any obligation or liability in respect of, a Canadian Pension Plan, a Canadian Multiemployer Plan or a Canadian Employee Benefit Plan, or any similar plan or program in any other jurisdiction in which the Loan Parties operation.

9.1.29 *Sanctions.* To the knowledge of the Borrower, none of the transactions contemplated by the Loan Documents violates any Sanctions. Furthermore, no Group Member is a Sanctioned Person and, to the knowledge of each Group Member, no Group Member engages in any dealings or transactions, or is otherwise associated, with a Sanctioned Person.

9.1.30 *Project Leases.* No Loan Party has applied for a Project Lease and no Project Lease has been issued for the Project as of the date hereof.

9.1.31 *Project Authorizations.* The Borrower shall use commercially reasonable efforts to pursue and maintain all required Project Authorization for the Project, including those listed in Schedule 9.1.31, through to completion in good standing and in full force and effect.

9.1.32 *Project Authorizations.*

- (a) All Material Project Authorizations for the Project, other than any Future Project Authorizations for the Project:
 - i. have been duly obtained, taken, given or made;
 - ii. are valid and in full force and effect, and
 - iii. are free from conditions or requirements that have not been met or complied with in any Material respect, as and when required pursuant to the terms thereof.
- (b) The Borrower has no notice or information indicating that any of the Future Project Authorizations or any renewal of any Project Mining Rights, to the extent required under the terms of any Project Authorization or Applicable Law:
 - i. will not be obtained in the ordinary course as and when required under the applicable Project Authorization and Applicable Laws; or
 - ii. will be subject to any conditions or requirements that cannot be met or complied with in any Material respect.
- (c) To the knowledge of the Borrower, all applicable waiting periods and judicial review periods prescribed by statute in connection with any Project Authorization (other than any Future Project Authorizations and subject to any such periods once any such Future Project Authorization has been obtained) have expired.
- (d) No Group Member has received any written notice from any governmental authority of any revocation or intention to revoke any interest of a Group Member in any Material Project Authorizations.

9.1.33 *Project Assets.* As at the date hereof, the Project Assets are in reasonable condition and repair, ordinary wear and tear excepted, and are adequate for the purposes for which they are now used and for the current stage of the development, construction, operation and maintenance of the Project as of the date of the representation in all Material respects in accordance with, and as contemplated by, the Project Authorizations.

9.1.34 *Project Infrastructure and Access.* All of the Material services, utilities, ingress and egress roadways, means of transportation, rights of access and passage, equipment and materials or supplies necessary for the Borrower to develop, operate and maintain the Project in Material accordance with Applicable Law and the applicable Project Authorizations, are available or are reasonably expected to be made available to the Borrower.

9.1.35 *Royalty Agreements.* Other than any royalty required by Applicable Law, there are no royalties, net smelter return obligations, production-based Taxes or similar levies on mineral production payable with respect to the Project.

9.1.36 *Expropriation.* No Project Asset has been expropriated or seized by any governmental authority that would result in a Material Adverse Effect, nor has any notice or proceeding in respect thereof been given or commenced.

9.2 Repetition of Representations and Warranties

The representations and warranties made in Section 9.1 shall be deemed to be repeated by the Borrower on the date of any Advance, it being understood that to the extent such representations and warranties relate solely to a specifically identified earlier date they need only be true, correct and complete as of such earlier date.

9.3 Representations and Warranties of the Lender

9.3.1 *Accredited Investor.* The Lender and Nominated Party are each an “accredited investor” within the meaning of section 73.3(2) of the *Securities Act* (Ontario) and was not created or used solely to purchase securities as an “accredited investor” as described in paragraph (m) of the definition of “accredited investor” in National Instrument 45-106 - *Prospectus Exemptions*. The Lender is and “accredited investor” within the meaning of Rule 501(a) of Regulation D, and such confirmation may be required by the Borrower or transfer agent from any holder that exercises or is transferred any securities in the U.S. or that is a U.S. Person prior to such proposed exercise. The Lender is an Affiliate of, and under common control with the Nominated Party.

9.4 Nature of Representations and Warranties

The representations and warranties made in Section 9.1 or deemed repeated in Section 9.2 shall survive the execution and delivery of this Agreement and the making of each Loan notwithstanding any investigations or examinations which may be made by the Lender or Lender’s Counsel, and the Lender shall be deemed to have relied on such representations and warranties in the making of each Loan.

ARTICLE 10 COVENANTS OF THE BORROWER

10.1 Reporting Covenants

Until the Discharge Date, the Borrower agrees with the Lender that it will duly perform and comply with, and cause each other Loan Party referred to below to duly perform and comply with, each of the following reporting covenants (except to the extent waived by the Lender or by filing on SEDAR+):

10.1.1 *Financial Statements and Other Information.* The Borrower will deliver or cause to be delivered to the Lender (either in paper or electronic (pdf) form as the Lender may request):

- (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 Loan Parties for the next financial year;
- (b) as soon as practicable and in any event within one hundred twenty (120) days after the end of each Fiscal Year, annual consolidated financial statements of the Borrower and its Subsidiaries prepared in accordance with Applicable Accounting Principles audited by its Auditors, together with a management discussion and analysis from the Borrower's management on those annual consolidated financial statements;
- (c) as soon as practicable and in any event within sixty (60) days after the end of each Fiscal Quarter, unaudited consolidated financial statements of the Borrower and its Subsidiaries for such Fiscal Quarter prepared in accordance with Applicable Accounting Principles;
- (d) as soon as practicable, and in any event within fifteen (15) days after the end of each month, a Compliance Certificate for that month demonstrating that the Loan Parties were in compliance with Section 10.4 and providing appropriate supporting information;
- (e) together with each Compliance Certificate delivered to the Lender hereunder:
 - i. a replacement for each Schedule to this Agreement, any Loan Document required pursuant to 10.2.7 or any other Security Document that is required to be changed because of changes in facts which took place during the period that ended on the date of that Compliance Certificate in order to ensure that the representations and warranties set forth in Section 9.1 in relation to the information contained in that Schedule is true, accurate and complete in all Material respects;
 - ii. a monthly operating and financial performance report in form and substance provided to senior management;
 - iii. provision of Material technical updates;
 - iv. any applicable technical work plans, project execution plans and production; and
 - v. notice of any default under any Material Contract;
- (f) no less than fifteen (15) Business Days' prior notice of the intention of any Loan Party to (A) any change in its "location" within the meaning of section 7(3) of the PPSA of Ontario or of any other section of any other PPSA, (B) enter into an amalgamation, merger or other business combination with any other Firm or (C) change its name, including full details;

- (g) as soon as it obtains knowledge of any Default, notice of such Default, together with an outline in reasonable detail of the action it is taking to remedy such Default to be provided within three (3) Business Days after delivery of such notice;
- (h) as soon as it obtains knowledge of any judgment, order or award or the commencement of any proceeding or dispute affecting any Loan Party or any of its assets which, either alone or when aggregated with all other such proceedings, has resulted in, or, if adversely determined to any Loan Party, would reasonably be expected to result in, (i) injunctive relief being granted which would materially impair its business activities or those of any Loan Party, (ii) any single or multiple judgments, orders or awards ordering any one or more Loan Parties to pay, individually or in the aggregate, more than \$300,000 (or equivalent in foreign currency), or (iii) a Default, notice of such judgments, orders or awards or proceedings; in each case, if requested by the Lender, together with an outline in reasonable detail of the particulars thereof, copies of all pleadings, and the action each such Loan Party is taking in respect thereof;
- (i) promptly following request therefor by the Lender from time to time, such additional information regarding any of the assets of any Loan Party as the Lender may reasonably request.

10.2 Affirmative Covenants

Until the Discharge Date, the Borrower agrees with the Lender that it will duly perform and comply with, and cause each Loan Party referred to below to duly perform and comply with, each of the following affirmative covenants (except to the extent waived by the Lender):

10.2.1 *Punctual Payment and Performance.* Each Loan Party will duly and punctually pay each sum payable by it and punctually perform its other obligations under each Loan Document to which it is a party at the time and place and in the manner provided for in such Loan Document.

10.2.2 *Conduct of Business.* Each Loan Party will make reasonable commercial efforts to maintain in good standing and full force and effect its legal existence in its present jurisdiction of formation and the authorizations, registrations, legal capacity, rights, licences, permits and qualifications necessary to carry on the business that it carries on, including all rights, licences, permits and qualifications relating to the development and operation of the IBW Project and own its assets in each jurisdiction in which it carries on business or its assets are located, save for jurisdictions in which such business is and such assets are, or such failure to maintain is, Immaterial.

10.2.3 *Compliance with Applicable Laws.* Each Loan Party will comply in all respects with all Regulatory Requirements and all Applicable Laws, save (other than Anti-Corruption Laws, Anti-Money Laundering Laws and Anti-Terrorism Laws which must be complied with in all respects) for non-compliance with Applicable Laws that is Immaterial, including but not limited to (i) maintaining up-to-date authorized work plans and guarantees with the regulator ensuring compliance with the requirements of the mining investigation permit and the rest of the Project Authorizations, (ii) maintaining strict compliance with all instructions from regulators and local

laws and regulations relating to or required in connection with the IBW Project to the extent that non-compliance would have a Material Adverse Effect and (iii) ensuring all payments required to be made to municipalities and their respective associated foundations are up to date and in compliance with all relevant regulations.

10.2.4 *Financial Records.* Each Loan Party will maintain complete records and books of account in accordance with Applicable Accounting Principles.

10.2.5 *Rights of Inspection.* At any time and from time to time, but no more frequently than annually unless a Default has occurred and is continuing, upon reasonable prior written notice by the Lender to the Borrower and subject to compliance with all Applicable Law, each Loan Party will permit any representative of the Lender (such representative to be approved by the Borrower not to be unreasonably restricted, withheld or delayed), at the expense of the Borrower, to attend at the premises of any Loan Party and examine and make copies of any abstracts from the records and books of account of such Loan Party and to discuss any of the assets of any Loan Party with any of its directors and Responsible Officers (provided that a representative of the Borrower shall be entitled to attend any such discussions). Any such inspection by the Lender shall be for the purpose of assessing risks reasonably identified by the Lender and its Investment Committee. All such expenses shall be documented and reasonable in the circumstances.

10.2.6 *Maintenance of Properties.* Each Loan Party will maintain in good repair, working order and condition (reasonable wear, tear and obsolescence excepted) its material assets (whether owned or held under lease), other than those which are no longer used or useful in the business, and from time to time make or cause to be made all needed and appropriate repairs, renewals, replacements, additions and improvements thereto consistent with prudent business judgment.

10.2.7 *After-Acquired Real Property.* Each Loan Party that acquires any real property and real property interests relating to the development or operation of the IBW Project after the date hereof shall ensure that such real property or real property interests, to the extent possible, are charged under a Security Document within fifteen (15) Business Days of the acquisition of such real property or real property interests, in a manner satisfactory to the Lender, acting reasonably.

10.2.8 *Maintenance of Insurance.* The Borrower will insure, or cause to be insured at all times, all of the assets of the Group with financially sound and reputable insurance companies covering such assets in an amount of at least their replacement value and against public liability, in at least such amounts and against at least such risks as are usually insured against by persons of similar size and carrying on a similar business or holding similar assets and the Borrower shall furnish to the Lender upon reasonable written request, full information as to the insurance carried. Upon the Borrower obtaining insurance as described above in this Section 10.2.8, the Borrower shall arrange for the Lender to be added as a loss payee and as additional named insured, with appropriate mortgage clauses or endorsements, as reasonably required by the Lender. The Borrower will not do or omit to be done anything which could breach or invalidate any such insurance and the Borrower will punctually pay all premiums and other amounts necessary for maintaining such insurance as the same become due.

