

**AMENDED AND RESTATED
MPSA SHAREHOLDERS AGREEMENT**

INMET MINING CORPORATION

- and -

KOREA PANAMA MINING CORP.

- and -

MINERA PANAMA, S.A.

- and -

LS-NIKKO COPPER INC.

- and -

KOREA RESOURCES CORPORATION

- and -

INMET PANAMA II SA

August 20, 2012

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THIS AGREEMENT is made as of this 20th day of August, 2012

BETWEEN:

INMET MINING CORPORATION, a corporation organized under the laws of Canada.

(**“Inmet”**)

- and -

KOREA PANAMA MINING CORP., a corporation organized under the laws of Yukon Territory.

(**“KPMC”**)

- and -

MINERA PANAMA, S.A., a corporation organized under the laws of the Republic of Panama.

(**“MPSA”**)

- and -

LS-NIKKO COPPER INC., a corporation organized under the laws of the Republic of Korea.

(**“LS-Nikko”**)

- and -

KOREA RESOURCES CORPORATION, a corporation organized under the laws of the Republic of Korea.

(**“KORES”**)

- and -

INMET PANAMA II SA, a company organized under the laws of Luxembourg.

(**“Luxco II”**)

WHEREAS:

A. On October 28, 2009, the parties hereto (other than Luxco II) (the **“Original Parties”**) entered into an agreement (such agreement, as amended, the **“MPSA Option Agreement”**)

pursuant to which Inmet granted to KPMC the exclusive and irrevocable right and option (the “**Option**”) to acquire shares in the capital of MPSA on the terms set out in the MPSA Option Agreement;

B. On January 10, 2012, KPMC delivered to Inmet an irrevocable notice exercising the Option and, having paid the amounts required by the MPSA Option Agreement in respect of such exercise, was issued Class B Common Shares of MPSA representing a 20% equity interest in MPSA;

C. On April 24, 2012, the Original Parties entered into a shareholders agreement (the “**Original Agreement**”) to govern the conduct of the business and affairs of MPSA and the interests of Inmet and KPMC therein;

D. On July 18, 2012, Luxco II (an indirect wholly-owned subsidiary of Inmet) became a party to this Agreement by executing a counterparty agreement and became the holder of the issued and outstanding Class A Common Shares of MPSA;

E. On August 20, 2012, the MPSA Articles (as defined herein) were amended to provide for the authorization and issuance of Class A Special Shares and Class B Special Shares; Class A Special Shares and Class B Special Shares were then issued to Luxco II and KPMC, respectively; the current shareholdings in MPSA are as follows:

Luxco II	10,000 Class A Common Shares 10,000 Class A Special Shares
KPMC	2,500 Class B Common Shares 2,500 Class B Special Shares;

F. On August 20, 2012, MPSA, Inmet, Panama I Sarl, Luxco II and Inmet Finance Company Sarl entered into a precious metals purchase and sale agreement (such agreement as it may be amended, the “**PSA**”) with Franco-Nevada (Barbados) Corporation (the “**Stream Purchaser**”) providing for a gold and silver streaming transaction with respect to the Project (as defined herein) whereby MPSA will sell gold and silver to the Stream Purchaser; the PSA has been duly approved by Majority Board Approval and Special Approval and KPMC has consented to MPSA’s entry into the PSA pursuant to a written consent dated the date hereof (the “**KPMC Consent**”);

G. Entry into the PSA and the funding to be provided to MPSA thereunder will assist Luxco II in meeting its funding obligations hereunder and provide greater certainty for the development of the Project, thereby benefiting all Shareholders. Further, it is the intention of the parties that KPMC be protected from Adverse Impacts (as defined herein) that would not have been suffered but for the entering into and performance of the PSA by MPSA. To achieve this intention, the parties have included in this Agreement the Special Share Mechanisms (as defined herein) and, to the extent required in addition thereto, the parties intend to make any necessary Curing Amendments as provided for in Section 3.6.11;

H. The parties hereto are entering into this Agreement (which amends and restates in its entirety the Original Agreement) effective as of the date hereof to govern the conduct of the business and affairs of MPSA and the interests of Inmet and KPMC therein;

NOW THEREFORE in consideration of their respective covenants in this Agreement and other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the parties hereto agree as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions

In this Agreement, the following terms have the following meanings:

“Acceptable Third Party” means an Acceptable Third Party Operator or an Acceptable Third Party Non-Operator;

“Acceptable Third Party Non-Operator” means a reputable and creditworthy metal trading, smelting, metals streaming or metal royalty company acceptable to KPMC, acting reasonably; provided that a Wholly-Owned Subsidiary of such an entity, the performance of whose Project Obligations is fully and unconditionally guaranteed by such entity, shall also be an Acceptable Third Party Non-Operator;

“Acceptable Third Party Operator” means a reputable, widely-held, publicly-listed entity with experience owning, developing or operating a project of similar or greater size and scope to the Project, with the operational, administrative and financial capabilities to fulfill the Project Obligations it assumes and whose long-term indebtedness is rated at least investment grade by Moody’s Corporation, Standard & Poor’s or Fitch Ratings; provided that a Wholly-Owned Subsidiary of such an entity, the performance of whose Project Obligations is fully and unconditionally guaranteed by such entity, shall also be an Acceptable Third Party Operator;

“acquiring Group” has the meaning attributed to such term in Section 5.12.1;

“Adverse Impact” means any adverse impact on the interests, entitlements or obligations of KPMC (as they exist immediately prior to the date hereof) in the Project as a holder of Project Interests in MPSA (that have not otherwise been eliminated by the amendments to this Agreement (including the Special Share Mechanisms) made on or after the date hereof) that would not have been suffered by MPSA but for the entering into or performance by MPSA of the PSA (for so long as KPMC is a holder of Project Interests in MPSA (but does not include any adverse impact arising as a result of, or in connection with, any sale of its interest in MPSA other than with respect to the operation of Sections 5.6 through 5.10 of this Agreement));

“Affected Securities” has the meaning attributed to such term in Section 5.3.1;

“Affiliate” means as to any Person, any other Person which, directly or indirectly, Controls, is Controlled by, or is under common Control with, such Person, provided that MPSA and its

subsidiaries will not constitute Affiliates of any member of the Inmet Group or any member of the KPMC Group and no member of the Inmet Group or the KPMC Group will constitute an Affiliate of MPSA or any of its subsidiaries;

“Agreement” means this Amended and Restated MPSA Shareholders Agreement and any agreement supplementing or amending this Agreement which is executed and delivered in accordance with Section 6.13;

“Annual Work Plan and Budget” has the meaning attributed to such term in Section 2.10;

“Applicable Law” in respect of any Person, property, transaction or event, means all laws, statutes, regulations, common law, judgments, notices, approvals, orders and decrees applicable to that Person, property, transaction or event and, whether or not having the force of law, all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders and policies of any Governmental Body having or purporting to have authority over that Person, property, transaction or event;

“Approved Development Budget” means a Development Work Plan and Budget approved in accordance with the provisions of Section 2.7 as the same may be amended in accordance with the provisions of Section 2.9;

“Approved Distribution Policy” means the distribution policy of MPSA set out in Schedule 1.1(2) as the same may be amended in accordance with Section 6.13;

“Approved Financing Plan” means any Financing Plan approved in accordance with Section 2.4.5 as the same may be amended in accordance with Section 2.4.5;

“Approved Marketing Policy” means the marketing policy set out in Schedule 1.1(3) (as the same may be amended in accordance with Section 6.13) and the PSA;

“Available Cash Flow” means, for any Fiscal Year of MPSA, the lesser of (i) the maximum amount of cash that the MPSA Board, by simple majority, in its discretion determines is available for distribution to holders of Project Interests (and Inmet in respect of loans under Sections 2.7, 2.9 and 2.15) after providing for the payments and amounts set forth in Sections 3.4.1.1 through 3.4.1.4 (inclusive) and retaining prudent reasonable reserves (such reserves to be determined after taking into account MPSA’s other available sources of cash, including the revolving credit facility permitted under Section 2.4.16); and (ii) the maximum amount permitted to be distributed taking into account any restrictions under any Financing Documents then in effect;

“Base Project” has the meaning attributed to such term in Section 2.14.2.1;

“Baseline Cost” means \$6,181,100,000;

“Basic Engineering Report” means the final report of Joint Venture Panama Inc. dated March 27, 2012 with respect to basic engineering for the Project, as supplemented by Capacity Review Report No. 504832-000-49ER-001 only with respect to revising the nominal plant feed rate to 160,000 tonnes per day;

“**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in Toronto, Canada; Seoul, Korea; or Panama City, Panama;

“**Call Notice**” means a Notice given by Inmet in accordance with Section 5.9;

“**Call Notice Date**” means the date upon which Inmet gives a Call Notice to KPMC for the exercise of its rights under Section 5.9;

“**Carry-Along Offer**” has the meaning attributed to such term in Section 5.7.2;

“**Cash Call Notice**” has the meaning attributed to such term in Section 3.1.3;

“**Catch-Up Rate**” means a simple interest rate of [Amount redacted]% per annum;

“**Class A Common Shares**” means the Class A Common Shares in the capital of MPSA;

“**Class A Excess Payment Amount**” has the meaning attributed to such term in Section 3.1.7;

“**Class A Special Dividends**” has the meaning attributed to such term in Section 3.6.3;

“**Class A Special Shares**” means the Class A Special Shares in the capital of MPSA;

“**Class B Common Shares**” means the Class B Common Shares in the capital of MPSA;

“**Class B Matching Dividends**” has the meaning attributed to such term in Section 3.6.4.1;

“**Class B Quarterly Dividends**” has the meaning attributed to such term in Section 3.6.4.2;

“**Class B Special Dividends**” has the meaning attributed to such term in Section 3.6.4.2;

“**Class B Special Shares**” means the Class B Special Shares in the capital of MPSA;

“**Completion**” means attainment of the Completion Date;

“**Completion Date**” means, (i) if an Approved Financing Plan is not implemented, the last day of the calendar quarter in which production by the Project is an average rate of not less than 60% of the production rate contemplated by the Basic Engineering Report, as reported to the MPSA Board in writing promptly following the completion of such calendar quarter, or (ii) if an Approved Financing Plan is implemented, the later of (A) the date described in (i), and (B) the last day of the calendar quarter in which Inmet, KPMC and the KPMC Shareholders are irrevocably released from their respective guarantees provided under all Approved Financing Plans;

“**Concession**” means the concession to explore, extract, exploit, benefit from, process, refine, transport, sell and commercialize all minerals located in the Area of the Concession (as defined in the Concession) that is granted through the contract executed by Minera Petaquilla, S.A. (now MPSA) and the Republic of Panama, among others, as approved by Ley No. 9-1997, all as further described in Schedule 1.1(1);

“**Control**” means:

- (a) when applied to the relationship between a Person and a Corporation, the beneficial ownership by such Person at the relevant time of shares of such Corporation carrying either more than 50% of the voting rights ordinarily exercisable at meetings of shareholders of such Corporation or the percentage of voting rights ordinarily exercisable at meetings of shareholders of such Corporation that are sufficient to elect a majority of the directors of such Corporation; and
- (b) when applied to the relationship between a Person and a partnership or joint venture, the beneficial ownership by such Person at the relevant time of more than 50% of the ownership interests of the partnership or joint venture in circumstances where it can reasonably be expected that such Person directs the affairs of the partnership or joint venture;

and the words “**Controlled by**”, “**Controlling**” and similar words have corresponding meanings; provided that a Person (the “**first-mentioned Person**”) who Controls a Corporation, partnership or joint venture (the “**second-mentioned Person**”) shall be deemed to Control: (i) a Corporation, partnership or a joint venture (the “**third-mentioned Person**”) which is Controlled by the second-mentioned Person, (ii) a Corporation, partnership or joint venture which is controlled by the third-mentioned Person and (iii) so on;

“**Corporation**” means a corporation, an incorporated company or a limited liability company under Applicable Law, or a *Sociedad Anónima* under Panamanian law;