10.2.9 *Payment of Taxes and Claims.* Each Loan Party will:

- (a) pay and discharge all lawful claims for labour and services provided when due, unless such claims are being contested by such Loan Party in good faith by appropriate proceedings diligently conducted and in respect of which (i) adequate steps have been taken to prevent the commencement or continuation of any seizure or sale of assets of such Loan Party and (ii) adequate reserves in accordance with Applicable Accounting Principles have been recorded on the balance sheet of the Borrower and its Subsidiaries;
- (b) deliver or cause to be delivered all Tax returns when they are due to the appropriate governmental authority;
- (c) punctually pay and discharge all Material Taxes, other than Statutory Prior Claims, payable by it when due, except for Taxes the validity or amount of which is being contested by a Loan Party by Contested Tax Proceedings;
- (d) withhold and collect all Taxes required by Applicable Law to be withheld and collected by it and remit such Taxes to the appropriate governmental authority when due in the manner required by Applicable Law; and
- (e) pay and discharge all Statutory Prior Claims when due,

except where the failure to do so has not resulted in and would not reasonably be expected to result in (i) any single or multiple judgments ordering one or more Loan Parties to pay, individually or in the aggregate, an amount in excess of \$500,000 (or equivalent in foreign currency) or (ii) a Default.

10.2.10 *Comply with Environmental Laws.* Each Loan Party will, and will cause its representatives to:

- (a) develop, manage and operate the IBW Project in compliance with all Environmental Laws;
- (b) maintain all authorizations and make all registrations required under all Environmental Laws in relation to the IBW Project and remain in compliance therewith; and
- (c) store, treat, transport, generate, otherwise handle and dispose of all Contaminants and Waste owned, managed or controlled by it relating to the IBW Project in accordance with the terms of this Agreement and in compliance with all Environmental Laws,

except where the failure to do so has not resulted in and would not reasonably be expected to result in a (i) any single or multiple judgments ordering one or more Loan Parties to pay, individually or in the aggregate, an amount in excess of \$500,000 (or equivalent in foreign currency) or (ii) a Default.

10.2.11 *Use of Proceeds.* The Borrower shall use the proceeds of each Advance solely for the purposes stipulated under Section 2.1.

10.2.12 *Compliance with Anti-Corruption Laws; Beneficial Ownership Regulation, Anti-Money Laundering Laws and Sanctions.* (a) Maintain in effect and enforce policies and procedures designed to promote and achieve compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with all Anti-Corruption Laws, Anti-Money Laundering Laws and any applicable Sanctions, (b) notify the Lender that previously received a Beneficial Ownership Certification (or a certification that the Borrower qualifies for an express exclusion to the “legal entity customer” definition under the Beneficial Ownership Regulation) of any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified therein (or, if applicable, the Borrower ceasing to fall within an express exclusion to the definition of “legal entity customer” under the Beneficial Ownership Regulation) and (c) promptly upon the reasonable request of the Lender, provide the Lender any information or documentation requested by it for purposes of complying with the Beneficial Ownership Regulation.

10.2.13 *Reasonable Assistance.* If required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority, or reasonably requested by Borrower, the parties hereto will execute, deliver and file and otherwise assist the Borrower in providing or filing reports, certifications, questionnaires, undertakings and other documents with respect to the issuance of any securities set forth herein.

10.3 Negative Covenants

Until the Discharge Date, the Borrower agrees with the Lender that it will duly perform and comply with, and cause each Loan Party referred to below to duly perform and comply with, each of the following negative covenants (except to the extent waived by the Lender):

10.3.1 *Limitations on Debt.* No Loan Party will create, assume, incur, otherwise become liable upon or permit to exist any Debt, except Permitted Debt.

10.3.2 *Financial Assistance.* No Loan Party will guarantee the payment or performance of any Debt obligations of any person other than the Lender.

10.3.3 *Sale of Assets.* No Loan Party will dispose of any Material portion of its assets relating to the IBW Project other than a Permitted Asset Sale.

10.3.4 *Negative Pledge.* No Loan Party will create, incur, assume or otherwise become liable upon or permit to exist any Lien on, against or with respect to any of its assets, save for Permitted Liens.

10.3.5 *No Merger, Amalgamation, etc.* No Loan Party will enter into any merger, amalgamation, arrangement, continuance, consolidation, liquidation, winding-up, dissolution, administration or similar transaction, other than any such transaction whereby a Loan Party is the surviving entity and the relevant Loan Party provides, promptly thereafter, the Security or confirmations required by the Lender to ensure the Security Documents remain in place unaffected by such transaction.

10.3.6 *Nature of Business.* No Loan Party will materially change the nature of its business, cease to carry on its business or any substantial part thereof.

10.3.7 *Limitation on Investments.* No Loan Party will make any new Investments other than Investments in Cash Equivalents.

10.3.8 *Limitation on Acquisitions.* No Loan Party will make any Acquisition, except for Permitted Acquisitions.

10.3.9 *Material Contracts.* No Loan Party shall, without the prior consent of the Lender, permit, agree to or do anything which may result in:

- (a) any Material amendment of a Material Contract which would be adverse to the rights of the Lender in any Material respect;
- (b) the suspension, waiver, repudiation, revocation, annulment or cancellation of the whole of, or any Material provision of, a Material Contract which would be adverse to the rights of the Lender in any Material respect;
- (c) the assignment or transfer of a Material Contract other than between Loan Parties;
- (d) any other party to a Material Contract assigning or transferring that party's rights or obligations under that Material Contract, provided such Material Contract provides the Loan Party with such a consent right; or
- (e) the termination of a Material Contract other than in accordance with its terms at the completion of term of the Material Contract.

10.3.10 *Distributions.* The Borrower will not declare, set apart for payment, make or pay any Distributions, including to any of its shareholders, other than: (i) Distributions required or permitted hereunder; (ii) in respect of repayments of principal, interest, fees or other charges owing to the Lender from time to time; or (iii) Distributions made in the ordinary course under a *bona fide* equity compensation plan of the Borrower, or any other Distribution of the Borrower to third parties in the ordinary course of the Borrower's business.

10.3.11 *Restricted Payments.* No Subsidiary of the Borrower shall be restricted by its Constatng Documents or become bound by any agreement other than this Agreement from making any Restricted Payments. No Loan Party will make or pay any Restricted Payment, except for (w) any Restricted Payment to the Borrower or any other Loan Party or other member of the Group, provided that any payment to any member of the Group that is not a Loan Party does not exceed \$50,000 per annum, and any Restricted Payments to Cantabrica del Zinc shall not exceed \$10,000 per annum, (x) any Restricted Payment between Loan Parties, (y) any issuance of Capital Stock by a Loan Party to a Loan Party so long as, unless prohibited by Regulatory Requirements, reasonably promptly following the issuance thereof, upon issuance, the Lender has a security interest therein perfected by control or (z) payments by the Borrower on Subordinated Debt to the extent (if any) permitted under the Subordination Agreement governing that Subordinated Debt or payments on Permitted Debt other than Subordinated Debt, to the extent in each instance the foregoing constitute a Restricted Payment; provided that in each of the foregoing cases, no Default

has occurred or would reasonably be expected to occur upon or following any such Restricted Payment being made.

10.3.12 *Derivatives.* The Borrower will not enter into any Derivative unless it is Permitted Debt.

10.3.13 *Arm's Length Arrangements.* No Loan Party shall enter into or carry out an agreement, transaction or other arrangement with any Related Person or any other person with whom it is not dealing at arm's length, unless such agreement, transaction or arrangement is made in the ordinary course of business and on commercially reasonable terms providing for payment in cash (and not by way of deferred payment or set-off) in accordance with normal trade terms at fair market value and consistent with commercial relations between persons dealing at arm's length.

10.3.14 *No Continuance.* No Loan Party will continue under the laws of any other jurisdiction without the prior written consent of the Lender, acting reasonably.

10.3.15 *Fiscal Year.* No Loan Party will change its Fiscal Year without the prior written consent of the Lender, acting reasonably.

10.3.16 *Constating Documents.* No Loan Party will change its Constating Documents in any way that would have a Material Adverse Effect on the Lender or their rights under the Loan Documents.

10.3.17 *Chief Executive Office.* The Borrower shall not change the jurisdiction in which its chief executive office is located, unless (a) such jurisdiction is another Province or a Territory of Canada and (b) it provides the Lender with at least thirty (30) Days prior notice of such change.

10.3.18 *No Indirect Actions.* Unless otherwise expressly stated, if a Loan Party may not take or omit to take an action under this Agreement, then it may not take or omit to take that action indirectly, or assist or support any other person in taking or omitting to take that action directly or indirectly. "Taking an action or omitting to take indirectly" means taking or omitting to take an action that is not expressly prohibited for a Loan Party but is intended to have substantially the same effects as the prohibited action or omission.

10.4 Financial Covenants

Until the Discharge Date, the Borrower agrees with the Lender that it will ensure that each of the following financial covenants is complied with at all times (except to the extent waived by the Lender):

10.4.1 [REDACTED]

10.4.2 [REDACTED]

Commercially sensitive information.

10.4.3



ARTICLE 11 EVENTS OF DEFAULT

11.1 Events of Default

An “Event of Default” shall occur if any of the following defaults, breaches, failures, events, states or conditions occur or exist at any time.

11.1.1 *Non-Payment of Principal.* The Borrower fails to pay when due to the Lender any principal payable under any Loan Document.

11.1.2 *Non-Payment of Interest and Other Amounts.* The Borrower fails to pay any interest, fee or other amount (excluding amounts referenced in Subsection 11.1.1 above) payable hereunder or under any other Loan Document when due and such failure remains unremedied for ten (10) Business Days.

11.1.3 *Misrepresentation.* Any representation or warranty made or deemed made by any Loan Party in any Loan Document is found to have been false or misleading in any Material respect or any representation or warranty which is subject to a materiality qualification made or deemed made by any Loan Party in any Loan Document is found to have been false or misleading in any material respect and, to the extent capable of being cured, remains uncured for a period of thirty (30) days from the Loan Party becoming aware of the same.

11.1.4 *Financial Tests.* Any financial test contained in Section 10.4 is not complied with and remains uncured for a period of sixty (60) days from the Borrower becoming aware thereof.

11.1.5 *Breach of Certain Covenants.* The Borrower fails to perform or comply with any provision or obligation contained in Section 10.3.

11.1.6 *Failure to Maintain Insurance.* The Borrower fails to perform or comply with the Insurance requirements set forth in Section 10.2.8 and such failure remains uncured for a period of ten (10) days from the Borrower becoming aware thereof.

11.1.7 *Breach of Other Borrower Covenants.* Any Loan Party fails to perform or materially comply with any provision or obligation contained in any Loan Document to which it is a party (other than those referred to in Subsections 11.1.1 through 11.1.5 inclusive above) which failure remains uncured for a period of sixty (60) days from the Loan Party becoming aware of such failure.

11.1.8 *Change in Control.* Any Change in Control occurs without the consent of the Lender.

11.1.9 *Material Subsidiary or Loan Party Change of Ownership.* Any Guarantor or other Material Subsidiary ceases to be a Wholly-Owned Subsidiary of the Borrower.

11.1.10 *Unsatisfied Judgments.* Any one or more judgments, orders or awards for the uninsured payment of money in an aggregate amount exceeding \$500,000 (or equivalent in foreign currency), are rendered against any one or more Loan Parties and such Loan Party does not or such Loan Parties do not discharge same in accordance with the terms thereof, or procure a stay of execution thereof, within 60 days from the date of the entry of each such judgment, order or award and in any event at least five (5) Business Days before any such judgment, order or award may be executed upon.

11.1.11 *Enforcement of Liens.* Any one or more persons entitled to any Liens on any assets of any Loan Party having claims exceeding \$250,000 (or equivalent in foreign currency), in the aggregate take possession of any such assets or any one or more seizures, executions, garnishments, sequestrations, distresses, attachments or other equivalent processes in respect of claims against any one or more Loan Parties exceeding \$250,000 (or equivalent in foreign currency), in the aggregate are issued or levied against all or any Material part of the assets of any one or more Loan Parties and such Loan Party does not or such Loan Parties do not discharge the same or provide for the discharge in accordance with their terms, or procure a stay of execution thereof, within 45 days from the date such possession or process first takes effect and in any event at least five (5) Business Days before such assets are capable of being disposed of thereunder.

11.1.12 *Insolvency.* Any Insolvency Event with respect to any Loan Party occurs and remains uncured for a period of thirty (30) days.

11.1.13 *Cessation of Business.* Any Loan Party ceases or suspends or threatens to cease or suspend all or a substantial portion of its business on the Project other than pursuant to a disposition or transaction permitted or not restricted by this Agreement provided that the Borrower may put the IBW Project on care and maintenance due to market conditions.

11.1.14 *Security Imperilled.* If (a) any Loan Document or any Material right thereunder becomes or is determined by a court of competent jurisdiction to be invalid, unenforceable or ineffective, (b) any Security is determined by a court of competent jurisdiction to be or ceases to be valid and perfected ranking in priority in the manner contemplated herein or in the Security Documents, other than by reason of the direct act or omission of the Lender and the consequences thereof are, in the good faith opinion of the Lender, materially adverse to their interests, or (c) any Loan Party denies that it has any or further obligations under any Loan Document or challenges the validity of any provision thereof or of the Security.

11.1.15 *Material Adverse Change.* Any Material Adverse Change occurs after the date of the most recent annual audited financial statements of the Borrower delivered to the Lender pursuant to this Agreement. For clarity, this Event of Default will not be triggered simply by virtue of a commodity price change.

11.2 Termination and Acceleration

Upon the occurrence of an Event of Default which is continuing, the Lender may do any one or more of the following:

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

all without any additional notice, demand, presentment for payment, protest, noting of protest, dishonour, notice of dishonour or any other action being required. If an Insolvency Event in relation to the Borrower occurs, unless the Lender otherwise agree, the Commitment shall be immediately cancelled and the Loan Obligations shall be accelerated and become immediately due and payable automatically without any action on the part of the Lender being required.

11.3 Waiver

The Lender may waive any Default. No waiver, however, shall be deemed to extend to a subsequent Default, whether or not the same as or similar to the Default waived, and no act or omission by the Lender shall extend to, or be taken in any manner whatsoever to affect, any subsequent Default or the rights of the Lender arising therefrom. Any such waiver must be in writing and signed by the Lender to be effective. No failure on the part of the Lender to exercise, and no delay by the Lender in exercising, any rights under any Loan Document shall operate as a waiver of such rights. No single or partial exercise of any such rights shall preclude any other or further exercise of such rights or the exercise of any other rights.

11.4 Anti-Money Laundering Laws

11.4.1 *Canadian and Applicable Anti-Money Laundering Laws.* The Borrower acknowledges that, pursuant to Anti-Money Laundering Laws, the Lender may be required to obtain, verify and record information regarding any Loan Party, their respective directors, authorized signing officers, direct or indirect shareholders or other persons in control of Loan Party, and the transactions contemplated hereby. Each Loan Party shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably

requested by the Lender, in order to comply with any applicable Anti-Money Laundering Laws, whether now or hereafter in existence.

11.4.2 *PATRIOT ACT.* If the Lender hereby notifies each Loan Party that pursuant to the requirements of the PATRIOT ACT, it is required to obtain, verify and record information that identifies such persons, which information includes the name, address and tax identification number of each such persons and other information that will allow the Lender to identify such persons in accordance with the PATRIOT ACT. This notice is given in accordance with the requirements of the PATRIOT ACT and is effective as to the Lender subject to the PATRIOT ACT.

ARTICLE 12 GENERAL

12.1 Costs and Expenses

The Borrower shall, on demand, pay to the Lender the amount of all reasonable and documented out-of-pocket fees, costs and expenses incurred and disbursements made by the Lender and shall pay any and all other expenses incurred in connection with the interpretation, defence, establishment, preservation, protection or enforcement of rights of the Lender under each Loan Document due and owing from time to time. The total amount that the Borrower shall pay for all such fees and expenses prior to the Closing Date shall be capped at a maximum of US\$160,000 (as at the date hereof the Borrower has paid \$100,000 of such amount),. This cap does not include reasonable mortgage, collateral and security registration expenses which will be invoiced at cost.

12.2 Indemnification by the Borrower

12.2.1 *Generally.* The Borrower shall defend, indemnify and save harmless the Lender and its representatives (each, an “**Indemnified Party**”) on a full indemnity basis from and against any and all claims and losses and expenses (including interest and, to the extent permitted by Applicable Law, penalties, fines and monetary sanctions) (excluding indirect, consequential and special losses and loss of profits) which an Indemnified Party suffers or incurs as a result of or otherwise in respect of (i) the direct or indirect use or proposed use of the proceeds of any Advance, (iii) any Default or (iv) any proceeding to which any Indemnified Party is party arising out of the execution, delivery or performance of, or the enforcement of any right under any Loan Document. The Lender shall be constituted as the agent and bare trustee of each Indemnified Party who is its own representative and shall hold and enforce each such Indemnified Party’s rights under this paragraph for such party’s benefit. The foregoing indemnity shall not apply in respect of claims or losses and expenses of an Indemnified Party to the extent that they are determined by a final judgment to have directly resulted from the fraud, gross negligence or wilful misconduct of that Indemnified Party.

12.3 Application of Payments

Any payments received by the Lender in respect of the Loan Obligations from time to time may, notwithstanding any appropriation by the Borrower, be appropriated to such parts of

the Loan Obligations then due and owing by the Borrower to the Lender and in such order as the Lender sees fit, and the Lender shall have the right to change any appropriation at any time.

12.4 Set-Off

The Loan Obligations will be paid by the Borrower without regard to any equities between the Borrower and the Lender or any right of set-off or counterclaim. Any Debt owing by the Lender to the Borrower, direct or indirect, extended or renewed, actual or contingent, matured or not, may be set-off or applied against, or combined with, the Loan Obligations by that Lender at any time, either before or after maturity, without demand upon or notice to anyone, and the terms of such Debt shall be changed hereby to the extent required to permit such set-off, application and combination.

12.5 Rights in Addition

The rights conferred by each Loan Document are in addition to, and not in substitution for, any other rights the Lender may have under that Loan Document or any other Loan Document, at law, in equity or by or under Applicable Law or any agreement. The Lender may proceed by way of any proceeding at law or in equity and no right of the Lender shall be exclusive of or dependent on any other. The Lender may exercise any of their respective rights separately or in combination and at any time.

12.6 Certificate Evidence

A certificate prepared by the Lender and provided to the Borrower setting forth any interest rate or any amount payable under this Agreement, including the amount of compensation or loss and expense payable under Section 12.2, shall be conclusive and bind the Borrower, absent manifest error.

12.7 Evidence of Debt

The information entered in the accounts of the Lender shall constitute, in the absence of manifest error, *prima facie* evidence of the existence and quantum of the obligations of the Borrower to the Lender under the Credit Facility.

12.8 Executive proceedings and evidence of debt for the purpose of the Share Pledge granted by the Borrower

- (a) The parties shall formalise this Agreement and, at the request of the Lender within 10 Business Days from the date of its execution, any assignment agreement (together with any amendments to this Agreement) in a Spanish Public Document so that this Agreement or each such documents may have the status of a notarial document of loan for all purposes contemplated in article 517, number 4 of the Spanish Civil Procedural Act.
- (b) Upon the occurrence of an Event of Default which is continuing, the Lender may:
 - 1) calculate the amount due to the Lender (based on the total aggregate amount of the balance of the account(s) maintained by the Lender); and

- 2) issue a certificate (in a form which is valid and admissible in a Spanish court) detailing the total amount due and payable by the Borrower (and/or by the Guarantor, as the case may be) to the Lender under this Agreement as of the date on which that certificate is issued.
- (c) The Lender shall procure that a notary certifies that the amounts set out in the certificate referred to in paragraph (b) above reflect the amounts set out in the Lender's account(s) referred to in paragraph (b) above.
- (d) For the purposes of articles 571 et seq. of the Spanish Civil Procedural Act, the parties expressly agree that:
- 1) the amounts referred to in paragraph (b) above shall be considered due and payable (*líquido, vencido y exigible*) and may be claimed pursuant to articles 571 et seq. of the Spanish Civil Procedural Act;
 - 2) the Lender shall determine the amount of debt to be claimed in accordance with paragraph (b)1) above; and
 - 3) any certificate issued in accordance with paragraph (b)2) above shall be conclusive evidence of the total amount due and payable by the Borrower (and/or by the Guarantor, as the case may be) to the Lender under this Agreement as at the date at which that certificate is issued.
- (e) The parties also agree that the Lender may claim all amounts outstanding under this Agreement by presenting:
- 1) an original notarial or authentic copy (*testimonio con carácter ejecutivo*) of this Agreement;
 - 2) a notarial document (*acta notarial*) (incorporating the certificate referred to in paragraph (b)2) above and an excerpt of the credits and debits, including the interest applied, which appear in the relevant account(s) referred to in paragraph (b)1) above) which has been certified by a notary in accordance with paragraph (c) above; and
 - 3) evidence that the Borrower (and/or by the Guarantor, as the case may be) has been notified of the amount which is due and payable.
- (f) If the Lender has, on the date on which the certificate referred to in paragraph (b)2) above is issued, any undrawn Advance, the Lender shall include details of the amount of any undrawn Advance in the certificate referred to in paragraph (b)2) above.
- (g) The Borrower authorises the Lender to request and obtain, at the cost of the Borrower, any certificate or documents (including, but not limited to, any authentic copy (*copias con carácter ejecutivo*)) issued by the notary who has formalised this Agreement in a Spanish Public Document in order to evidence its compliance with

the entries which must be made in its registry-book and the relevant entry date for the purpose of article 517, number 4, of the Spanish Civil Procedural Act.

12.9 Notices

Any notice, demand, consent, approval or other communication to be made or given under or in connection with this Agreement (a “**Notice**”) shall be in writing and may be made or given by personal delivery, or mail, or by e-mail addressed to the Lender and the Borrower at their respective addresses set out below:

To the Borrower:

Emerita Resources Corp.

[Redacted]

Attention:

E-mail:

[Redacted]

Confidential personal information.