“**Cost to Complete**” means, as of any date, the projected overall cost to construct and develop the Project in accordance with the Basic Engineering Report, being actual expenditures incurred by MPSA for pre-development and development activities from May 1, 2012 up to such date and forecasted costs to be incurred to construct and develop the Project in accordance with the Basic Engineering Report after such date;

“**Cure Period**” has the meaning attributed to such term in Section 3.2.2;

“**Curing Amendment**” means any amendment to the relative interests, entitlements or obligations as holders of Project Interests in MPSA of the members of the KPMC Group on the one hand and the members of the Inmet Group on the other hand, in each case which are parties to this Agreement, so as to eliminate an Adverse Impact;

“**Default Loan**” has the meaning attributed to such term in Section 3.2.3;

“**Default Loan Notes**” has the meaning attributed to such term in Section 3.2.6;

“**Defaulted Contribution**” has the meaning attributed to such term in Section 3.2.1;

“**Defaulting Group**” has the meaning attributed to such term in Section 3.2.1;

“**Determination Date**” has the meaning attributed to such term in Section 3.3.1;

“Development Phase” means the period beginning on the earlier of (i) the date on which Inmet gives the Inmet Final Commitment to KPMC, and (ii) the date on which MPSA gives an FNTF, and ending on the Completion Date;

“Development Work Plan and Budget” means the overall development program and budget implementing the construction and development of the Project in accordance with the Basic Engineering Report;

“Dispute” has the meaning attributed to such term in Section 6.8.1;

“Emergency” means any unexpected or extraordinary act, event or occurrence which requires immediate or timely action to mitigate, minimize or terminate the consequences of such act, event or occurrence or to preserve or protect life, limb, property or the environment;

“Enhanced Dilution” has the meaning attributed to such term in Section 3.3.1;

“Equivalent Amount” has the meaning attributed to such term in Section 3.6.6;

“Excess Proposed Increase” has the meaning attributed to such term in Section 2.9.2.3;

“Expansion” means any increase in the production capacity of the Project not contemplated in the Basic Engineering Report or occurring at an earlier time than that contemplated in the Basic Engineering Report, other than an increase in production capacity resulting from optimization measures or the removal of obstacles or impediments to the capacity, efficiency or utilization of a process, plant or equipment (“debottlenecking”) that, in each case, is undertaken within 12 months of Completion to achieve the design capacity contemplated by the Basic Engineering Report and the cost of which do not exceed \$[Amount redacted] million in aggregate. For greater certainty, the construction of the Third Line Addition to the processing plant having a scope and at the time contemplated in the Basic Engineering Report will not constitute an Expansion;

“Expansion Participation Notice” has the meaning attributed to such term in Section 2.14.3;

“Expansion Participation Period” has the meaning attributed to such term in Section 2.14.3;

“Expansion Shareholder” has the meaning attributed to such term in Section 2.14.2;

“Expansion Work Plan and Budget” has the meaning attributed to such term in Section 2.14.2.1;

“Financing Documents” means all documents executed pursuant to an Approved Financing Plan, as such documents may be supplemented, amended or replaced from time to time in accordance with this Agreement, such Financing Documents and the Approved Financing Plan;

“Financing Plan” means a plan for third party debt financing of the engineering, procurement, construction, management and development of the Project in accordance with the Basic Engineering Report (for greater certainty, excluding the PSA);

“**Financial Variables**” has the meaning attributed to such term in Section 5.10.1;

“**Fiscal Year**” has the meaning attributed to such term in Section 4.2;

“**Fixed Gold Price**” has the meaning set forth in Section 1.1 of the PSA;

“**Fixed Silver Price**” has the meaning set forth in Section 1.1 of the PSA;

“**FNTP**” means a full irrevocable and unconditional final notice to applicable third parties to proceed with the development of the Project in accordance with an Approved Development Budget;

“**GAAS**” has the meaning attributed to that term in Section 4.3.1;

“**General Manager**” has the meaning attributed to such term in Section 2.12.1;

“**Governmental Body**” means any national, provincial, state, regional, municipal or local government, governmental department, commission, board, bureau, agency, authority or instrumentality of the Republic of Panama, Korea, Canada or any political subdivision thereof, and any Person exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of or pertaining to any of the foregoing entities, including all tribunals, commissions, boards, bureaus, arbitrators and arbitration panels, and any authority or other Person controlled by any of the foregoing;

“**Group**” means the Inmet Group or the KPMC Group, as applicable, and “**Groups**” means both of them;

“**Group Interests**” means Project Interests and Member Interests, or any of them;

“**Holdco**” has the meaning attributed to such term in Section 5.2.1;

“**IFRS**” has the meaning attributed to that term in Section 4.3.1;

“**including**” and “**includes**” shall be deemed to be followed by the statement “without limitation” and neither of such terms shall be construed to limit any word or statement which it follows to the specific or similar items or matters immediately following it;

“**Initial Baseline Cost**” means the Baseline Cost plus the Initial Increase, if any;

“**Initial Catch-Up Notice**” has the meaning attributed to such term in Section 2.7.5.3.1;

“**Initial Catch-Up Period**” has the meaning attributed to such term in Section 2.7.5.3.1;

“**Initial Excess**” has the meaning attributed to such term in Section 2.7.5.3;

“**Initial Increase**” has the meaning attributed to such term in Section 2.7.5;

“**Inmet Final Commitment**” means a Notice from Inmet to KPMC irrevocably and unconditionally committing to fund, when due, its proportionate share of the construction of the

Project and all related processing facilities and infrastructure for the mining, handling, milling, processing or other beneficiation of materials at the Project on the basis set out in an Approved Development Budget;

“Inmet Group” means at any time Inmet, each Wholly-Owned Subsidiary of Inmet and each Holdco in which Inmet or a Wholly-Owned Subsidiary of Inmet owns, directly or indirectly, beneficially or of record, outstanding stock or other voting interests and, in the case of each of the foregoing, which owns, directly or indirectly, any Project Interest at such time;

“Inmet Marketing Agreement” means any proposed marketing agreement between MPSA and Inmet in respect of the marketing by Inmet of that portion of the copper concentrate produced from the Project that is not subject to the Offtake Agreement;

“KPMC” means Korea Panama Mining Corp., a corporation organized under the laws of Yukon Territory;

“KPMC Formula Price” means the price payable to KPMC for its Project Interests if so requested by KPMC in the circumstances set forth in Sections 5.6 and 5.7, as applicable;

“KPMC Group” means at any time KPMC, each KPMC Shareholder and each Wholly-Owned Subsidiary of KPMC or a KPMC Shareholder which owns, directly or indirectly, any Project Interest at such time;

“KPMC Group’s Project Interests Value” has the meaning attributed to such term in Section 5.10.1;

“KPMC Offer” has the meaning attributed to such term in Section 5.11.2;

“KPMC Offer Price” has the meaning attributed to such term in Section 5.6 or 5.7, as applicable;

“KPMC Shareholder” means any shareholder of KPMC and includes LS-Nikko and KORES, in each case provided that it owns, directly or indirectly, beneficially or of record, stock or voting interests of KPMC, and **“KPMC Shareholders”** means all such shareholders;

“Majority Board Approval” means the affirmative vote of a simple majority of those directors present or represented and permitted to vote at a meeting of the MPSA Board duly called at which a Quorum was present; provided that “Majority Board Approval” shall also include approval by an instrument in writing signed by all directors then comprising the MPSA Board;

“Majority Shareholder” means the Shareholder, if any, whose Group holds Ownership Interests aggregating more than 50% of the issued and outstanding Ownership Interests;

“Majority Shareholder Approval” means either the affirmative vote of Shareholders (or their representatives) holding Ownership Interests aggregating more than 50% of the issued and outstanding Ownership Interests at a meeting of Shareholders duly called at which a Shareholder Quorum was present, or an instrument in writing signed by all Shareholders then holding MPSA Common Shares;

“Member Equity” means any preferred, special or other share in the capital of any member of any Group issued and outstanding from time to time and any security or instrument exchangeable or exercisable for or convertible into a preferred, special or other share in the capital of such member, in each case held by another member of such Group;

“Member Interest” has the meaning ascribed thereto in Section 5.5.1;

“Member Shareholder Loan” means any loan advanced directly to a member of any Group by any other member of such Group;

“MPSA” means Minera Panama, S.A., a corporation organized under the laws of the Republic of Panama;

“MPSA Articles” means the articles of incorporation and by-laws (if any) of MPSA, as they may be amended from time to time;

“MPSA Board” means the Board of Directors of MPSA;

“MPSA Common Shares” means common shares in the capital of MPSA including the Class A Common Shares and the Class B Common Shares;

“MPSA Option Agreement” has the meaning set out in the recitals hereto;

“MPSA Security” means an MPSA Share, a preferred, special or other share in the capital of MPSA issued and outstanding from time to time and any security or instrument exchangeable or exercisable for or convertible into an MPSA Share or a preferred, special or other share in the capital of MPSA;

“MPSA Shares” means MPSA Common Shares and MPSA Special Shares;

“MPSA Special Shares” means special shares in the capital of MPSA including the Class A Special Shares and the Class B Special Shares;

“Negotiation Period” has the meaning attributed to such term in Section 5.8.2;

“Non-Defaulting Group” means, at any time that there is a Defaulting Group, the Group which is not a Defaulting Group at such time;

“Non-KPMC Offer Price” has the meaning attributed to such term in Section 5.6 or 5.7, as applicable;

“Notice” has the meaning attributed to such term in Section 6.6;

“Offtake Agreement” means an offtake agreement to be entered into between KPMC and MPSA providing for the sale by MPSA to KPMC of copper concentrate produced at the Project, substantially on the terms set out in Schedule 2.13;

“Option” has the meaning set out in the recitals hereto;

“Ordinary Course of Business” means, with respect to an activity proposed to be undertaken to develop or construct the Project, an activity that is contemplated by the Basic Engineering Report as being required to develop or construct the Project in accordance with the Basic Engineering Report, as the same may be supplemented, modified or replaced from time to time in accordance with the provisions of this Agreement, and, with respect to an activity proposed to be undertaken in operating the Project, an activity that is required to operate the Project in accordance with such Basic Engineering Report and in a manner consistent with generally accepted practices in the operation of a copper mining and processing operation similar in size, scope and status to the Project;

“Outstanding Amount” has the meaning attributed to such term in Section 3.6.7;

“Ownership Interests” or **“OI”** means, in respect of a Group at any time, the percentage of the issued and outstanding MPSA Common Shares held directly by the members of such Group at such time;

“Person” includes an individual, body corporate, partnership, joint venture, trust, unincorporated organization, Governmental Body or any other entity recognized by law;

“Piggy-Back Offer” has the meaning attributed to such term in Section 5.6.1;

“Project” means the Cobre Panama project comprised of the Cobre Panama porphyry copper deposit located in the District of Donoso, Colon Province, in the Republic of Panama and the open-pit copper mine and processing and related facilities which MPSA proposes to build and operate in respect thereof in accordance with the Basic Engineering Report;

“Project Interests” of any Group means all MPSA Securities, Shareholder Loans and Default Loans held by the members of that Group;

“Project Obligations” of any Group means all of the liabilities and obligations of the members of that Group (i) to fund the development of the Project on the terms set out in this Agreement, and (ii) under the Financing Documents, and **“Project Obligation”** means any portion thereof;

“Proposed Increase” has the meaning attributed to such term in Section 2.9.1;

“Pro-Rata Percentage” means, at any time, the percentage (expressed as a decimal amount) obtained when dividing (x) the number of then outstanding Class B Common Shares, by (y) the number of then outstanding Class A Common Shares;

“PSA” has the meaning set forth in the recitals hereto;

“PSA Purchaser” means the Purchaser, as defined in the PSA;

“Quorum” has the meaning attributed to such term in Section 2.2.1;

“Refined Gold” has the meaning set forth in Section 1.1 of the PSA;