To the Lender:

Nebari Natural Resources Credit Fund II, LP

[Redacted]

Attention:

E-mail:

[Redacted]

Confidential personal information.

or to such other address as such party may from time to time notify the other in accordance with this Section 12.9. Any Notice made or given by personal delivery or mail shall be conclusively deemed to have been given at the time of actual delivery (and not before) or, if made or given by facsimile or e-mail at the opening of business on the first Business Day following the transmittal thereof; provided that the party sending such Notice receives confirmation of receipt from the recipient’s telecopy machine or e-mail system. Notwithstanding the foregoing, (a) the Lender may in its discretion act upon verbal Notice from any person reasonably believed by the Lender to be a person authorized by the Borrower or Lender to give instructions under or in connection with this Agreement, including any request by the Borrower for an Advance and (b) any Notice received by the Lender on a day which is not a Business Day or after 10:00 a.m. on any Business Day shall, unless the Lender waives this Clause (b), be deemed to be received by the Lender at 9:00 a.m. on the next Business Day. The Lender shall not be responsible for any error or omission in such instructions or in the performance thereof.

12.10 Successors and Assigns;

12.10.1 *Benefit & Burden.* The Loan Documents shall enure to the benefit of and be binding on the parties thereto, their respective successors and each assignee of some or all of the rights or obligations of the parties under the Loan Documents permitted by this Section 12.10. Any reference in any such Loan Document to any party thereto shall (to the extent the context so admits) be construed to include each such successor and assignee.

12.10.2 *Borrower.* The Borrower may not assign all or any part of any of its rights or obligations in respect of the Credit Facility or under any Loan Document without the prior written consent of the Lender.

12.10.3 *Lender.* The Lender may assign all or any part of any of its rights or obligations in respect of the Credit Facility or under any Loan Document without the prior written consent of the Loan Parties. For clarity, no Loan Party shall be obliged to pay any taxes, costs or expenses incurred exclusively in connection with an assignment made pursuant to this Section 12.10.3.

12.11 Judgment Currency

If, for the purposes of obtaining or enforcing judgment in any court in any jurisdiction, it becomes necessary to convert into the currency of the jurisdiction in which the court rendering such judgment is located (the “**Judgment Currency**”) an amount due under any Loan Document in any other (the “**Original Currency**”), then the date on which the rate of exchange for conversion is selected by that court is referred to herein as the “**Conversion Date**”. If there is a change in the rate of exchange between the Judgment Currency and the Original Currency between the Conversion Date and the actual receipt by the Lender of the amount due to it under such Loan Document or under such judgment, each Loan Party shall, notwithstanding such judgment, pay all such additional amounts as may be necessary to ensure that the amount received by the Lender in the Judgment Currency, when converted at the rate of exchange prevailing on the date of receipt, will produce the amount due in the Original Currency. Each Loan Party’s liability under this Section 12.11 constitutes a separate and independent liability which shall not merge with any judgment or any partial payment or enforcement of payment of sums due under any Loan Document.

12.12 Surviving Claims

The obligations of the Borrower under Sections 12.1 and 12.2, and any other contingent obligations of the Borrower under any Loan Document, (any thereof, a “**Surviving Claim**”) shall survive the payment in full of all other Loan Obligations owing by the Borrower to the Lender and shall continue in full force and effect until such Surviving Claims are irrevocably paid in full.

12.13 Time of the Essence

Time is of the essence of each provision of each Loan Document.

12.14 Governing Law

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws in force in the Province of Ontario, including the federal laws of Canada applicable therein, but excluding choice of law rules. Such choice of law shall, however, be without prejudice to or limitation of any other rights available to the Lender under the laws of any jurisdiction where the Borrower or its assets may be located.

12.15 Jurisdiction

12.15.1 *Submission to Jurisdiction and Waiver of Objections.* With respect to any claim arising out of this Agreement, any other Loan Document or any other agreement relating to any Loan Document in this Section 12.15 (collectively, the “**Loan Related Documents**”) (a) for the exclusive benefit of the Lender, the Borrower irrevocably and unconditionally submits, for itself and its property, to the non-exclusive jurisdiction of the courts of the Province of Ontario, Canada located at Toronto, including any appellate court from any thereof, (in this Section 12.15, “**Ontario Courts**”) and (b) the Borrower irrevocably waives (i) any objection which it may have at any time to the laying of venue of any proceeding arising out of or relating to any of the Loan Related Documents brought in the Ontario Courts, (ii) any claim that any such proceeding brought in the Ontario Courts has been brought in an inconvenient forum, (iii) the right to object, with respect to such proceeding brought in the Ontario Courts, that such court does not have jurisdiction over the Borrower and (iv) the right to require the Lender to post security for costs in any proceeding brought in the Ontario Courts.

12.15.2 *Lender May Sue in Another Jurisdiction.* Nothing in this Agreement will be deemed to preclude the Lender from bringing any proceeding in respect of any Loan Related Document in any other jurisdiction.

12.15.3 *Final Judgment.* The Borrower agrees that a final judgment in any proceeding commenced in the Ontario Courts shall be conclusive and may be enforced in any other jurisdictions by suit on the judgment or in any other manner provided by law.

12.15.4 *Manner of Service.* The Borrower irrevocably consents to the service of process out of the Ontario Courts in accordance with the local rules of civil procedure or by mailing a copy thereof, by registered mail, postage prepaid to the Borrower at the address of the Borrower, or by sending a copy thereof by facsimile or e-mail in pdf format to the Borrower at the facsimile number or e-mail address of the Borrower determined under Section 12.9.

12.15.5 *WAIVER OF TRIAL BY JURY.* FOR THE PURPOSES OF ANY PROCEEDING COMMENCED IN THE ONTARIO COURTS OR ANY OTHER JURISDICTION, EACH LOAN PARTY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY PROCEEDING (A) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH OR RELATING TO ANY LOAN RELATED DOCUMENT, OR (B) ARISING FROM OR RELATING TO ANY RELATIONSHIP EXISTING IN CONNECTION WITH ANY LOAN RELATED DOCUMENT, AND AGREES THAT ANY SUCH PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH EMERITA RESOURCES CORP. LOAN HEREBY (C) CERTIFIES THAT NO REPRESENTATIVE OF THE LENDER HAS REPRESENTED EXPRESSLY OR OTHERWISE THE LENDER WOULD NOT, IN THE EVENT OF ANY PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER AND (D) ACKNOWLEDGES THE LENDER HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SUBSECTION 12.15.5.

12.16 Agent Appointments Generally and Service of Process

12.16.1 *Borrower as Agent of Guarantors.* Each Guarantor hereby irrevocably appoints the Borrower as the agent and attorney-in-fact for such Guarantor, which appointment shall remain in full force and effect unless and until the Discharge Date occurs, to execute such documents and take such action on such Guarantor's behalf as the Borrower deems necessary or appropriate to carry out any transaction contemplated by any Loan Document or the purpose and intent of any Loan Document and exercise such other powers as are reasonably incidental thereto to carry out the purposes of any Loan Document. Each Guarantor shall be deemed to have consented to any change to any Loan Document and to any agreement, action or inaction in relation thereto agreed to by the Borrower.

12.16.2 *Manner of Service.* Each Guarantor irrevocably consents to the service of process out of the Ontario Courts in accordance with the local rules of civil procedure or by mailing a copy thereof, by registered mail, postage prepaid to such Guarantor at the address of such Guarantor, or by sending a copy thereof by facsimile or by e-mail in pdf format to such Borrower at the facsimile number or e-mail address of such Guarantor determined under Section 12.9.

12.16.3 *Appointments of Agent for Service.* Each Guarantor irrevocably designates and appoints the Borrower as its agent to accept and acknowledge on its behalf any and all process which may be served in connection with any proceeding arising out of or relating to any Loan Related Document brought in the Ontario Courts, such service, to the extent permitted by Applicable Law, being hereby conclusively acknowledged by such Guarantor to be effective and binding service on it in every respect whether or not it is carrying on, or has at any time carried on, business in the Ontario. Each Guarantor irrevocably consents to the service of process out of the Ontario Courts by personal service on such Guarantor or on the Borrower as its process agent.

12.16.4 *Acceptances of Appointments.* The Borrower confirms to the Lender that it has accepted its appointment to act as process agent on behalf of each other Loan Party which may be served in connection with any proceeding arising out of or relating to any Loan Related Document brought in the Ontario Courts. Until the Discharge Date, the Borrower agrees to maintain each such appointment as such process agent.

12.17 Limitation Period

The Borrower agrees with the Lender to vary the limitation period under the *Limitations Act, 2002* (Ontario), other than one established by Section 15 of that Act, applicable to each Loan Document to which the Borrower is party and any claim thereunder to six (6) years.

12.18 Invalidity

If any provision of any Loan Document is determined to be invalid or unenforceable by a final judgment, that provision shall be deemed to be severed therefrom, and the remaining provisions of such Loan Document shall not be affected thereby and shall remain valid and enforceable. The parties hereto shall, at the request of any other party hereto, negotiate in good faith with the Lender to replace any invalid or unenforceable provision contained in any Loan Document with a valid and enforceable provision which has the commercial effect as close as possible to that of the invalid or unenforceable provision, to the extent permitted by law.

12.19 Changes

No agreement purporting to change (other than waive) any provision of any Loan Document shall be binding upon the parties hereto or thereto unless that agreement is in writing, signed by the Lender and the Borrower and it is entered into in compliance with Section 12.22. No waiver of strict performance or compliance with any provision of any Loan Document shall be binding on any party hereto or thereto unless such waiver is in writing signed by the party sought to be bound thereby and it is made in compliance with Section 12.22.

12.20 Entire Agreement

There are no representations, warranties, conditions, other agreements or acknowledgments, whether direct or collateral, express or implied, binding on the Lender that form part of or affect this Agreement or any other Loan Document, other than as expressed herein, or in such other Loan Document. The execution of each Loan Document by the Borrower has not been induced by, nor does the Borrower rely upon or regard as Material, any representations, warranties, conditions, other agreements or acknowledgments not expressly made in any Loan Document.

12.21 This Agreement to Govern

If there is any inconsistency between the provisions of this Agreement and the provisions of any other Loan Document to which the Borrower is party, the provisions hereof shall govern and apply to the extent of the inconsistency.

12.22 Execution

12.22.1 *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

12.22.2 *Electronic Signatures and Record Keeping.* Any signature (including (x) any electronic symbol or process attached to, or associated with, a contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record and (y) any facsimile or .pdf signature) hereto or to any other Loan Document, certificate, agreement or document related to this transaction, and any contract formation or record-keeping, in each case, through electronic means, shall have the same legal validity and enforceability as a manually executed signature or use of a paper-based record-keeping system to the fullest extent permitted by Applicable Law, including the UCC, the Personal Property Security Acts of each common law Province and Territory of Canada, the Québec Register of Personal and Movable Real Rights in the Province of Québec, Canada and the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act or any similar state law based on the Uniform Electronic Transactions Act, and the parties hereto hereby waive any objection to the contrary. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Lender. Transmission of a copy of an executed signature page of this Agreement (including any change to this Agreement) by any party hereto to the other parties to this Agreement by facsimile transmission or e-mail in pdf format, shall be as effective as delivery to the other parties hereto of a manually executed counterpart hereof.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this credit agreement as of the date first written above.

BORROWER:

EMERITA RESOURCES CORP.

By: *(Signed) "David Gower"*

Name: David Gower

Title: Chief Executive Officer

GUARANTORS:

EMERITA RESOURCES ESPAÑA SLU

By: *(Signed) "David Gower"* _____

Name: David Gower

Title: Chief Executive Officer

THE LENDER:

**NEBARI NATURAL RESOURCES
CREDIT FUND II, LP**

**By: Nebari Partners GP III, LLC as General
Partner**

By: *(Signed) "Dan Freuman"* _____

Name: Dan Freuman

Title: Co-Founder

**SCHEDULE 1
MATERIAL CONTRACTS**

EMERITA RESOURCES CORP.

1. Licenses and Permits

Nil

2. Land Leases and Access Agreements

Nil

3. Material Equipment Leases

Nil

4. Other

Nil

EMERITA RESOURCES ESPAÑA SLU

1. Licenses and Permits

- Romanera investigation permit no. 15029
- Infanta Sur investigation permit no. 15030
- The Ontario investigation permit no. 15039 is in the « Final admission phase ». This is the previous step to the « Final Grant ». the « Final admission phase »

2. Land Leases and Access Agreements

Land purchase agreements.

Nil

Land use agreements

Please see attached.

Commercially sensitive information. redacted.
--

3. Material Equipment Leases

Nil

4. Other

Nil

**SCHEDULE 2
SECURITY**

Part 1: Closing Date Security Documents

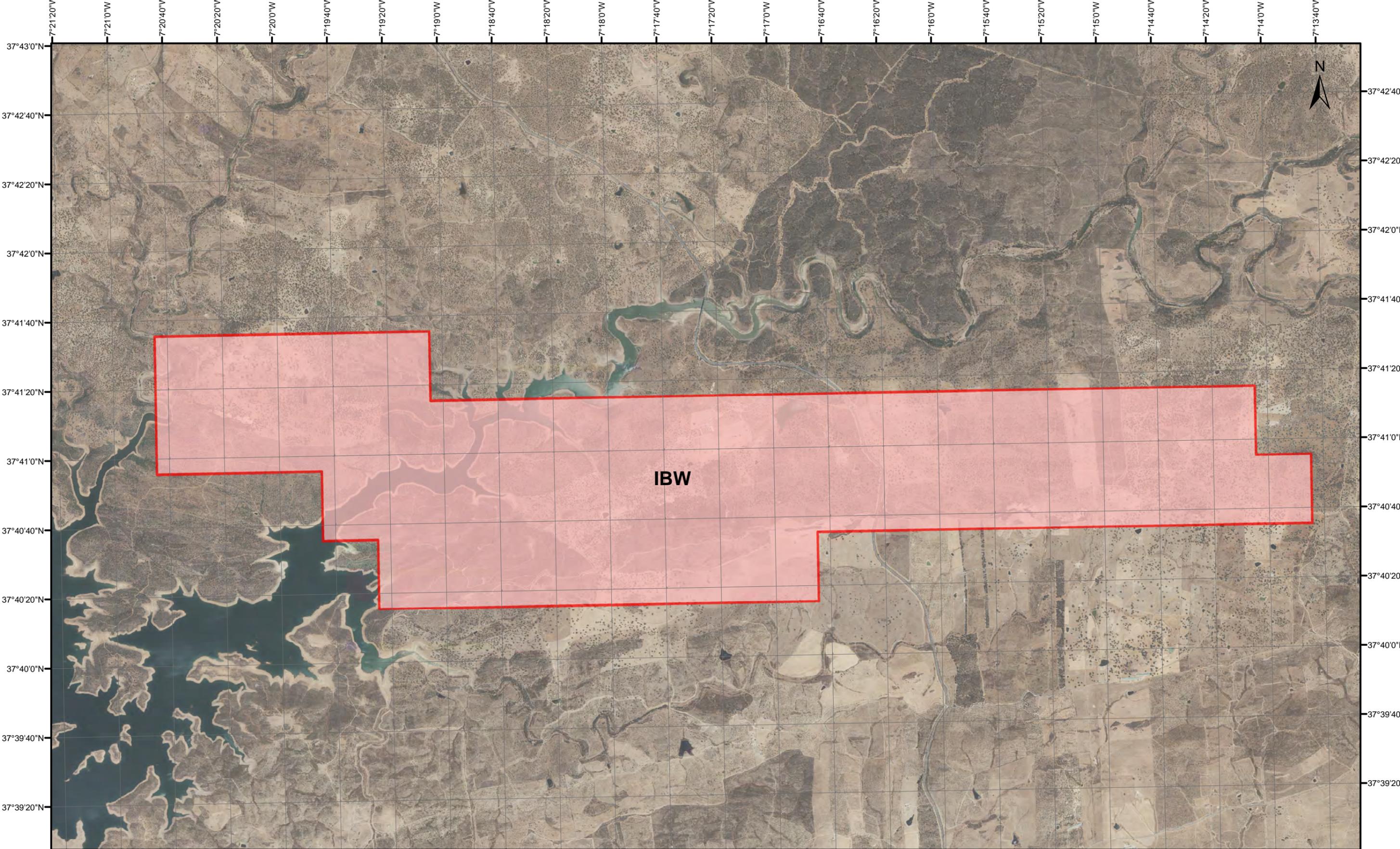
1. Intercorporate Debt Subordination Agreement;
2. Share Pledge; and
3. such other supporting documents as the Lender reasonably requires.

Part 2: Post-Closing / Tranche 2 Security Documents

4. Share Pledge;
5. Asset Security; and
6. such other supporting documents as the Lender reasonably requires.

**SCHEDULE 3
IBW PROJECT**

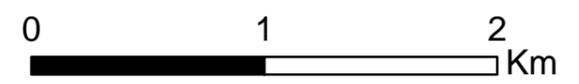
(See Attached.)



Emerita Resources Exploration Permits

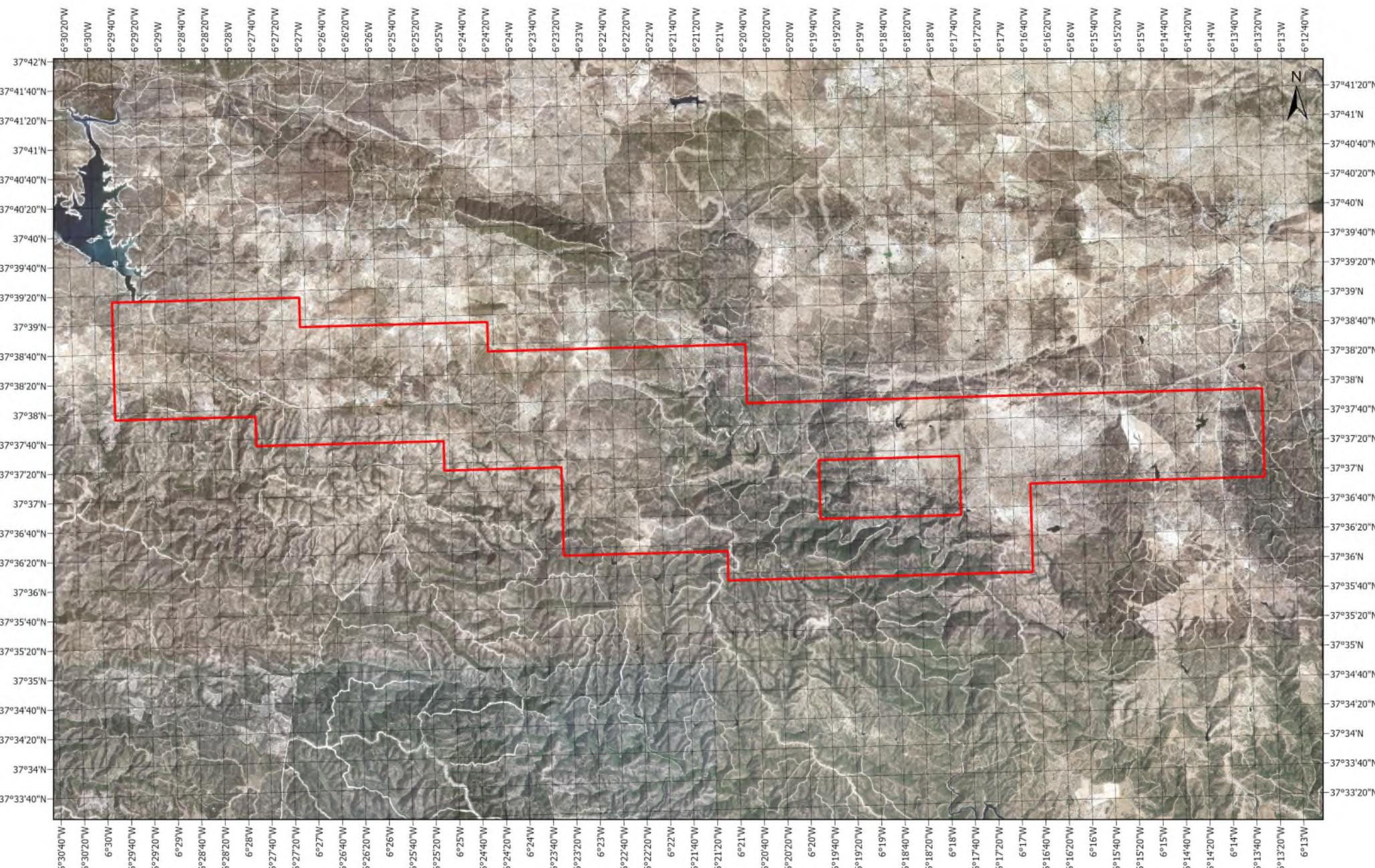
 **IBW**

Coordinate System ETRS89

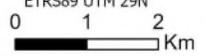


SCHEDULE 4 NUEVO TINTILLO PROJECT

(See attached)



 P.I. Nuevo Tintillo

Coordinate System:
ETRS89 UTM 29N
 Km

**SCHEDULE 2.4
FORM OF ADVANCE REQUEST**

TO: Nebari Natural Resources Credit Fund II, LP

RE: Credit Facility for Emerita Resources Corp. (the “Borrower”)

Reference is made to the credit agreement dated as of August 14, 2024 (as changed and in effect from time to time, the “**Credit Agreement**”) among the Borrower, as borrower, Emerita Resources España SLU, as guarantor and the Lender, as lender. All words used in this Advance Request which are defined or given extended meanings in the Credit Agreement have the respective meanings attributed to them in the Credit Agreement.

1. **Request.** The Borrower hereby requests a Loan under [Tranche 1/Tranche 2/Tranche 3] in the amount of [\$6,000,000/\$4,500,000/\$4,500,000]

2. **Account.** The Loan requested above shall be credited to [account details] on _____, 20__.

3. **Other.** The Borrower represents, warrants and agrees:
 - (a) Each of the conditions precedent to the Advance requested hereunder set forth in Section [5.1/5.2] of the Credit Agreement has been satisfied.

 - (b) The undersigned will immediately notify you if it becomes aware of the occurrence of any event between the date hereof and the date the requested Loan is advanced which would mean that the statement in the immediately preceding paragraph (a) would not be true, accurate and complete if made on the date the requested Loan is advanced.

DATED this _____ day of _____, _____.

EMERITA RESOURCES CORP.