“Refined Silver” has the meaning set forth in Section 1.1 of the PSA;

“Resulting OI” means, for a Defaulting Group, the OI of such Defaulting Group determined pursuant to Section 3.3.1 and for a Non-Defaulting Group, the OI of such Non-Defaulting Group determined pursuant to Section 3.3.2;

“ROFO Buyer” has the meaning attributed to such term in Section 5.11.4;

“ROFO Notice” has the meaning attributed to such term in Section 5.11.2;

“SBA Unfunded Amount” has the meaning attributed to such term in Section 3.6.4.1;

“Securities Law Requirements” has the meaning ascribed to that term in Section 4.3;

“selling Group” has the meaning attributed to such term in Section 5.12.1;

“Shareholder” means any Person holding one or more MPSA Shares;

“Shareholder Loan” means any loan advanced directly to MPSA by a Shareholder or on its behalf and for its account by any member of the Group of which such Shareholder is a member, as required by Section 3.1 or 3.2, but excluding, for greater certainty, any loans advanced under an Approved Financing Plan;

“Shareholder Loan Notes” means the promissory notes of MPSA payable to the Shareholders, each in principal amount equal to the aggregate amount of any Shareholder Loans owing to the Shareholders from time to time, as such promissory notes may be amended from time to time in accordance with this Agreement, but excluding, for greater certainty, any Financing Documents;

“Shareholder Quorum” has the meaning attributed to such term in Section 2.3.1;

“Special Approval” means either (i) the affirmative vote of holders of MPSA Common Shares (or their representatives) whose Groups hold Ownership Interests aggregating more than 50% of the issued and outstanding Ownership Interests at a meeting of Shareholders duly called at which a Shareholder Quorum was present, provided that such Shareholders voting affirmatively must include at least one member of each Group that has an Ownership Interest of 15% or more, or (ii) an instrument in writing signed by all Shareholders then holding MPSA Common Shares;

“Special Share Mechanisms” has the meaning attributed to such term in Section 3.6.1;

“Specified Inmet Entity” has the meaning set forth in Section 3.6.6;

“Subject Interests” has the meaning attributed to such term in Section 5.11.1;

“Third Line Addition” means the third line addition to the processing plant described in the Basic Engineering Report;

“Third Party” has the meaning attributed to that term in Section 5.6;

“Third Party Offer” has the meaning attributed to that term in Section 5.6;

“**Total Offer Price**” has the meaning attributed to such term in Section 5.6 or 5.7, as applicable;

“**Transfer**” has the meaning attributed to that term in Section 5.1.1;

“**Transferred Shareholder Loans**” has the meaning attributed to such term in Section 3.6.7.1;

“**Variance Catch-Up Notice**” has the meaning attributed to such term in Section 2.9.2.3.1;

“**Variance Catch-Up Period**” has the meaning attributed to such term in Section 2.9.2.3.1;

“**Wholly-Owned Subsidiary**” means, with respect to any Person at any time, a subsidiary 100% of whose stock or other voting interests of every class (except for directors’ qualifying shares) is owned of record and beneficially at such time by such Person and/or one or more other Wholly-Owned Subsidiaries of such Person;

“**Withdrawal Notice**” has the meaning attributed to such term in Section 2.7.4; and

“**Work Plan and Budget**” means a work plan and budget prepared by MPSA pursuant to which the operations and activities of MPSA are to be conducted upon receipt of approval thereof in accordance with the provisions of this Agreement.

1.2 Number and Gender

In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.3 Headings

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. All uses of the words “**hereto**,” “**herein**,” “**hereof**,” “**hereby**” and “**hereunder**” and similar expressions refer to this Agreement and not to any particular section or other portion of it. References to an Article or Section refer to the applicable article or section of this Agreement.

1.4 Governing Law/Attornment/Waiver of Jury Trial

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The courts of the Province of Ontario shall have jurisdiction to entertain any action arising under this Agreement and each of the parties to this Agreement hereby attorns to the non-exclusive jurisdiction of such courts. Each of the parties hereto hereby irrevocably waives any and all rights to trial by jury in any legal proceedings arising out of or related to this Agreement.

1.5 Business Day

If any action required by this Agreement is to be taken on a day which is not a Business Day, such action shall be taken on the next succeeding Business Day.

1.6 Currency

Unless otherwise indicated, all references to currency herein are to U.S. Dollars.

1.7 Schedules

The following are the Schedules annexed hereto and incorporated by reference and deemed to be a part hereof.

Schedule 1.1(1)	- Concession
Schedule 1.1(2)	- Approved Distribution Policy
Schedule 1.1(3)	- Approved Marketing Policy
Schedule 2.7.5.3.4	- Dilution Calculation
Schedule 2.13	- Offtake Term Sheet
Schedule 3.3.3	- Dilution Example
Schedule 3.6.9	- The PSA and Special Dividends
Schedule 5.8	- Determination of KPMC Formula Price

ARTICLE 2

MANAGEMENT OF MPSA

2.1 Composition of the MPSA Board

2.1.1 The MPSA Board shall be comprised of such number of directors as may be determined by the Majority Shareholder or, if there is no Majority Shareholder, by Majority Shareholder Approval. Each Group shall be entitled to nominate a number of directors to the MPSA Board which is closest (rounding up or down to the nearest whole number) to being proportional to its Ownership Interest; provided that notwithstanding the foregoing, (i) each Group shall be entitled to nominate at least one director to the MPSA Board as long as its Ownership Interest is at least 15%, and (ii) the Majority Shareholder shall always be entitled to nominate a majority of the directors. Each Shareholder agrees to vote in favour of the individuals nominated as provided by this Section 2.1.1 in order to cause their election to the MPSA Board. In accordance with the foregoing, forthwith following execution of this Agreement, the MPSA Board shall be comprised of eight directors of whom six shall be nominated by Inmet on behalf of the Inmet Group and two shall be nominated by KPMC on behalf of the KPMC Group.

2.1.2 Each nominee for the position of director of MPSA shall be an individual who is not disqualified under Applicable Law from acting as a director of MPSA. Any Group may at any time direct that one or more of its nominee directors be removed and/or replaced, which direction shall be given effect forthwith by the Shareholders. If a director of MPSA ceases to be a director for any reason (a "retiring director"), the Group that nominated the retiring director shall nominate an individual who is not disqualified under Applicable Law from acting as a director of MPSA to fill the vacancy, which nomination shall be given effect forthwith by the Shareholders.

2.1.3 If following any change in the Ownership Interests of the Groups, or following any increase or decrease in the number of directors, there has been a change in the entitlement of the Groups to nominate directors for election to the MPSA Board (calculated on the basis set out in Section 2.1.1), then the Group whose nomination rights have decreased shall promptly cause a sufficient number of its nominee directors to resign in order to create vacancies on the MPSA Board to allow the other Group whose nomination rights have increased to nominate additional directors and such other Group shall then nominate additional directors to fill the vacancies, which nominations shall be given effect immediately by the Shareholders.

2.1.4 Until the earlier of (i) the date on which a vacancy referred to in Section 2.1.2 or Section 2.1.3 is filled and (ii) the thirty-first (31st) day after such vacancy arises (and, for greater certainty, without affecting the right of a Group to nominate an individual to fill such vacancy), the MPSA Board shall not transact any business or exercise any of its powers or duties (other than with respect to the declaration of dividends on the Class A Special Shares and the Class B Special Shares as provided for herein and in the MPSA Articles).

2.2 Proceedings of the MPSA Board

2.2.1 In addition to such requirements as are prescribed by Applicable Law, a quorum for meetings of the MPSA Board (a “**Quorum**”) must include at least one director nominated by each of the Inmet Group and the KPMC Group so long as the Ownership Interest of that Group is at least 15%. Notwithstanding the foregoing, if at the time scheduled for a meeting a Quorum is not present or represented because at least one director nominated by a Group is not in attendance or represented, then (i) the meeting shall be adjourned to the same time and place on a Business Day which is no sooner than 48 hours and no later than 96 hours thereafter or such other time, place and/or date as both Groups agree, (ii) Notice of the adjourned meeting shall be given to such Group(s) and all directors and (iii) the directors present at such adjourned MPSA Board meeting shall constitute a Quorum for purposes of such meeting.

2.2.2 All decisions or actions of the MPSA Board shall require Majority Board Approval.

2.2.3 The MPSA Board shall appoint as Chairman of the MPSA Board to act as such for one calendar year or until his replacement is appointed: (i) one of the directors nominated by the Majority Shareholder; or (ii) if there is no Majority Shareholder, one of the directors chosen by Majority Shareholder Approval. The Chairman of the MPSA Board shall not have a casting vote.

2.2.4 The MPSA Board shall meet on an as needed basis, but not less frequently than quarterly. Any director may, by giving written notice to the Chairman of the MPSA Board and all other directors, request that the Chairman of the MPSA Board call a meeting of the MPSA Board. If the Chairman of the MPSA Board does not call a meeting of the MPSA Board within 10 days after receiving such notice, then such director may call a meeting acting alone. The Shareholders and MPSA shall take such steps as are required under

Applicable Law in order to ensure that at least one director nominated by each Group is entitled to call a meeting of the MPSA Board. All meetings of the MPSA Board shall be held on not less than 10 days' prior written notice to all directors or on shorter prior notice if all directors consent thereto, unless notice is waived by all directors. Attendance or participation at a meeting of the MPSA Board by a director shall constitute a waiver of notice (except where a director attends such meeting for the express purpose of objecting to the transaction of business on the ground that the meeting is not properly called). Each notice of an MPSA Board meeting shall set out the proposed agenda for the meeting and shall have attached thereto all reports and other material to be discussed at such MPSA Board meeting. Meetings of the MPSA Board shall be held in Panama City, Panama or such other place permitted by Applicable Law and the MPSA Articles as approved from time to time by Majority Board Approval. If reasonably practicable, meetings of the MPSA Board may also be held by means of, and, at the request of a director not attending any such meeting in person, will be held by means of, such telephone, electronic or other communications facilities as permit all individuals participating in the meeting to communicate with each other simultaneously and instantaneously.

2.2.5 In lieu of a meeting, resolutions of the MPSA Board may be validly passed by an instrument in writing signed by all directors and in such case shall be effective as of the date signed by the last director, unless the resolution specifies an effective date, in which case, the resolution, once signed by all directors, shall be effective on such specified date.

2.2.6 MPSA shall reimburse each of its directors for all reasonable expenses incurred by such director in connection with attending meetings of the MPSA Board.

2.3 Shareholder Meetings

2.3.1 A quorum for all meetings of Shareholders (a "**Shareholder Quorum**") shall consist of Shareholders present in person or by proxy representing (i) a majority of the issued and outstanding Ownership Interests and (ii) subject to the rules for the abridgement of quorum requirements in this Section 2.3.1, each Group whose members hold, in the aggregate, 15% or more of all issued and outstanding Ownership Interests; provided that if at the time scheduled for a meeting a Shareholder Quorum is not present because a Group is not represented, then (A) the meeting shall be adjourned to the same time and place on a Business Day determined by the Group represented at the meeting which is no sooner than 48 hours and no later than 96 hours thereafter or such other time, place and/or date as both Groups agree, (B) Notice of the adjourned meeting shall be given to such Group(s) and (C) the Shareholders present at such adjourned meeting shall constitute a Shareholder Quorum for purposes of such meeting.

2.3.2 Except as provided in Section 2.4 or as expressly provided in any other provision of this Agreement, all Shareholder decisions and actions shall require Majority Shareholder Approval.

2.3.3 The Shareholders shall meet not less frequently than required by Applicable Law. The MPSA Board shall be responsible for calling meetings of Shareholders, which shall be held on not less than 15 Business Days' prior written notice or such shorter period

as permitted by Applicable Law and the MPSA Articles. Notwithstanding the foregoing, any holder of MPSA Common Shares may, at any time by giving written notice to the Chairman of the MPSA Board and all other directors, request that the MPSA Board call a meeting of Shareholders. If the MPSA Board does not call a meeting of Shareholders to be held within 20 Business Days after receiving such notice, then the requesting Shareholder shall be entitled to call the meeting. Each notice of a Shareholders meeting shall set out the address of the place where the meeting is to be held and the proposed agenda for the meeting and shall have attached thereto all reports and other material to be discussed at such Shareholders' meeting.

2.3.4 All meetings of Shareholders shall be held in Panama City, Panama or such other place permitted by Applicable Law and the MPSA Articles as approved from time to time by Majority Shareholder Approval. If reasonably practicable, meetings of the Shareholders may also be held by means of, and, at the request of any Shareholder entitled to attend and vote thereat whose representatives are not attending any such meeting in person, will be held by means of, such telephone, electronic or other communications facilities as permit all individuals participating in the meeting to communicate with each other simultaneously and instantaneously.

2.3.5 In lieu of a Shareholders meeting, resolutions of the Shareholders may be validly passed by an instrument in writing signed by all Shareholders entitled to attend and vote at such meeting and in such case shall be effective as of the date signed by the last such Shareholder, unless the resolution specifies an effective date, in which case the resolution, once signed by all such Shareholders shall be effective on such specified date.

2.3.6 As provided for in the MPSA Articles, the holders of MPSA Special Shares shall not be entitled to receive notice of, attend or vote at any meeting of Shareholders and all holders of MPSA Common Shares shall vote together as a single class on all matters. If a separate vote of any class of MPSA Shares is required or the MPSA Special Shares are accorded voting rights in connection with any matter pursuant to Applicable Law or otherwise, the approval or non-approval of such matter shall be determined in the manner provided for in this Agreement and thereafter each Shareholder shall be required to cause all of the MPSA Shares held by it to be voted in a manner to give effect to such determination and shall not oppose or otherwise challenge the determination of such matters under Applicable Law.

2.4 Matters Requiring Special Approval

MPSA may not, and will ensure that its Affiliates do not, make a decision about, take any action or implement, and no resolution may be enforced or enacted by the MPSA Board or any director or officer of MPSA or its Affiliates, nor any action taken by the MPSA Board as a board, relating to any matter or action described in one or more of the following subsections of this Section 2.4 without receiving prior Special Approval (provided that (i) any single action or matter and (ii) any action or matter necessary to implement such action or matter that, in each case, is described in more than one of the following subsections need only be approved by one Special Approval applying to all such actions or matters):

2.4.1 Any amendment to the MPSA Articles that would reasonably be expected to adversely affect the rights of KPMC set out therein. For greater certainty, the conversion of one class of MPSA Shares into another class of MPSA Shares having the same rights and entitlements (other than in respect of class voting) shall not be considered by itself to adversely affect the rights of KPMC under the organizational documents of MPSA;

2.4.2 Any issuance, repurchase, cancellation or sale of MPSA Shares, other than issuances required under this Agreement to reflect Shareholder funding or dilution or actions required to give effect to Transfers of Project Interests permitted under this Agreement;

2.4.3 Any adoption, approval or recommendation of any plan of complete or partial liquidation, dissolution, winding-up, merger, spin-off, demerger or consolidation of MPSA;

2.4.4 Any declaration or payment of dividends, including any declaration or payment of a special dividend, or other distributions on any class or series of MPSA Securities other than Class A Special Dividends, Class B Special Dividends or in accordance with the Approved Distribution Policy;

2.4.5 Any Financing Plan or any amendment to an Approved Financing Plan;

2.4.6 If an Approved Financing Plan is implemented, any amendment to any Financing Document to which MPSA is a party which is inconsistent with the Approved Financing Plan, or which materially adversely affects any rights or obligations that a Group may have, directly or indirectly, under a guarantee provided by a member of that Group pursuant to the Approved Financing Plan;

2.4.7 Any borrowing of funds from a third party by MPSA or its Affiliates (other than under an Approved Financing Plan) for which any Shareholder will be required to provide a guarantee, security or otherwise become directly liable for any portion of such debt or in respect of which MPSA or any of its Affiliates is required to provide any security;

2.4.8 Approval of the form of, or any amendment to the form of, the Shareholder Loan Notes;

2.4.9 Any filing of a petition or application by MPSA relating to bankruptcy, insolvency, readjustment of debt, moratorium on payments or creditors' rights;

2.4.10 Any variance to an approved Annual Work Plan and Budget resulting in an increase of 10% or more in the aggregate costs of budgeted items under such Annual Work Plan and Budget (provided, for greater certainty, that the approval of a new Annual Work Plan and Budget for a subsequent Fiscal Year shall not be a variance for purposes of this Section 2.4.10);

2.4.11 Any agreement for the sale of copper or other commodities by MPSA or any of its Affiliates (other than pursuant to the Offtake Agreement or the PSA) or any other

marketing agreement, in each case that is not consistent with the Approved Marketing Policy;

2.4.12 Any Expansion;

2.4.13 Any decision to permanently or temporarily suspend the operation of the Project (other than due to operational conditions or an event of force majeure) where such suspension would result in a reduction of planned metal production during any period not less than one Fiscal Quarter by an amount greater than 50% of the planned metal production at the Project during the same period in the preceding Fiscal Year;

2.4.14 Any acquisition by MPSA or any of its Affiliates of assets, including any property, business or corporation (or other entity or division thereof), other than an acquisition in the Ordinary Course of Business. For greater certainty, the acquisition of any substitute property, being required to be acquired to achieve the same design requirements (including throughput and operating costs) as other property that is contemplated by the Basic Engineering Report or set out in the Development Work Plan and Budget as being required to construct and develop the Project in accordance with the Basic Engineering Report, shall not be considered to be an acquisition requiring Special Approval;

2.4.15 Any disposition by MPSA or any of its Affiliates of assets (including through the sale of securities of subsidiaries of MPSA) other than a disposition in the Ordinary Course of Business. For greater certainty, the disposition of property that is contemplated by the Basic Engineering Report or set out in the Development Work Plan and Budget as being required to construct and develop the Project in accordance with the Basic Engineering Report, but for which substitute property was required to be acquired to achieve the same design requirements (including throughput and operating costs) as such property, shall not be considered to be a disposition requiring Special Approval;

2.4.16 Any encumbrance on the properties or assets of MPSA or any of its Affiliates (including securities of Affiliates of MPSA), other than (i) encumbrances granted in accordance with an Approved Financing Plan; (ii) statutory liens imposed by a Governmental Body, (iii) encumbrances arising by operation of law; (iv) security granted in respect of asset additions in the Ordinary Course of Business; (v) encumbrances reasonably required to develop and operate the Project in the Ordinary Course of Business, other than encumbrances in respect of indebtedness incurred to fund the development or (except as permitted in (vi)) operation of the Project; and (vi) security required to support a \$[Amount redacted] million revolving line of credit for working capital and other operational purposes;

2.4.17 Any transaction or agreement between MPSA or any of its Affiliates and any Shareholder or any of such Shareholder's respective Affiliates (including, in respect of KPMC, any KPMC Shareholder) (i) whose value, together with the value of all other transactions or agreements with such Shareholder or any of such Shareholder's Affiliates in respect of the same subject matter, exceeds \$[Amount redacted] million and that is not on commercially reasonable arms' length terms (which determination is subject to arbitration), or (ii) that is an Inmet Marketing Agreement that is not on commercially

reasonable arms' length terms (which determination is subject to arbitration). Any related party transaction not requiring Special Approval would nonetheless be presented to the MPSA Board for informational purposes;

2.4.18 Any change of the Fiscal Year end of MPSA; and

2.4.19 Any amendment to the PSA, except (x) where such amendment is immaterial, or (y) where such amendment is not prejudicial to the interests, entitlements or obligations of KPMC in the Project as a holder of Project Interests in MPSA.

2.5 Approval of Work Plans and Budgets

All operations and activities of MPSA shall be conducted only in accordance with approved Work Plans and Budgets. Any variance proposed in a Development Work Plan and Budget or Annual Work Plan and Budget shall require Majority Board Approval and such Special Approvals as may be required under Section 2.4, and shall be subject to such other procedures in Sections 2.7, 2.8 and 2.9 as may be applicable.

2.6 Pre-Development Phase Interim Budgets

Prior to the commencement of the Development Phase, one or more interim budgets shall be recommended by management of MPSA to the MPSA Board after consultation with Inmet as operator of the Project. Such interim budgets shall be prepared in respect of each Fiscal Year and such shorter periods as the MPSA Board shall determine and shall be based on the anticipated operations of MPSA, shall contain such details as to the nature, timing and projected costs of, and sources of funds for and from, operations, activities, expenditures and acquisitions to be made or conducted during the period covered by such interim budget as are customary in the industry and shall contain detailed operating and capital budgets for MPSA. All activities detailed in an interim budget shall, in the opinion of Inmet as operator of the Project, be for the purpose of maintaining the status of the Project or advancing the Project so as to enable the Shareholders to make a decision as to the development of the Project, in each case in a prudent and reasonable manner appropriate to the current status of the Project. All interim budgets shall be approved by Majority Board Approval and shall be funded by each holder of MPSA Common Shares in proportion to the number of MPSA Common Shares held by it.

2.7 Approval of the Development Work Plan and Budget

2.7.1 MPSA shall prepare and seek the approval of the MPSA Board for the Development Work Plan and Budget providing for the funding of the development of the Project to be provided by the Shareholders or under an Approved Financing Plan. The Development Work Plan and Budget requires approval by Majority Board Approval and, if required by Applicable Law, approval by Majority Shareholder Approval. Any Development Work Plan and Budget so approved will be an Approved Development Budget.

2.7.2 The Approved Development Budget shall govern operations and spending during the Development Phase and thereafter through to substantial completion of the

Project in accordance with the Basic Engineering Report. Although the Approved Development Budget will relate to the entire Development Phase and thereafter through to substantial completion of the Project in accordance with the Basic Engineering Report, during the Development Phase the MPSA Board may in its discretion approve Work Plans and Budgets for such shorter periods as it considers appropriate to optimize the implementation of the Approved Development Budget, provided such Work Plans and Budgets are consistent with the Approved Development Budget.

2.7.3 If an Approved Development Budget is approved in accordance with Section 2.7.1 on or before October 31, 2012 and that Approved Development Budget is based in all material respects on the Basic Engineering Report and has a Cost to Complete less than or equal to the Baseline Cost, all Shareholders will be deemed to have authorized MPSA to give an FNTF in accordance with such Approved Development Budget.

2.7.4 If MPSA has not issued an FNTF by October 31, 2012 (the “**IFC Notice Date**”) implementing an Approved Development Budget that is based in all material respects on the Basic Engineering Report and has a Cost to Complete less than or equal to the Baseline Cost, KPMC may elect to withdraw from the Project by providing Notice of such election (the “**Withdrawal Notice**”) to MPSA and Inmet within 20 Business Days after the IFC Notice Date, or, if such date is extended past October 31, 2012 as provided below, within 20 Business Days after the later of the extended IFC Notice Date and the date upon which MPSA gives Notice to KPMC of the extended IFC Notice Date. The IFC Notice Date is subject to extension for up to 10 Business Days after the cessation of any event or condition existing on October 31, 2012 that is beyond the reasonable control of MPSA and that makes it impossible or impracticable to proceed with the development of the Project, provided that MPSA provides prompt Notice to KPMC of such event or condition as well as prompt Notice of the cessation of such event or condition and the resulting IFC Notice Date. Forthwith following, and in any event no later than 5 Business Days after the giving of a Withdrawal Notice, Inmet shall purchase KPMC’s Project Interests for a purchase price equal to the sum of the Purchase Price, as defined in the Option Agreement, plus any funding of MPSA provided by KPMC after the date hereof up to the date of the Withdrawal Notice (excluding, for greater certainty, the Option Price, as defined in the Option Agreement).