By: _____
Name:
Title:

SCHEDULE 6.1
FORM OF WARRANT CERTIFICATE

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND THE HOLDER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

THIS WARRANT AND THE UNDERLYING SHARES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON OR PERSON IN THE UNITED STATES AND THE UNDERLYING SHARES MAY NOT BE DELIVERED WITHIN THE UNITED STATES UNLESS THE WARRANT AND THE UNDERLYING SHARES HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE, AND THE HOLDER HAS DELIVERED AN OPINION OF COUNSEL IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE CORPORATION TO SUCH EFFECT. "UNITED STATES" AND "U.S. PERSON" ARE USED HEREIN AS SUCH TERMS ARE DEFINED BY REGULATION S UNDER THE U.S. SECURITIES ACT.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE *[4 MONTHS AND ONE DAY AFTER DATE OF ISSUE]*.

Exercisable before 5:00p.m. (Toronto time) on **[■]**, at which time these warrants will expire and be null and void.

WARRANTS TO PURCHASE COMMON SHARES

OF

EMERITA RESOURCES CORP.

Number of warrants represented by this certificate: **[■]**

Date: **[■]** (the "Issue Date")

Certificate number: **W-[■]**

This certifies that, for value received, NEBARI NATURAL RESOURCES AIV II, LP (the "Holder") is the registered holder of these common share purchase warrants (the "Warrants"). Each Warrant entitles the Holder to purchase from EMERITA RESOURCES CORP. (the "Corporation"), before 5:00 p.m. (Toronto time) on **[■]** (the "Expiry Time"), one common share in the capital of the Corporation (a "Common Share") at a price of \$**[■]** per Common Share (the "Exercise Price"), subject to the terms and conditions set out in this warrant certificate (including the attached Schedules, the "Warrant Certificate"). The number of Common Shares which the Holder is entitled to acquire on exercise of the Warrants and the Exercise Price are subject to adjustment in accordance with this Warrant Certificate.

1. **Expiry Time:** At the Expiry Time, all Warrants will expire and be null and void.
2. **Exercise Procedure:**
 - 2.1 **Deliveries:** Subject to Section 2.3, Section 3 and Section 8.2, the Holder may exercise the Warrants before the Expiry Time, in whole or in part, by delivering to the Corporation during regular business hours at its principal office (or at any other address in Canada as the Corporation may notify the Holder in writing):
 - 2.1.1 this Warrant Certificate, with a properly completed and signed subscription form substantially in the form attached as Schedule 2.1.1 (the "**Subscription Form**") and any other documents contemplated in the Subscription Form; and
 - 2.1.2 a wire transfer to an account directed by the Corporation, certified cheque or bank draft payable to or to the order of the Corporation (or other form of payment acceptable to the Corporation) in the amount of the aggregate Exercise Price for the Common Shares being purchased.

The deliveries made by the Holder under this Section 2.1 will be deemed to be made only upon actual receipt by the Corporation. Upon such delivery as aforesaid, the Corporation shall deliver to the Holder hereof a certificate, or a customary confirmation in electronic form through the direct registration system ("**DRS**"), representing the Common Shares subscribed for.
 - 2.2 **Issuance:** The Common Shares subscribed for under the Subscription Form will be issued in the name of the Holder (or as otherwise directed by the Holder) as fully paid and non-assessable shares in the capital of the Corporation effective as of the date of receipt by the Corporation of the deliveries made by the Holder under Section 2.1.
 - 2.3 **Compliance with Laws:** Any exercise of Warrants will be subject to compliance, to the reasonable satisfaction of the Corporation, with all applicable laws and the requirements of the TSX Venture Exchange.
3. **Forced Exercise:**
 - 3.1 Subject to Section 3.3, if, for a period of thirty (30) consecutive trading days, the volume weighted average trading price per Common Share at which the Common Shares have traded on a stock exchange for the period (calculated by dividing the aggregate trading price of all Common Shares sold during the period by the aggregate number of Common Shares sold during the period, as measured on the close of trading on each day of such thirty (30) day period) equals or exceeds a [REDACTED] premium above the Exercise Price, the Corporation shall have the right, exercisable in its sole discretion on delivery of written notice (the "**Forced Exercise Notice**") to the Holder, to require the Holder to exercise within twenty (20) business days of receipt of such notice up to [REDACTED] (or up to [REDACTED] if a Block Buyer (defined below) has been identified by the Corporation pursuant to Section 3.2) of the Warrants (each a "**Forced Exercise Warrant**") (to the extent they have not already been exercised) (the "**Forced Exercise Provision**"). To the extent Forced Exercise Warrants are not exercised by the Holder in accordance with Section 2 within such twenty (20) business day period, the Forced Exercise Warrants will expire and be of no further force and effect.

Commercially sensitive information.
 - 3.2 Upon the Holder's receipt of a Forced Exercise Notice, the Holder shall have the right, in its sole discretion, to request that the Corporation use commercially reasonable efforts

to identify and introduce to Holder one or more potential purchasers (a "**Block Buyer**") for the Common Shares underlying the Forced Exercise Warrants in order to assist the Holder in the sale of such underlying Common Shares.

- 3.3 The Corporation may exercise the Forced Exercise Provision up to four (4) times prior to the Expiry Time, provided that: (i) each exercise by the Corporation is at least two months following the Corporation's previous exercise; and (ii) the number of Warrants exercised by the Holder pursuant to Forced Exercise Provision at such time does not exceed [REDACTED] of the number of Warrants outstanding under this certificate.

4. Legends:

Commercially sensitive information.

- 4.1 **Legends:** If issued before [**4 MONTHS AND ONE DAY AFTER DATE OF ISSUE**], any certificate or DRS statement representing the Common Shares issued on exercise of the Warrants, and any DRS statement or certificate issued in exchange for or in substitution of this Warrant Certificate, will bear the following legend:

"Unless permitted under securities legislation, the holder of this security must not trade the security before [**4 MONTHS AND ONE DAY AFTER DATE OF ISSUE OF WARRANT**]."

5. **Partial Exercise:** The Holder may exercise a number of Warrants less than the total number of Warrants evidenced by this Warrant Certificate. If there is a partial exercise under this Section 5, the Holder will be entitled to receive, without charge, a new warrant certificate evidencing the balance of the Warrants which have not yet been exercised.

6. **No Fractional Shares:** Despite any adjustment provided for in Section 10, no fractional Common Shares will be issued on any exercise of Warrants, and the number of Common Shares issuable on the exercise of Warrants will be rounded down to the nearest whole number. The Holder will not be entitled to any cash or other consideration in lieu of any fraction of a Common Share.

7. **Transfer of Warrants:** The Warrants are not transferable by the Holder.

8. U.S. Laws:

- 8.1 **No Registration:** The Warrants and the Common Shares issuable on the exercise of the Warrants have not been registered under the United States *Securities Act of 1933*, as amended (the "**United States Securities Act**") or the securities laws of any state of the United States, and the Corporation has no obligation or present intention of filing a registration statement under the United States Securities Act in respect of any of the Warrants or the Common Shares issuable on the exercise of the Warrants.

- 8.2 **Restrictions on Exercise:** The Warrants may only be exercised by a Holder who, at the time of exercise, either:

8.2.1 provides written certification that (i) the Holder is outside the United States and (ii) the Holder is not a U.S. Person (as defined in Regulation S under the United States Securities Act, a "**U.S. Person**"), and the Holder is not exercising any of the Warrants on behalf of, or for the account or benefit of, a U.S. Person; or

8.2.2 provides a written opinion of U.S. counsel, in a form acceptable to the Corporation acting reasonably, that the Common Shares issuable on exercise of the Warrants

are exempt from registration requirements under the United States Securities Act and the securities laws of all applicable states of the United States.

8.3 U.S. Legend:

8.3.1 If the Warrants are exercised under Section 8.2.2, any certificates evidencing the Common Shares or Warrants, as applicable, and any certificate issued in exchange for or in substitution of those certificates, will bear the following legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR ANY STATE SECURITIES LAWS. THESE SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 OR RULE 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, AND THE HOLDER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OR OTHER EVIDENCE OF EXEMPTION, IN EITHER CASE REASONABLY SATISFACTORY TO THE CORPORATION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

8.3.2 A legended certificate may be surrendered to the Corporation in exchange for a certificate which does not bear the legend specified in Section 8.3.1 if:

8.3.2.1 at any time, in the opinion of counsel to the Corporation, the legend specified in Section 8.3.1 is no longer necessary or advisable;

8.3.2.2 the Holder provides the Corporation with evidence satisfactory in form and substance to the Corporation (which may include an opinion of counsel satisfactory to the Corporation) to the effect that the legend specified in Section 8.3.1 is not required; or

8.3.2.3 the Corporation is a "foreign issuer" (as defined in Regulation S under the United States Securities Act) at the time of surrender, and the Holder delivers to the Corporation's transfer agent (in the case of Common Shares) or to the Corporation (in the case of Warrants) a signed declaration, in substantially the form attached as Schedule 8.3.2.3 (or any other form that the Corporation may prescribe), to the effect that the sale of the securities is being made in compliance with Rule 904 of Regulation S under the United States Securities Act.

9. Not a Shareholder: The holding of a Warrant will not constitute the Holder a shareholder of the Corporation or entitle the Holder to any right or interest as a shareholder of the Corporation, except as expressly provided in this Warrant Certificate.

10. Adjustments: The adjustments in Sections 10.2 to 10.4 are subject to the rules set out in Section 10.7.

10.1 **Definitions:** In this Section 10, the following terms have the following meanings:

10.1.1 **"Adjustment Period"** means the period starting on the date of this Warrant Certificate and ending at the Expiry Time.

10.1.2 **"Board"** means the board of directors of the Corporation (or, if empowered, a committee of the board of directors of the Corporation).

10.1.3 **"Convertible Security"** means a security convertible into or exchangeable for a Common Share.

10.1.4 **"Exchange Rate"** means the number of Common Shares which the Holder is entitled to purchase for each Warrant.

Any Common Shares owned by or held for the account of the Corporation will be deemed not to be outstanding for the purpose of any calculation under this Section 10.

10.2 **Share Adjustment:** If, during the Adjustment Period, the Corporation:

10.2.1 subdivides the Common Shares into a greater number of shares of the Corporation;

10.2.2 consolidates the Common Shares into a lesser number of shares of the Corporation; or

10.2.3 fixes a record date to issue (or issues) Common Shares or Convertible Securities to the holders of all or substantially all of the Common Shares by way of a stock dividend or other distribution on the Common Shares (in each case if the transaction under this Section 10.2.3 has (or may reasonably be expected to have), for all practical purposes, an identical impact on the aggregate market value of the Common Shares as a share split),

(the subdivision, consolidation or issuance, a **"Share Adjustment"**), then the Exercise Price will be adjusted, effective on the earlier of the record date on which holders of Common Shares are determined for the purposes of the Share Adjustment and the effective date of the Share Adjustment (the **"Share Adjustment Trigger Date"**), by multiplying the Exercise Price in effect before the adjustment by a fraction:

10.2.4 with a numerator equal to the number of Common Shares outstanding before giving effect to the Share Adjustment; and

10.2.5 with a denominator equal to the number of Common Shares outstanding after giving effect to the Share Adjustment (and after giving effect to the conversion or exchange of any Convertible Securities distributed by way of stock dividend or other distribution, as if all of those Convertible Securities had been converted or exchanged on the Share Adjustment Trigger Date).