2.7.5 If KPMC does not deliver a Withdrawal Notice in accordance with Section 2.7.4 when entitled to do so, and the Approved Development Budget upon which the Project is to proceed has a Cost to Complete in excess of the Baseline Cost (such excess being the “**Initial Increase**”) and Inmet delivers to KPMC an Inmet Final Commitment in respect of such Approved Development Budget:

2.7.5.1 each holder of MPSA Common Shares shall be required to fund its proportionate share of the Baseline Cost;

2.7.5.2 With respect to that portion of the Initial Increase that does not exceed 10% of the Baseline Cost, KPMC may elect to fund its proportionate share of that portion of the Initial Increase by providing Notice of such election to MPSA and Inmet within 20 Business Days after the date on which Inmet delivers an Inmet

Final Commitment in respect of that Approved Development Budget to KPMC, failing which KPMC will be deemed to have elected not to fund such amount. If KPMC does not provide such Notice to MPSA and Inmet within the required time period, Inmet will fund, as and when due, KPMC's proportionate share of such Initial Increase and any such funding by Inmet shall be deemed to be a non-recourse loan by Inmet to KPMC at the Catch-Up Rate. Such loan and interest thereon will be repaid to Inmet by MPSA on behalf of KPMC, in priority to, and out of, any amounts owing or any distributions to be made by MPSA to KPMC from Available Cash Flow (for greater certainty, other than Class B Special Dividends, payments under Section 3.6.6 or payments in respect of Transferred Shareholder Loans). KPMC may repay such loan, with accrued interest thereon but without penalty, at any time, and from time to time, prior to a sale of its Ownership Interests, and, at Inmet's election, shall repay such loan and interest thereon upon the completion of any such sale.

2.7.5.3 With respect to that portion of the Initial Increase that exceeds 10% of the Baseline Cost, KPMC may elect to fund its proportionate share of that portion of the Initial Increase in excess of 10% of the Baseline Cost (the "**Initial Excess**") by providing Notice of such election to MPSA and Inmet within 20 Business Days after the date on which Inmet delivers an Inmet Final Commitment in respect of that Approved Development Budget to KPMC. If KPMC does not provide such Notice to MPSA and Inmet within the required time period:

2.7.5.3.1 for a period (the "**Initial Catch-Up Period**") commencing on the date on which Inmet delivers such Inmet Final Commitment to KPMC and ending 150 days after such date, KPMC may provide Notice to MPSA and Inmet (the "**Initial Catch-Up Notice**") that it is committing to fund its proportionate share of the Initial Excess. If KPMC does not deliver the Initial Catch-Up Notice to MPSA and Inmet on or before the last day of the Initial Catch-Up Period, it will be deemed to have elected not to fund its proportionate share of the Initial Excess;

2.7.5.3.2 during the Initial Catch-Up Period and prior to receipt of the Initial Catch-Up Notice, Inmet will use commercially reasonable efforts to fund or secure funding, on a commercially reasonable basis, of KPMC's proportionate share of the Initial Excess; provided that KPMC will have no claim, remedy or recourse against Inmet or MPSA if Inmet is unable to fund or secure funding of such amount on commercially reasonable terms after using commercially reasonable efforts to do so. If Inmet secures such funding, it will advance KPMC's proportionate share of the Initial Excess to MPSA as and when due, and such advances will be deemed to be a non-recourse loan by Inmet to KPMC at the Catch-Up Rate from the date of such advance.

2.7.5.3.3 if KPMC provides the Initial Catch-Up Notice to Inmet and MPSA on or before the last day of the Initial Catch-Up Period, within 30 days after delivery of the Initial Catch-Up Notice to Inmet and MPSA,

KPMC will (i) pay to Inmet the unpaid principal amount of any deemed loan to KPMC made in accordance with Section 2.7.5.3.2 together with interest thereon accrued from the date on which Inmet advanced any such funds to MPSA to the date on which the Initial Catch-Up Notice is delivered to Inmet, and (ii) pay to MPSA the balance of any funding requirements during the Initial Catch-Up Period that were not funded by Inmet in accordance with Section 2.7.5.3.2. If KPMC delivers an Initial Catch-Up Notice and subsequently fails to make any payments required under this Section 2.7.5.3.3 within the specified time period, Inmet may assign its rights in any amounts owing to it under (i) above to MPSA and such amounts, together with any further amounts advanced by Inmet to MPSA to pay KPMC's proportionate share of the Initial Excess as and when due shall thereupon be considered to be a Default Loan by the Inmet Group (which will be considered to be the Non-Defaulting Group with the KPMC Group being considered to be the Defaulting Group) that is subject to the provisions of Section 3.3.

2.7.5.3.4 if KPMC elects not to participate in funding the Initial Excess and thereafter does not deliver an Initial Catch-Up Notice on or before the last day of the Initial Catch-Up Period, (i) KPMC will no longer be entitled or obligated to fund, and Inmet may but shall not be obligated to fund KPMC's proportionate share of the Initial Excess, (ii) the Ownership Interest of the KPMC Group will be diluted on a one-to-one basis (in accordance with the calculation in Schedule 2.7.5.3.4), and the Ownership Interest of the Inmet Group adjusted accordingly, to reflect any funding provided by the Inmet Group in respect of KPMC's proportionate share of the Initial Excess, and (iii) MPSA will issue to the Inmet Group for aggregate consideration equal to \$1 that number of MPSA Common Shares which is sufficient to result in each of the KPMC Group and the Inmet Group owning that number of MPSA Common Shares then issued which as closely as possible equates to their respective resulting Ownership Interests.

2.7.6 For greater certainty, in this Section 2.7, a Person's "proportionate share" is equal to the Ownership Interest of that Person's Group.

2.8 Development Phase Interim Budgets

During the Development Phase, one or more interim budgets may be recommended by management of MPSA to the MPSA Board after consultation with Inmet. Such interim budgets shall be prepared in respect of each Fiscal Year and such shorter periods as the MPSA Board shall determine and shall be consistent with the Approved Development Budget. Such interim budgets shall be based on the anticipated operations of MPSA, shall contain such details as to the nature, timing and projected costs of, and sources of funds for and from, operations, activities, expenditures and acquisitions to be made or conducted during the period covered by such interim budget as are customary in the industry, shall include details of the determination of the then-current Cost to Complete and any anticipated or proposed change thereto, and shall contain

detailed operating and capital budgets for MPSA. All interim budgets shall be approved by Majority Board Approval and shall, subject to Section 2.9, be funded by each holder of MPSA Common Shares in proportion to the number of MPSA Common Shares held by it.

2.9 Approval of Cost to Complete Increases to an Approved Development Budget

2.9.1 Any change to the most recent Approved Development Budget that does not otherwise require Special Approval must be approved by Majority Board Approval and Majority Shareholder Approval. Upon such approval, the Approved Development Budget in effect just prior to such approval as modified by such change will become the Approved Development Budget on the date such change is approved. If such change results in an increase in the Cost to Complete from that reflected in the previous Approved Development Budget (a “**Proposed Increase**”), such approval shall constitute notice to the Shareholders, as of the date of such approval, of an Inmet Final Commitment in respect of its proportionate share of the Proposed Increase.

2.9.2 If an Approved Development Budget contains a Proposed Increase then:

2.9.2.1 each holder of MPSA Common Shares shall remain obligated to fund its proportionate share of the Baseline Cost;

2.9.2.2 With respect to that portion of the Proposed Increase that, when taken together with all prior Proposed Increases, does not exceed 10% of the Initial Baseline Cost, KPMC may elect to fund its proportionate share of the Proposed Increase by providing Notice of such election to MPSA and Inmet within 20 Business Days after the date on which the Proposed Increase was approved, failing which KPMC will be deemed to have elected not to fund such amount. If KPMC does not provide such Notice to MPSA and Inmet within the required time period, Inmet will fund, as and when due, KPMC’s proportionate share of the Proposed Increase and any such funding by Inmet shall be deemed to be a non-recourse loan by Inmet to KPMC at the Catch-Up Rate. Such loan and interest thereon will be repaid to Inmet by MPSA on behalf of KPMC, in priority to, and out of, any amounts owing or any distributions to be made by MPSA to KPMC from Available Cash Flow (for greater certainty, other than Class B Special Dividends, payments under Section 3.6.6 or payments in respect of Transferred Shareholder Loans). KPMC may repay such loan, with accrued interest thereon, but without penalty, at any time and from time to time prior to a sale of its Ownership Interests, and, at Inmet’s election, shall repay such loan and interest thereon upon the completion of any such sale;

2.9.2.3 If any portion of the Proposed Increase, when taken together with all prior Proposed Increases, exceeds 10% of the Initial Baseline Cost (the excess of such Proposed Increase over 10% of the Initial Baseline Cost being the “**Excess Proposed Increase**”), at least 90 days prior to any meeting of Shareholders or the MPSA Board held to consider approval of such Proposed Increase, MPSA will provide KPMC and Inmet with Notice of such meeting and all information and

supporting materials MPSA reasonably considers relevant to the consideration of the approval of the Proposed Increase. KPMC may elect to fund its proportionate share of the Excess Proposed Increase by providing Notice of such election to MPSA and Inmet within 20 Business Days after the date on which the Proposed Increase was approved. If KPMC does not provide such Notice to MPSA and Inmet within the required time period:

2.9.2.3.1 For a period (the “**Variance Catch-Up Period**”) commencing on the date on which the Proposed Increase is approved and ending 150 days after such date, KPMC may provide Notice to MPSA and Inmet (the “**Variance Catch-Up Notice**”) that it is committing to fund its proportionate share of the Excess Proposed Increase in proportion to its Ownership Interest. If KPMC does not deliver the Variance Catch-Up Notice to MPSA and Inmet on or before the last day of the Variance Catch-Up Period, it will be deemed to have elected not to fund its proportionate share of the Excess Proposed Increase.

2.9.2.3.2 During the Variance Catch-Up Period and prior to receipt of the Variance Catch-Up Notice, Inmet will use commercially reasonable efforts to fund or secure funding, on a commercially reasonable basis, of KPMC’s proportionate share of the Excess Proposed Increase; provided that KPMC will have no claim, remedy or recourse against Inmet or MPSA if Inmet is unable to fund or secure funding of such amount on commercially reasonable terms after using commercially reasonable efforts to do so. If Inmet secures such funding, it will advance KPMC’s proportionate share of the Excess Proposed Increase to MPSA as and when due, and such advances will be deemed to be a non-recourse loan by Inmet to KPMC at the Catch-Up Rate from the date of such advance.

2.9.2.3.3 If KPMC provides the Variance Catch-Up Notice to Inmet and MPSA on or before the last day of the Variance Catch-Up Period, within 30 days after delivery of the Variance Catch-Up Notice to Inmet and MPSA, KPMC will (i) pay to Inmet the unpaid principal amount of any deemed loan to KPMC made in accordance with Section 2.9.2.3.2 together with interest thereon at the Catch-Up Rate accrued from the date on which Inmet advanced any such funds to MPSA to the date on which the Variance Catch-Up Notice is delivered to Inmet, and (ii) pay to MPSA the balance of any funding requirements during the Variance Catch-Up Period that were not funded by Inmet in accordance with Section 2.9.2.3.2. If KPMC delivers a Variance Catch-Up Notice and subsequently fails to make any payments required under this Section 2.9.2.3.3 within the specified time period, Inmet may assign its rights in any amounts owing to it under (i) above to MPSA and such amounts together with any further amounts advanced by Inmet to MPSA to pay KPMC’s proportionate share of the Excess Proposed Increase as and when due shall thereupon be considered to be a Default Loan by the Inmet Group (which will be considered to be the Non-Defaulting Group with the KPMC Group being

considered to be the Defaulting Group) that is subject to the provisions of Section 3.3.

2.9.2.3.4 If KPMC elects not to participate in funding the Excess Proposed Increase and thereafter does not deliver a Variance Catch-Up Notice on or before the last day of the Variance Catch-Up Period (i) KPMC will no longer be entitled or obligated to fund its proportionate share of the Excess Proposed Increase and Inmet may, but shall not be obligated to, fund KPMC's proportionate share of the Excess Proposed Increase, (ii) the Ownership Interest of the KPMC Group will be diluted on a one-to-one basis (in accordance with the calculation in Schedule 2.7.5.3.4), and the Ownership Interest of the Inmet Group adjusted accordingly, to reflect any funding provided by the Inmet Group either in respect of its obligations under this Agreement or in respect of KPMC's proportionate share of the Excess Proposed Increase, and (iii) MPSA will issue to the Inmet Group for aggregate consideration equal to \$1 that number of MPSA Common Shares which is sufficient to result in each of the KPMC Group and the Inmet Group owning that number of MPSA Common Shares then issued which as closely as possible equates to their respective resulting Ownership Interests.

2.9.3 For greater certainty, in this Section 2.9, a Person's "proportionate share" is equal to the Ownership Interest of that Person's Group.

2.10 Post-Completion Work Plans and Budgets

Work Plans and Budgets for the period following Completion and substantial completion of the Project in accordance with the Basic Engineering Report (each, an "**Annual Work Plan and Budget**") shall each be for a period of one Fiscal Year and shall each be an integrated Annual Work Plan and Budget addressing the activities of MPSA and shall be prepared by MPSA in consultation with the Shareholders. Each Annual Work Plan and Budget shall be based on the anticipated operations of MPSA, shall contain such details as to the nature, timing and projected costs of, and sources of funds for and from, operations, activities, expenditures and acquisitions to be made or conducted during the Fiscal Year as are customary in the industry and shall contain detailed operating and capital budgets for MPSA, all as may be appropriate to the stage of the Project and the activities of MPSA. A proposed Annual Work Plan and Budget for each Fiscal Year shall be delivered to the MPSA Board for consideration not later than 60 days prior to the commencement of such Fiscal Year and shall be approved by Majority Board Approval (other than any item it contains that requires Special Approval). Such proposed Annual Work Plan and Budget, if approved by the MPSA Board, with such amendments thereto as the MPSA Board may approve (subject, in each case, to any Special Approval required under Section 2.4), shall constitute the Annual Work Plan and Budget for the period covered thereby. Any item requiring Special Approval in accordance with Section 2.4 shall only constitute part of the Annual Work Plan and Budget for the period covered thereby if it has received Special Approval in accordance with Section 2.4.

2.11 Periodic Reports

2.11.1 Management of MPSA shall prepare and provide to the MPSA Board monthly reports setting forth (i) the actual progress of the development of the Project, including the current Cost to Complete, forecast expenditures and any change orders issued in the previous month, if applicable, and results of operations of MPSA, as compared to the approved Work Plan and Budget applicable to that month and for the then-current Work Plan and Budget to the applicable date, (ii) any anticipated changes to such Work Plan and Budget, (iii) a reconciliation of all cash calls made, proceeds of MPSA Securities issued and loans obtained during the then-current budget period to expenditures made by or on behalf of MPSA during such period, and (iv) MPSA's then-current cash flow model. Such reports shall be prepared and provided within 15 days after the end of each month.

2.11.2 At each quarterly meeting of the MPSA Board (and at such other times as the MPSA Board may require), management of MPSA shall discuss the most recent periodic reports prepared pursuant to this Section 2.11 and shall identify any variances expected to occur in respect of the then-current Development Work Plan and Budget or Annual Work Plan and Budget, as the case may be.

2.11.3 Within 60 days following the end of each period to which a Work Plan and Budget relates, management of MPSA shall prepare and provide to the MPSA Board a report on the results of such Work Plan and Budget, a reconciliation of actual to budgeted costs and an explanation of any material deviation of actual results and costs to planned results and budgeted costs.

2.11.4 Within 15 days of the end of each fiscal quarter, management of MPSA will determine the amount of Available Cash Flow for such fiscal quarter, and MPSA will notify each Shareholder of such amount together with reasonable details of the calculation thereof.

2.11.5 Within 30 days of the end of each fiscal quarter, MPSA will determine the amount of Class A Special Dividends and Class B Special Dividends paid or payable for such fiscal quarter, and MPSA shall notify each holder of MPSA Special Shares of such amount together with reasonable details of the calculation thereof.

2.11.6 MPSA shall provide copies of all of the reports described in this Section 2.11 to the Shareholders at the same time such reports are provided to the MPSA Board.

2.12 Activities/Management of MPSA

2.12.1 The Majority Shareholder shall be entitled to nominate the general manager of MPSA (the "**General Manager**"), who as of the date hereof is Steven D. Botts, and other members of the management of MPSA who, for greater certainty, may be officers of the Majority Shareholder, and to set their respective remuneration in accordance with industry norms. The Majority Shareholder shall procure that the General Manager and management of MPSA shall report to the MPSA Board and shall keep the Board informed about all material matters relating to MPSA, including its day-to-day operations. The General

Manager shall have the authority to act on behalf of MPSA in accordance with the powers granted to the General Manager pursuant to Applicable Law, the MPSA Articles and any resolution of the MPSA Board or the Shareholders. The Majority Shareholder shall ensure that the General Manager shall not take any action or implement any matter requiring approval of the MPSA Board or the Shareholders unless such approval has been granted in accordance with the terms of this Agreement.

2.12.2 The Majority Shareholder shall procure that all activities of the Chairman of the MPSA Board, and Inmet shall procure that all activities of the General Manager and the other members of the management of MPSA, are consistent with this Agreement, any Approved Financing Plan, the then-current Approved Development Plan, or approved Annual Work Plans and Budgets, as applicable.

2.12.3 Directors of the MPSA Board may bind MPSA as provided in this Agreement, or in a resolution adopted in accordance herewith by Majority Board Approval, Majority Shareholder Approval or Special Approval, or as provided under Applicable Law in combination with the relevant organizational or constating documents of MPSA, provided, that the General Manager of MPSA may bind MPSA in accordance with, and subject to, Sections 2.12.1 and 2.12.2.

2.12.4 All sales of copper by MPSA and its subsidiaries (other than pursuant to the Offtake Agreement) shall be conducted in accordance with the Approved Marketing Policy.

2.12.5 Inmet shall treat the Project as favorably as its other mining projects, and shall give the Project its full attention and appropriate opportunities for the sale of copper.

2.12.6 KPMC shall be entitled to second up to six individuals to MPSA to observe various aspects of the development and operation of the Project. Any increase in such number of such individuals and the positions to be held by such additional individuals will be agreed by KPMC and MPSA in consultation with Inmet, and the General Manager shall approve the roles to be assumed by all such individuals after due consideration of KPMC's suggestions and provided that any such secondment does not interfere with the day-to-day duties of MPSA personnel or with the development or operation of the Project. Any individual seconded by KPMC to MPSA would become an employee of MPSA and would report to, and be under the general direction and supervision of, the General Manager or as directed by the General Manager.

2.13 Offtake Agreement

MPSA agrees to enter into the Offtake Agreement as soon as reasonably practical and the Shareholders agree to take all steps within their respective control to cause MPSA to enter into the Offtake Agreement as soon as reasonably practicable.

2.14 Sole Risk Expansion

2.14.1 MPSA or any holder of MPSA Common Shares may propose that MPSA undertake an Expansion. An Expansion proposal must contain full details of the proposal including, without limitation, location, scope, facility design, costs, and total system capacity (including infrastructure and ancillary requirements) necessary to complete the Expansion. Such proposal must be accompanied by feasibility studies, operational implementation plans, funding proposals and other supporting information and materials relevant to such Expansion. Such supporting materials will include any forecasted changes to the most recently approved Work Plan and Budget that would result from such Expansion. An Expansion proposal and all supporting information and materials must be delivered to MPSA and the Shareholders, as applicable, at least 60 days prior to any meeting of the MPSA Board held to consider the Expansion.

2.14.2 If Majority Board Approval is received but Special Approval is not received for a proposed Expansion, and the Majority Shareholder (together with any other holder of MPSA Common Shares who wishes to participate in the Expansion, the “**Expansion Shareholder**”) wishes MPSA to proceed with the Expansion then MPSA will, upon obtaining Majority Board Approval, proceed with the Expansion on the following basis:

2.14.2.1 MPSA shall prepare separate work plans and budgets for the Expansion (each an “**Expansion Work Plan and Budget**”) in addition to any Work Plans and Budgets prepared in accordance with Sections 2.6, 2.7, 2.8 or 2.10, which shall be prepared only in respect of the Project excluding the Expansion (the “**Base Project**”);

2.14.2.2 MPSA shall provide to all Shareholders periodic reporting on the progress of the Expansion and the most recent Expansion Work Plan and Budget pursuant to Section 2.11 as though references in that section to the Project were references to the Expansion, and references to the then-current Work Plan and Budget were to the then-current Expansion Work Plan and Budget;

2.14.2.3 The Expansion will be at the sole risk and cost (including all incremental capital expenditures and fully allocated operating costs, working capital and human resources) of the Expansion Shareholders who shall have sole responsibility for any Expansion Work Plan and Budget and for providing any notifications to, and obtaining any permits, assessments or approvals required from, any Governmental Body in connection with the Expansion;

2.14.2.4 The Expansion will not adversely affect MPSA or the Project Interests or the rights or obligations of the Non-Participating Shareholders under this Agreement (including with respect to distributions of Available Cash Flow) or the Offtake Agreement (provided that the Offtake Agreement shall not apply in respect of production of copper concentrate from the Expansion unless MPSA and the holders of MPSA Common Shares agree otherwise);

2.14.2.5 The Expansion Shareholders will be entitled to all additional production capacity and other benefits created by the Expansion, including, without limitation, benefits resulting from the tax deductibility of additional capital expenditures during construction of the Expansion, and shall be entitled to any profits earned as a result of the Expansion;

2.14.2.6 Where the Expansion will use the existing infrastructure capacity of MPSA, MPSA will charge the Expansion Shareholders for that capacity, including direct and indirect incremental costs attributable thereto, on the basis of principles to be agreed in binding agreements on arm's length, commercially reasonable terms between MPSA and the Expansion Shareholders;

2.14.2.7 MPSA and the Shareholders will work together reasonably and in good faith to determine an appropriate structure and framework for the Expansion Shareholders to fund any Expansion and to receive distributions of the available cash flow from the sale by MPSA of additional production from the Expansion, to negotiate appropriate documentation to implement the Expansion, and to make appropriate adjustments to the determination of Available Cash Flow and the allocation of Available Cash Flow and costs to each Shareholder, having consideration for all legal, tax, accounting and operational matters relevant to MPSA and the Project. The Expansion Shareholders will, at their expense, establish and maintain proper accounts to implement the provisions of this Section 2.14, and shall furnish quarterly statements of those accounts to all Shareholders. MPSA and any Shareholders that are not Expansion Shareholders (each a "**Non-Participating Shareholder**") shall have the right to request to review such accounts at the expense of such Non-Participating Shareholder;

2.14.2.8 If at any time prior, during or after implementation of the Expansion, the Expansion Shareholders materially alter, modify or otherwise materially change the scope or nature of such Expansion, a revised Expansion proposal will be resubmitted to the Non-Participating Shareholders and MPSA in accordance with Section 2.14.1 and such revised Expansion shall be considered to be a new Expansion for purposes of this Section 2.14 and Section 2.4.12;

2.14.2.9 References to the Project in this Agreement shall be interpreted as referring to the Base Project with respect to the rights and obligations of any Non-Participating Shareholder, and this Agreement shall apply to the rights and obligations of the Shareholders, with necessary modifications to reflect the provisions of this Section 2.14; provided that the Shareholders shall work together reasonably and in good faith to make any necessary amendments to this Agreement and the Offtake Agreement to reflect such provisions; and

2.14.2.10 Any Dispute in respect of the implementation of the provisions of this Section 2.14 shall be determined under Section 6.8.