If an adjustment is made to the Exercise Price under this Section 10.2, then the Exchange Rate will be contemporaneously adjusted by multiplying the Exchange Rate in effect before the adjustment by a fraction:

10.2.6 with a numerator equal to the Exercise Price in effect immediately before the adjustment; and

10.2.7 with a denominator equal to the Exercise Price resulting from the adjustment.

10.3 **Reorganization:** If, during the Adjustment Period:

10.3.1 the Common Shares are reclassified or changed into other shares or there is any other reorganization involving the Common Shares (other than a Share Adjustment);

10.3.2 the Corporation is a party to any consolidation, amalgamation, merger or arrangement with any other person; or

10.3.3 all or substantially all of the undertakings or assets of the Corporation are transferred to another person,

(each event, a "**Reorganization**"), then the Holder will, after the effective date of the Reorganization and upon exercise of the Warrants, be entitled to receive, and will accept, in lieu of the number of Common Shares to which the Holder was entitled upon exercise of the Warrants before the Reorganization, the kind and amount of securities or other assets or property (including cash) which the Holder would have been entitled to receive as a result of the Reorganization if, on the effective date of the Reorganization, the Holder had been the registered holder of the number of Common Shares into which the Warrants were exercisable before the Reorganization.

10.4 **Rights Offerings.** If and whenever at any time during the Adjustment Period the Corporation fixes a record date for the issuance of rights, options or warrants to all or substantially all of the holders of Common Shares entitling the holders thereof, within a period expiring not more than 45 days after the record date for such issuance, to subscribe for or acquire Common Shares or Convertible Securities at a price per Common Share (including, in the case of Convertible Securities, both the cost of acquisition of the Convertible Security and the conversion or exchange price, on a per Common Share basis) less than 95% of the Current Market Price (a "**Rights Offering**"), then the Exercise Price shall be adjusted, effective on the record date for the Rights Offering (the "**Rights Offering Trigger Date**"), by multiplying the Exercise Price in effect on such record date by a fraction:

10.4.1 with a numerator equal to the aggregate of:

10.4.1.1 the number of Common Shares outstanding on such record date; and

10.4.1.2 the number determined by dividing: (A) the aggregate subscription price of the total number of Common Shares so offered under the Rights Offering (calculated as if all rights, options or warrants issued under the Rights Offering had been exercised, and as if all Convertible Securities acquired under the Rights Offering had been converted or exchanged for Common Shares, in each case as of the Rights Offering Trigger Date); by (B) the Current Market Price; and

10.4.2 with a denominator equal to the aggregate of:

- 10.4.2.1 the total number of Common Shares outstanding on such record date; and
- 10.4.2.2 the total number of Common Shares so offered under the Rights Offering (including all Common Shares issuable if all rights, options or warrants issued under the Rights Offering are exercised, and if all Convertible Securities acquired under the Rights Offering are converted or exchanged for Common Shares).

Such adjustment shall be made successively whenever such a record date is fixed, provided that if two or more such record dates referred to in this Section 10.4 are fixed within a period of twenty five (25) business days, such adjustment will be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect based upon the number of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be.

10.5 **Special Distribution.** If and whenever at any time during the Adjustment Period, the Corporation fixes a record date for the distribution to all or substantially all of the holders of Common Shares of:

- 10.5.1 shares of any class, whether of the Corporation or any other corporation, other than Common Shares;
- 10.5.2 rights, options or warrants to acquire Common Shares;
- 10.5.3 evidences of indebtedness; or
- 10.5.4 or other property or assets,

and if such distribution does not fall under Sections 10.2 or 10.4 (any non-excluded distribution, a “**Special Distribution**”), then the Exercise Price will be adjusted, effective on the record date for the Special Distribution (the “**Special Distribution Trigger Date**”), by multiplying the Exercise Price in effect on such record date by a fraction:

10.5.5 with a numerator equal to:

- 10.5.5.1 the total number of Common Shares outstanding on such Special Distribution Trigger Date multiplied by the Current Market Price on the Special Distribution Trigger Date; less
- 10.5.5.2 the excess, if any, of the fair market value (as determined by the directors, acting reasonably, at the time such distribution is authorized) of securities or other assets or property being distributed over the fair market value (as determined by the directors, acting reasonably, at the time such distribution is authorized) of any consideration received by the Corporation from the holders of Common Shares for the securities or other assets or property being distributed; and

10.5.6 and with a denominator equal to the total number of Common Shares outstanding on Special Distribution Trigger Date multiplied by the Current Market Price.

Such adjustment shall be made successively whenever such a record date is fixed, provided that if two or more such record dates referred to in this Section 10.5 are fixed within a period of twenty five (25) business days, such adjustment will be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that any such rights, options or warrants so distributed are not exercised prior to the expiration thereof, the Exercise Price shall then be readjusted to the Exercise Price which would then be in effect based upon such rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets actually distributed or based upon the number or amount of securities or the property or assets actually issued or distributed upon the exercise of such rights, options or warrants, as the case may be.

10.6 **Other Adjustments:** If, during the Adjustment Period, the Corporation takes any action affecting the Common Shares, other than an action or event requiring an adjustment under Sections 10.2 to 10.5, which the Board determines would have a material effect on the rights of the Holder under this Warrant Certificate, then the terms of the Warrants will be adjusted in any manner and at any time as the Board (in its sole discretion) determines is equitable in the circumstances. If the Board fails to provide for an adjustment under this Section 10.6 before the effective date of the action affecting the Common Shares, that failure will be deemed to be conclusive evidence that the Board has determined that it is equitable to make no adjustment in the circumstances.

10.7 **Rules:**

10.7.1 **Successive Calculations:** The adjustments under this Section 10 will be made successively (without duplication) whenever a relevant event occurs.

10.7.2 **Minimum Adjustments:** No adjustment of the Exercise Price will be made unless it would result in a change in the Exercise Price of at least 1% of the Exercise Price originally established on the date of this Warrant Certificate (however any adjustments which by reason of this Section 10.7.2 are not required to be made will be carried forward and taken into account in any subsequent adjustment).

10.7.3 **Actions Not Taken:** If the Corporation fixes a record date which (if it were not for this Section 10.7.3) would trigger an adjustment under this Section 10, and the event in respect of which that record date is set is abandoned (or that record date is changed), then no adjustment under this Section 10 will be required by reason of the setting of that (original) record date. If a calculation is made under this Section 10 based on the assumed conversion or exchange of Convertible Securities or on the assumed exercise of rights, options or warrants, and any portion of the Convertible Securities are not actually converted or exchanged or any portion of the rights, options or warrants are not actually exercised within the time permitted, the calculation will be adjusted once the number of Common Shares actually issued on the conversion or exchange of the Convertible Securities and on the exercise of the rights, options and warrants is known. If a fair market value determination is made based on the assumed distribution of securities or other assets or property, and the distribution does not occur (or only occurs in part), the fair market value determination will be adjusted to reflect the distribution actually made.

- 10.7.4 **Deferral of Issuance:** If Section 10.7.3 may require a readjustment or a recalculation which could result in a lesser amount of Common Shares being issued on exercise of the Warrants, the Corporation may defer issuing any Common Shares in excess of that lesser amount to the Holder upon the exercise of the Warrants, until the final Exercise Price and Exchange Rate are known. If the Corporation defers the issuance of Common Shares under this Section 10.7.4, the Corporation will deliver to the Holder an appropriate instrument evidencing the Holder's right (subject to the occurrence of the event requiring the readjustment or recalculation) to receive the additional Common Shares and any distributions made on and after the date of deferral on the additional Common Shares.
- 10.7.5 **Disputes:** If any dispute arises with respect to the calculation of an adjustment under this Section 10, the dispute will be conclusively determined by the auditors of the Corporation or, if they are unable or unwilling to act, by another firm of independent chartered accountants selected by the Board. The Corporation will provide to the auditors or accountants access to all necessary records of the Corporation to make a determination under this Section 10.7.5 and that determination will be binding on the Corporation and the Holder.
- 10.7.6 **Exchange Approval:** Any adjustments under this Section 10 may be subject to the prior approval of the TSX Venture Exchange.
- 10.8 **Condition Precedent:** As a condition precedent to the taking of any action which would require an adjustment under this Section 10, the Corporation will take any corporate action which may, in the opinion of counsel to the Corporation, be necessary to ensure that the Corporation may validly and legally issue the securities, or may validly and legally distribute the property, of the Corporation which the Holder is entitled to receive on the full exercise of the Warrants.
- 10.9 **Notice:** At least ten business days before the effective date or record date, as applicable, of any event which requires or may require an adjustment to be made under Section 10.2 or 10.3, the Corporation will give notice to the Holder of the relevant particulars of that event and, if determinable, the required adjustment and the calculation of that adjustment. If the final adjustment is not determinable at the time that the initial notice is given under this Section 10.9, then the Corporation will give notice to the Holder of the required adjustment and the calculation of that adjustment as soon as the final adjustment is determinable.
- 10.10 **Interpretation:** As of the original date of this Warrant Certificate, "**Common Share**" means a common share in the capital of the Corporation as constituted on the original date of this Warrant Certificate. If the common shares are subsequently reorganized, reclassified, substituted or otherwise changed, the term "Common Share" will then be interpreted to reflect that change.
11. **Covenants:** The Corporation covenants and agrees that so long as any Warrants remain outstanding:
- 11.1 until the Expiry Time, it will reserve and there will remain unissued out of its authorized capital a sufficient number of Common Shares to satisfy the right of purchase herein provided, as such right of purchase may be adjusted as contemplated herein;

- 11.2 except in the event of a Reorganization, it will use reasonable efforts to ensure that the Common Shares issuable on the exercise of the Warrants are listed and posted for trading on the TSX Venture Exchange; and
- 11.3 except in the event of a Reorganization, it will make all filings under applicable securities laws necessary to remain a reporting issuer in Canada.
- 12. Representations and Warranties:** The Corporation represents and warrants to the Holder that the Corporation has all requisite legal and corporate power and authority to issue the Warrants and the Common Shares issuable on the exercise of the Warrants, and this Warrant Certificate represents a legal, valid and binding obligation of the Corporation enforceable in accordance with its terms.
- 13. Lost Certificate:** If this Warrant Certificate is stolen, lost, mutilated or destroyed, the Corporation may issue a new certificate evidencing the unexercised Warrants, on any terms the Corporation may, in its discretion, acting reasonably, impose (which may include the delivery by the Holder of an indemnity or security).
- 14. Exchange of Warrant Certificate:** This Warrant Certificate may be exchanged for certificates in the name of the Holder evidencing in the aggregate the same number of unexercised Warrants evidenced by this Warrant Certificate.
- 15. Registered Holder:** The Corporation may treat the registered holder of the Warrants as the absolute owner of the Warrants for all purposes, despite any notice or knowledge to the contrary.
- 16. Headings:** The insertion of headings in this Warrant Certificate is for convenience of reference only and does not affect the construction or interpretation of this Warrant Certificate.
- 17. Sections and Schedules:** Unless otherwise specified, references in this Warrant Certificate to a Section or Schedule are to be construed as references to a Section or Schedule of or to this Warrant Certificate.
- 18. Number and Gender:** In this Warrant Certificate, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders.
- 19. Including:** Every use of the words "**including**" or "**includes**" in this Warrant Certificate is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.
- 20. Business Day:** In this Warrant Certificate, "**business day**" means any day excluding a Saturday, Sunday or statutory holiday in the province of Ontario.
- 21. Time of Essence:** Time is of the essence in all respects of this Warrant Certificate.
- 22. Notices to Holder:** Unless otherwise specified, any notice or communication required or permitted to be delivered by the Corporation to the Holder under this Warrant Certificate (a "**Communication**") may be delivered personally at, or sent by email, courier or mail to, the latest address of the Holder recorded on the books of the Corporation. A Communication delivered personally will be deemed to have been given or made and received on the date of delivery. A Communication delivered by email or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the date of transmission (but if transmitted on a day which is not a business day or after 5:00 p.m. (local time of the recipient), the Communication will be deemed to have been given or made and received on the next business day). A Communication delivered by courier will be deemed to

have been given or made and received on the next business day. A Communication delivered by mail will be deemed to have been given or made and received on the fifth business day after the Communication is posted.