2.14.3 For a period (the "**Expansion Participation Period**") commencing on the date an Expansion receives Majority Board Approval and ending 180 days after the

commencement of commercial production in respect of the Expansion, a Non-Participating Shareholder may provide Notice to MPSA and the Expansion Shareholders that it is committing to fund the costs of the Expansion in proportion to its Ownership Interest as a proportion of the Ownership Interests of the current Expansion Shareholders (the “**Expansion Participation Notice**”). If a Non-Participating Shareholder does not deliver the Expansion Participation Notice to MPSA and the Expansion Shareholders on or before the last day of the Expansion Participation Period, it will be deemed to have elected not to fund its proportionate share of the Expansion. If a Non-Participating Shareholder delivers an Expansion Participation Notice to MPSA and the Expansion Shareholders on or before the last day of the Expansion Participation Period:

2.14.3.1 within 30 days after delivery of the Expansion Participation Notice to MPSA and the Expansion Shareholders, the Non-Participating Shareholder will (i) pay to the Expansion Shareholders in proportion to its interest in the Expansion such Non-Participating Shareholder’s share of the costs of the Expansion to the date of delivery of the Expansion Participation Notice together with interest thereon at the Catch-Up Rate accrued to such date from the date on which the Expansion Shareholders advanced any funds in respect of such costs, and upon making such payment such Non-Participating Shareholder shall cease to be a Non-Participating Shareholder and shall be an Expansion Shareholder, and MPSA and the Shareholders shall work together reasonably and in good faith to make such changes as are necessary to implement the provisions of Section 2.14.2 in respect of MPSA, the Expansion Shareholders and the remaining Non-Participating Shareholders, if any; and

2.14.3.2 if all Non-Participating Shareholders become Expansion Shareholders in accordance with Section 2.14.3.1, (i) the Shareholders and MPSA shall work together reasonably and in good faith to integrate the operations and combine the accounts of the Expansion and the Base Project and to combine the then-current Expansion Work Plan and Budget with the then-current Work Plan and Budget of the Base Project, and (ii) references to the Project in this Agreement shall include the Expansion and the rights and obligations of the parties to this Agreement shall be interpreted accordingly.

2.15 Third Line Addition to the Processing Plant

The MPSA Board may, by Majority Board Approval, approve the addition of the Third Line Addition to the processing plant referred to in the Basic Engineering Report on the terms and at the time set out in the Basic Engineering Report and provided that such Third Line Addition can be completed within the budget set out in the Basic Engineering Report. If so approved, such Third Line Addition will be funded from the cash flows of MPSA. If Inmet proposes to construct the Third Line Addition at a time that does not conform to the Basic Engineering Report or on a budget that is not as set out in the cash flow model prepared in connection with the Basic Engineering Report, and approval for such Third Line Addition or its funding is not received from the Shareholders in accordance with this Agreement, unless Inmet and KPMC otherwise agree, Inmet may fund the cost of the Third Line Addition through a loan to MPSA on commercial arm’s length terms to be agreed between Inmet and MPSA. For greater certainty,

such loan and interest thereon will be repaid to Inmet by MPSA from Available Cash Flow in priority to any Shareholder Loans (for greater certainty, other than payments under Section 3.6.6 and payments in respect of Transferred Shareholder Loans) or distributions to be made to holders of MPSA Common Shares.

ARTICLE 3

FINANCING

3.1 General Funding Obligations

3.1.1 All funding of MPSA required to enable it to implement Work Plans and Budgets approved in accordance with this Agreement shall be contributed or caused to be contributed to MPSA by way of Shareholder Loans made pursuant to Shareholder Loan Notes or subscriptions for MPSA Securities, as determined by the MPSA Board, pursuant to an approved Work Plan and Budget unless: (i) the required funding is provided through a financing arrangement that has been approved in accordance with the provisions of this Agreement, including receiving any required Special Approval, or (ii) otherwise required under Applicable Law from time to time. Where MPSA Shares are issued to members of a Group pursuant to this Agreement, Class A Common Shares and/or Class A Special Shares shall be issued to the members of the Inmet Group and Class B Common Shares and Class B Special Shares shall be issued to members of the KPMC Group.

3.1.2 Subject to Section 2.7 and Section 2.9, each holder of MPSA Common Shares shall contribute or cause to be contributed to MPSA that percentage of all funding required from the Shareholders that has been approved in accordance with the provisions of this Agreement equal to the percentage of all issued and outstanding MPSA Common Shares held by such Shareholder determined as of the date that the particular amount becomes due and payable. If a Shareholder Group's Ownership Interest is diluted pursuant to Article 2 or Article 3, the funding obligations of such Shareholder Group shall thereafter be reduced to reflect such diluted Ownership Interest. Any Approved Financing Plan and all Financing Documents shall be designed so as to ensure that appropriate adjustments are made to the obligations thereunder to reflect changes in the Ownership Interests of the Shareholders and their respective Groups.

3.1.3 MPSA shall provide to each Shareholder:

- (i) promptly following the time of approval of a Work Plan and Budget by the MPSA Board (other than an Expansion Work Plan and Budget), written notice of the projected monthly schedule of cash calls for funds required to satisfy the Work Plan and Budget; and
- (ii) not fewer than 15 Business Days prior to the due date for each cash call, Notice of each actual cash call (each, a "**Cash Call Notice**"), provided that the date any cash call is due must be a Business Day,

in each case denominated in US\$ and specifying the exact amount each of the holders of MPSA Common Shares is to transfer or cause to be transferred to MPSA as a result of the cash call and the manner in which each cash call is to be satisfied (as among Shareholder Loans and subscriptions for MPSA Securities). For greater certainty, the amount each holder of MPSA Common Shares is to transfer or cause to be transferred to MPSA as a result of a cash call is equal to the total amount of cash required by MPSA pursuant to a Work Plan and Budget approved in accordance with the terms of this Agreement multiplied by the percentage of all issued and outstanding MPSA Common Shares held by such Shareholder, and each holder of MPSA Common Shares shall satisfy the cash call, or cause the same to be satisfied, in the same manner, that is by Shareholder Loan or by subscribing for MPSA Securities (but, for the avoidance of doubt, if the PSA requires any Shareholder Loan made by any member of the Inmet Group to be subordinated in favour of the PSA Purchaser, Shareholder Loans made by members of the KPMC Group shall not be so subordinated).

3.1.4 Any Cash Call Notice may be revoked by the MPSA Board not later than 10 Business Days prior to the due date for the cash call to which it relates, provided that such revocation is consistent with the then-current Work Plan and Budget approved in accordance with this Agreement and is not adverse to the development and operations of the Project. Any such revocation shall be without prejudice to the right of the MPSA Board to reissue a Cash Call Notice in respect of the same amount at a later date.

3.1.5 Subject to Section 3.1.4 and, in the case of KPMC, subject to Section 2.7 and Section 2.9, each Shareholder shall, not later than 6:00 p.m. (Panamanian time) on the due date for each cash call, contribute or cause to be contributed to MPSA the funds (in US\$ and in the manner specified in the Cash Call Notice) which it is required to contribute or cause to be contributed as provided herein.

3.1.6 If an Approved Financing Plan is implemented, the obligations set forth in this Section 3.1 shall continue to have application regardless of whether (i) all financing contemplated by the Financing Documents is provided to MPSA or (ii) there is a default pursuant to the Financing Documents.

3.1.7 The parties acknowledge and agree that payments to MPSA on account of the Payment Deposit (as defined in the PSA) shall be deemed to satisfy the equity contributions under this Agreement by Luxco II (or such other designated member of the Inmet Group) as and when such funds are received by MPSA in accordance with a Cash Call Notice. Such amounts funded from the Payment Deposit shall be treated as capital contributions made by Luxco II (or such other designated member of the Inmet Group) for all purposes under this Agreement and MPSA shall promptly issue to the applicable member(s) of the Inmet Group for nominal consideration such number of additional Class A Common Shares in proportion to the MPSA Common Shares issued or issuable to other Shareholders in respect of their corresponding capital contributions (after taking into account all MPSA Common Shares issued or issuable to all the members of the Inmet Group in respect of amounts funded otherwise than from the Payment Deposit in connection with the relevant Cash Call Notice). Notwithstanding the foregoing provisions

of this Section 3.1.7, if payments on account of the Payment Deposit are received by MPSA other than in accordance with a Cash Call Notice, Inmet shall be entitled to elect by written notice to MPSA:

- (i) to have the amount of such payments applied to funding required by one or more future Cash Call Notices in accordance with this Section as if such payments were made in accordance with such future Cash Call Notices; and/or (without duplication)
- (ii) cause MPSA to repay such amounts to the Inmet Group in the form of Class A Special Dividends (the “**Class A Excess Payment Amount**”).

3.1.8 Notwithstanding any other provision of this Agreement, where this Agreement requires (either expressly or by implication) a Shareholder to provide funding or make a payment to MPSA, that Shareholder may cause all or a portion of such funding or payment to be provided by one or more Affiliates of such Shareholder who are members of such Shareholder’s Group.

3.1.9 Notwithstanding any other provision of this Agreement, where this Agreement provides (either expressly or by implication) for rights and obligations of a Shareholder, Group or any other Person that are determined based upon or by reference to the Ownership Interest of a Group, if the Ownership Interest of a Group is held by more than one member of that Group, then the rights and obligations of all members of that Group, in the aggregate, will be in proportion to the Ownership Interest of that Group.

3.2 Contribution Defaults

3.2.1 If a holder of MPSA Common Shares that is a member of any Shareholder Group (a “**Defaulting Group**”) defaults in contributing or causing to be contributed to MPSA any funding it is obligated to contribute or cause to be contributed to MPSA in accordance with a Cash Call Notice issued in accordance with this Agreement (a “**Defaulted Contribution**”), then the provisions of this Section 3.2 shall apply.

3.2.2 Immediately following a Defaulted Contribution, MPSA shall provide Notice of the default to each Group. The Defaulting Group shall have the period of 5 Business Days from the date of receipt of such Notice (the “**Cure Period**”) to remedy the default by contributing or causing to be contributed to MPSA the Defaulted Contribution, together with a late payment penalty thereon at an annual rate equal to [Amount redacted]% per annum, compounded daily and calculated from and including the date of the default to but excluding the date of payment of the Defaulted Contribution, provided that no late payment penalty shall be due or owing if the Defaulting Group has taken all steps necessary to instruct a financial institution to initiate a wire transfer of the amount it was required to transfer to MPSA pursuant to the relevant Cash Call Notice on or prior to 9:00 a.m. (Panama time) on the date the cash call was due. Payment of the Defaulted Contribution plus such penalty (if applicable) shall satisfy the obligation owing to MPSA on account thereof and accordingly the Defaulting Group shall not acquire any MPSA Securities, Shareholder Loans or other assets in consideration of any late payment penalty

so paid but shall acquire the MPSA Securities, Shareholder Loans or other assets in consideration of payment of the Defaulted Contribution that it would have acquired if the Defaulted Contribution had been paid when due. Promptly after either (i) receipt of the Defaulted Contribution plus the full amount of any late payment penalty then owing or (ii) the failure of the Defaulting Group to pay such amount during the Cure Period, MPSA will provide Notice of that fact to both Groups.

3.2.3 If the Defaulting Group fails to pay the Defaulted Contribution, plus the late payment penalty, within the Cure Period in accordance with Section 3.2.2, the Non-Defaulting Group shall be entitled (but shall not be required), within five Business Days after receiving Notice from MPSA of such continuing default, to contribute or cause to be contributed the applicable Defaulted Contribution (but without the late payment penalty) to MPSA, by way of Shareholder Loan to MPSA made or caused to be made by the Non-Defaulting Group (a “**Default Loan**”), which shall be repayable by MPSA in priority to all other Shareholder Loans other than Transferred Shareholder Loans and payments under Section 3.6.6 but otherwise on the same terms and conditions as all other Shareholder Loans (except as provided below, and further provided that all Default Loans shall rank *pari passu*).

3.2.4 At the time of providing the funds to MPSA the Non-Defaulting Group will provide in a Notice to both MPSA and the Defaulting Group that funds have been advanced as a Default Loan. For greater certainty, if the Non-Defaulting Group provides a Default Loan pursuant to this section, or if it determines not to do so, it shall in either case be without prejudice to any claim it may elect to assert against the Defaulting Group for breach of this Agreement.

3.2.5 Any Default Loan made or caused to be made by a Non-Defaulting Group pursuant to Section 3.2.3 shall bear interest at an annual rate equal to the sum of (i) the annual rate of interest applicable to the other Shareholder Loans, from time to time, plus (ii) [Amount redacted]%, compounded daily and calculated from and including the date the same is made or caused to be made to but excluding the date the same is repaid.

3.2.6 Default Loans shall be made pursuant to promissory notes (“**Default Loan Notes**”) substantially similar in form to the Shareholder Loan Notes, except that the rate of interest shall be as provided in Section 3.2.5.

3.3 Dilution

3.3.1 If a Non-Defaulting Group makes a Default Loan then the Defaulting Group’s Ownership Interest will be deemed to be adjusted upon the making of that advance by the Non-Defaulting Group to reflect two-for-one dilution (“**Enhanced Dilution**”). For these purposes, upon such Default Loan being made, the Ownership Interest of the Defaulting Group will be $A \div B$, expressed as a percentage, where:

A = the sum in US\$ of all capital contributions made by, and principal amount outstanding of Shareholder Loans (including Default Loans) owing to, the Defaulting Group (with Default Loans made by the Defaulting Group in respect

of Enhanced Dilution to which the other Group is subject being counted as twice their principal amount when made, whether or not they have been repaid), as recorded in the books of MPSA immediately prior to the making of the Default Loan (the “**Determination Date**”); and

B = the sum in US\$ of all capital contributions made by, and principal amount outstanding of Shareholder Loans (including Default Loans) owing to, all Shareholders (with all Default Loans made by any Group being counted as twice their principal amount when made, whether or not they have been repaid), as recorded in the books of MPSA on the Determination Date, plus twice the principal amount of the Default Loan being made immediately following the Determination Date.

For the purposes of such calculation above Transferred Shareholder Loans shall be treated as Shareholder Loans of the Inmet Group.

3.3.2 The adjustment of Ownership Interests shall occur each time that a Default Loan is made. After determining the Resulting OI of the Defaulting Group, the Resulting OI of the Non-Defaulting Group will be equal to the percentage resulting from 100% less the Resulting OI of the Defaulting Group as determined in Section 3.3.1. MPSA will issue to the Non-Defaulting Group for aggregate consideration equal to \$1 that number of MPSA Common Shares which is sufficient to result in each of the Defaulting Group and the Non-Defaulting Group owning that number of MPSA Common Shares then issued which as closely as possible equates to their respective Resulting OIs. The parties acknowledge and agree that dilution for the purposes of Sections 2.7, 2.9 and 3.3 shall automatically and immediately be reflected with respect to the Class B Special Shares pursuant to the terms hereof and the MPSA Articles through an adjustment to the Pro-Rata Percentage.

3.3.3 An example of the dilution calculations described herein is set forth in Schedule 3.3.3. In the case of any inconsistency or conflict between such example and the other provisions of this Agreement, the other provisions of this Agreement shall prevail and be given effect notwithstanding the method of calculation reflected in such example.

3.4 Priority of Payments

3.4.1 MPSA shall use all cash available to it from time to time to make payments in respect of the following categories of items in the following order of priority (with the items within each paragraph below ranking on parity with each other):

3.4.1.1 Operating expenses and reserves therefor as required by Applicable Law, reclamation costs and reserves therefor as required by Applicable Law, MPSA’s gold and silver delivery obligations under Section 2.2 and Section 5.1 of the PSA and principal of Transferred Shareholder Loans;

3.4.1.2 Prudent reasonable reserves for operating expenses (other than those required by Applicable Law) as established in the discretion of the MPSA Board,

sustaining capital expenditures and prudent reasonable reserves therefor as established in the discretion of the MPSA Board, Class B Special Dividends (including any accrued and unpaid dividends) and payments under Section 3.6.6;

3.4.1.3 Interest and principal under the revolving credit facility permitted under Section 2.4.16;

3.4.1.4 Class A Special Dividends (including any accrued and unpaid dividends); and

3.4.1.5 Distributions of Available Cash Flow as provided for in Section 3.5;

provided that payment of dividends on the Class B Special Shares and Class A Special Shares shall be limited to the amount permitted to be paid thereon pursuant to Applicable Law and that the determination of reserves referred to in the items above shall take into account MPSA's available sources of cash, including the revolving credit facility permitted under Section 2.4.16. The Shareholders shall exercise their rights in MPSA and vote their MPSA Shares to ensure to the maximum extent permitted by Applicable Law that the Class B Special Dividends and Class A Special Dividends are declared and paid in the amounts and at the times set forth in the MPSA Articles and this Agreement and in accordance with the priorities set out in this Agreement.

3.5 General Distributions to Shareholders

MPSA shall make distributions to holders of Project Interests (and Inmet in respect of loans under Sections 2.7, 2.9 and 2.15) of Available Cash Flow in accordance with the Approved Distribution Policy subject to any restrictions imposed under Applicable Law. Such distributions may be made by way of repayments of Shareholder Loans or as otherwise determined by the MPSA Board; provided that interest on and the principal of Default Loans and any loans made by Inmet pursuant to Section 2.7, Section 2.9 or Section 2.15 shall be paid or repaid, as the case may be, in priority to payments of interest on and repayments of principal of Shareholder Loans, dividends on MPSA Common Shares, return of capital or any other distribution of cash or other property of MPSA.

3.6 The PSA and Special Dividends

3.6.1 The parties acknowledge and agree that entry into the PSA and the funding to be provided to MPSA thereunder will assist Luxco II in meeting its funding obligations hereunder and provide greater certainty for the development of the Project, thereby benefitting all Shareholders. Further, it is the intention of the parties that KPMC be protected from Adverse Impacts that would not have been suffered but for the entering into or performance of the PSA by MPSA. To achieve this intention (a) the parties have included in this Agreement, among other things, the provisions of Sections 3.6.2 through 3.6.10 and Section 3.6.11 and provided for the creation of the MPSA Special Shares (collectively, the "**Special Share Mechanisms**"), and (b) to the extent required in addition to the Special Share Mechanisms, the parties agree to make Curing Amendments (including, if required, to the Special Share Mechanisms) as provided by Section 3.6.11.

3.6.2 The Class A Special Shares and the Class B Special Shares shall rank in priority to the Class A Common Shares and the Class B Common Shares with respect to the payment of dividends as provided for herein and in the MPSA Articles. The Class B Special Shares shall rank in priority to the Class A Special Shares with respect to the payment of dividends as provided for herein and in the MPSA Articles. The Class A Common Shares and the Class B Common Shares shall rank in parity with respect to the payment of dividends as provided for herein and in the MPSA Articles.

3.6.3 Subject to the prior payment in full of all Class B Special Dividends as provided for herein and in the MPSA Articles, each Class A Special Share shall entitle the holder to receive, out of funds legally available therefor, when and if declared by the MPSA Board, (i) an amount equal to each payment made to MPSA under Sections 2.4, 2.5 and 5.3 of the PSA, which amount shall be divided by the aggregate number of then outstanding Class A Special Shares and payable on the date such payment is received by MPSA, and (ii) an amount equal to the relevant Class A Excess Payment Amount pursuant to Section 3.1.7, which amount shall be divided by the aggregate number of then outstanding Class A Special Shares and payable on the date requested by Inmet pursuant to Section 3.1.7 (collectively, the “**Class A Special Dividends**”).

Class A Special Dividends shall begin to be paid following the first delivery of Refined Gold or Refined Silver by MPSA to the PSA Purchaser (provided that Class A Special Dividends representing the Class A Excess Payment Amount shall begin to be paid when requested by Inmet pursuant to Section 3.1.7). Class A Special Dividends shall be paid in cash in U.S. dollars and shall accrue from the applicable dividend payment date whether or not they have been declared, whether or not there are funds of MPSA legally available to pay dividends and shall be cumulative. MPSA shall not declare, pay or set aside for payment any dividends on the Class A Common Shares or the Class B Common Shares unless and until the holders of the Class A Special Shares then outstanding shall have first received or simultaneously receive an amount equal to all accrued and unpaid Class A Special Dividends on each outstanding Class A Special Share.

3.6.4 Each Class B Special Share shall entitle the holder to receive:

3.6.4.1 (x) with respect to each delivery of Refined Gold or Refined Silver under the PSA, an amount equal to the Pro-Rata Percentage multiplied by the cost incurred (without duplication of costs previously paid as Class B Quarterly Dividends) by MPSA to comply with such delivery obligation under the PSA, and (y) with respect to any payment by MPSA of the Shortfall Buyback Amount (as defined in the PSA), to the extent that such payment is not funded from an amount that a member of the Inmet Group has deposited into a segregated account of MPSA designated for making payments in connection with the PSA (for which the Inmet Group shall not receive MPSA Securities, Shareholder Loans or any other funding contribution credit) (the “**SBA Unfunded Amount**”), an amount equal to the Pro-Rata Percentage multiplied by the SBA Unfunded Amount, which amounts referred to in clauses (x) and (y) shall be divided by the aggregate number of then outstanding Class B Special Shares and payable on the date of

such delivery or payment to the PSA Purchaser (the “**Class B Matching Dividends**”), and

3.6.4.2 an amount equal to the Pro-Rata Percentage multiplied by the sum of (x) any tax that MPSA has paid or reimbursed to the PSA Purchaser in either case to the extent required by the PSA during the applicable fiscal quarter, and (y) any other costs incurred during the applicable fiscal quarter (without duplication of the costs referred to in Section 3.6.4.1 above) by MPSA that would not have been incurred but for the entering into or performance of the PSA by MPSA, which aggregate amount shall be divided by the aggregate number of then outstanding Class B Special Shares and payable within 30 days after the end of the applicable fiscal quarter (the “**Class B Quarterly Dividends**”, and together with the Class B Matching Dividends, the “**Class B Special Dividends**”).

Class B Special Dividends shall begin to be paid following the first delivery of Refined Gold or Refined Silver to the PSA Purchaser. Class B Special Dividends shall be paid in cash in U.S. dollars and shall accrue from the applicable dividend payment date whether or not they have been declared, whether or not there are funds of MPSA legally available to pay dividends and shall be cumulative. MPSA shall not declare, pay or set aside for payment any dividends on the Class A Special Shares, the Class A Common Shares or the Class B Common Shares unless and until the holders of the Class B Special Shares then outstanding shall have first received or simultaneously receive an amount in cash equal to all accrued and unpaid Class B Special Dividends on each outstanding Class B Special Share. References to “fiscal quarter” in this Section 3.6.4 are to quarterly fiscal periods of MPSA. For greater certainty, no Class B Special Dividends shall be payable in respect of (x) amounts reimbursed to MPSA by a member of the Inmet Group, or (y) payments made by MPSA to the extent funded by the Inmet Group through a deposit into a segregated account of MPSA designated for making payments in connection with the PSA and, in each case referred to in clauses (x) and (y) above, for which the Inmet Group shall not receive MPSA Securities, Shareholder Loans or any other funding contribution credit.

3.6.5 Subject to the prior payment in full of the Class A Special Dividends and the Class B Special Dividends in accordance with the terms hereof and the MPSA Articles, each Class A Common Share and Class B Common Share shall entitle the holder to receive dividends (in cash or other property), out of funds legally available therefor, when and if declared by the MPSA Board. Such dividends shall be declared and paid on an equal per share basis simultaneously on the outstanding Class A Common Shares and Class B Common Shares.

3.6.6 Notwithstanding the provisions of Section 3.5 or the foregoing provisions of Section 3.6, if all or a portion of a Class B Special Dividend is not paid as and when provided for in Section 3.6.4 as a result of a restriction on the ability of MPSA to pay dividends under Applicable Law, but MPSA is able to pay interest or principal on Shareholder Loans, then MPSA shall make a payment, on the date such Class B Special Dividend would have been payable under Section 3.6.4 to a member