- 23. Severability:** Each Section of this Warrant Certificate is distinct and severable, and if any Section of this Warrant Certificate, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect the legality, validity or enforceability of the remaining Sections of this Warrant Certificate, in whole or in part, or the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction, in each case as long as the economic and legal substance of the transactions contemplated by this Warrant Certificate is not affected in any manner materially adverse to either the Corporation or the Holder.
- 24. Governing Law and Venue:** This Warrant Certificate is governed by, and is to be construed and interpreted in accordance with, the laws of the province of Ontario and the laws of Canada applicable in that province. The Holder and the Corporation irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of the province of Ontario to determine all issues, whether at law or in equity, arising from this Warrant Certificate.
- 25. Amendments:** Except as expressly provided in this Warrant Certificate, the provisions of this Warrant Certificate may only be amended with the written consent of the Holder and the Corporation. Any amendment will be subject to the approval of the TSX Venture Exchange, if required.
- 26. Enurement:** This Warrant Certificate enures to the benefit of and is binding upon the Holder and the Corporation and their respective heirs, executors, administrators, estate trustees, trustees, personal or legal representatives, successors and permitted assigns.
- 27. Currency:** Unless otherwise specified, all currency amounts in this Warrant Certificate are expressed in Canadian dollars.

SIGNATURE PAGE FOLLOWS

This Warrant Certificate has been executed and delivered as of the Issue Date.

EMERITA RESOURCES CORP.

By: _____
Authorized signatory

**SCHEDULE 2.1.1
TO WARRANT CERTIFICATE**

SUBSCRIPTION FORM

TO: Emerita Resources Corp.

Any term in this Subscription Form that is not otherwise defined has the meaning set out in the warrant certificate of which this Subscription Form forms a part (the "**Warrant Certificate**").

The registered holder of the Warrants (the "**Holder**"), by delivery of this Subscription Form, exercises the right to subscribe for _____ Common Shares on the terms and conditions set out in the Warrant Certificate, for an aggregate Exercise Price of \$_____ (\$■ per Common Share, subject to adjustment).

In connection with this exercise: *{check one}*

- 1. the Holder certifies that (i) at the time of exercise the Holder is outside the United States and (ii) the Holder is not a U.S. Person, and the Holder is not exercising any of the Warrants on behalf of, or for the account or benefit of, a U.S. Person; or
- 2. the Holder is delivering a written opinion of U.S. counsel, in a form acceptable to the Corporation acting reasonably, that the Common Shares issuable on exercise of the Warrants are exempt from registration requirements under the United States Securities Act and the securities laws of all applicable states of the United States.

The Holder directs the Corporation to register the Common Shares as follows:

Name: _____

Address: _____

DRS Statement or Certificate: _____

The Holder directs the Corporation to deliver, if applicable, a warrant certificate evidencing the balance of the Warrants not presently exercised, as follows: *{check one}*

- 1. at the office where this Subscription Form is delivered; or
- 2. to the address for registration set out above; or
- 3. to the following address: _____

DATED this ____ day of _____, 20____.

Name of Holder

Signature of Holder (or authorized signatory on behalf of Holder)

Name of authorized signatory, if applicable

Official capacity or title of authorized signatory, if applicable

Instruction: If this Subscription Form is signed by a person in a representative capacity on behalf of the Holder, the Corporation may require the person to deliver documentation to establish the person's authority and capacity to sign on behalf of the Holder and the Corporation may require the person's signature to be guaranteed.

**SCHEDULE 8.3.2.3
TO WARRANT CERTIFICATE**

FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: Emerita Resources Corp.

The undersigned:

- (a) acknowledges that the sale of the securities of Emerita Resources Corp. (the "**Corporation**") to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States *Securities Act of 1933*, as amended (the "**United States Securities Act**"); and
- (b) certifies that:
 - (i) the undersigned is not an affiliate of the Corporation (as that term is defined in Rule 405 under the United States Securities Act);
 - (ii) the offer of the securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believed that the buyer was outside the United States, or (B) the transaction was executed in, on or through the facilities of a "designated offshore securities market" as defined in Rule 902 of Regulation S under the United States Securities Act and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States;
 - (iii) neither the seller nor any affiliate of the seller nor any person acting on the seller's or any affiliate's behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of the securities;
 - (iv) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as defined in Rule 144(a)(3) under the United States Securities Act);
 - (v) the seller does not intend to replace the securities with fungible unrestricted securities of the Corporation; and
 - (vi) the contemplated sale is not a transaction or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the United States Securities Act.

Terms used in this declaration have the meanings given to them by Regulation S under the United States Securities Act.

DATED this ____ day of _____, 20____.

Name of Holder

Signature of Holder (or authorized signatory on behalf of Holder)

Name of authorized signatory, if applicable

Official capacity or title of authorized signatory, if applicable

SCHEDULE 5.5 CONDITIONS SUBSEQUENT

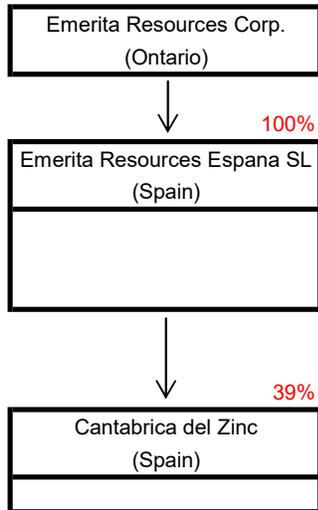
1. Within six months of Closing, issuance of the: (i) strategic environmental statement to be granted as per Chapter I of Law 21/2013, of December 9, 2013, on environmental assessment; and (ii) health impact assessment report to be issued as per Chapter V of Regional Law 16/2011, of December 23, 2011, on Public Health in Andalusia of the IBW Project as part of the Paimogo urban planning regulation update, as described by the certificate issued by Paymogo City Council on 2 May 2024;
2. Within six months of Closing, provide to the regulator in furtherance of the Exploitation Concession application all the additional information required by resolution of 22 March 2024, including: (i) a proposal of the restoration guarantee to be constituted; (ii) the information required for the authorities to prepare the exterior emergency plan for type A mining waste facilities; (iii) risk prevention and management measures for the mining waste facilities including, if applicable, the prevention of serious accident policy and the interior emergency plan; (iv) municipal urban planning compatibility reports from Paymogo and Puebla de Guzmán municipalities; (v) study on the impact on land use and landscape planning, including impact on settlements, transport and communications infrastructure, energy, etc.; (vi) confirmation issued by a certified entity that the exploitation project and the restoration plan submitted comply with the applicable legal requirements; and (vii) report from the mining department of Madrid's Polytechnic University or from an entity of recognized prestige on the geotechnical considerations of the exploitation project, including the stability of the mine and of the treatment plant and the mining waste facilities; and (viii) copy of the documentation with all personal data removed for publication during the public consultation phase;
3. Within six months of Closing, confirmation of the application for the superior interest statement required under article 4.7 of the Water Framework Directive 2000/60/EC and articles 39 and 39 bis of Royal Decree 907/2007 approving the Hydrological Planning Regulation, in relation to the application of the water intake concession to the Guadiana Basin Authority (*Confederación Hidrográfica del Guadiana*); and
4. Within six months of Closing, confirmation of the application for the Unified Environmental Authorization to the regulator including an environmental impact study and an updated environmental restoration plan.

**SCHEDULE 9.1.25
ENVIRONMENTAL MATTERS**

Nil.

SCHEDULE 9.1.20
CORPORATE ORGANIZATION CHART

Emerita Resources Corp.
Organization Chart
14-Mar-24



**SCHEDULE 9.1.31
PROJECT AUTHORIZATIONS**

Permit Title	Legislation
Exploitation Concession derived from “Romanera” Investigation Permit.	Spanish
Approval of the mining execution project, including the mineral processing plant (<i>planta de beneficio</i>)	Spanish
Approval of the environmental restoration plan and its periodic updates	Spanish
Favorable environmental impact statement	Spanish
Unified Environmental Authorization	Spanish
Water intake concession for industrial uses from Guadiana Basin Authority (<i>Confederación Hidrográfica del Guadiana</i>)	Spanish
Activity municipal licence	Spanish
Works municipal licence	Spanish
First occupation municipal licence	Spanish
Operating municipal licence	Spanish
Approval of the annual works plans (<i>planes de labores</i>)	Spanish

SCHEDULE 10.1.1
FORM OF COMPLIANCE CERTIFICATE

TO: Nebari Natural Resources Credit Fund II, LP

RE: Credit Facility for Emerita Resources Corp. (the “Borrower”)

Reference is made to the credit agreement dated as of August 14, 2024 (as changed and in effect from time to time, the “**Credit Agreement**”) among the Borrower, as borrower, Emerita Resources España SLU, as guarantor and the Lender, as lender. All words used in this Compliance Certificate which are defined or given extended meanings in the Credit Agreement have the respective meanings attributed to them in the Credit Agreement.

All words used in this Compliance Certificate which are defined or given extended meanings in the Credit Agreement have the respective meanings attributed to them in the Credit Agreement.

This Compliance Certificate is given pursuant to Subsection 10.1.1 of the Credit Agreement in respect of the month of _____, 20____ (the “**Relevant Period**”).

The undersigned hereby certifies for and on behalf of the Borrower, and not in any personal capacity, to the Lender as follows:

- (1) **Cash Balance.** The Consolidated Cash Balance for the Relevant Period is \$_____.
- (2) **Working Capital Balance.** The Consolidated Working Capital Balance for the Relevant Period is \$_____.
- (3) **Accounts Payable.** The percentage of accounts payable that are more than forty-five (45) days overdue is _____% and the percentage of accounts payable that are more than sixty (60) days overdue.

Each of the calculations in the attachment hereto demonstrates compliance with the limits set forth in Section 10.4 for the Relevant Period.

The undersigned represents, warrants and agrees, for and on behalf of the Borrower, and not in any personal capacity, to the Lender that:

- (1) each representation and warranty made by each Loan Party under each Loan Document is true, accurate and complete (y) in all Material respects if such representation and warranty is not subject

to a materiality qualification or measurement and (z) in all respects if such representation and warranty is subject to a materiality qualification or measurement, it being understood that to the extent such representation and warranty relate solely to a specifically identified earlier date they need only be true, correct and complete as of such earlier date; and

- (2) No Default or Material Adverse Change has occurred and is continuing on the date hereof.

DATED this _____ day of _____, _____.

Yours very truly,

EMERITA RESOURCES CORP.

By: _____
Name:
Title: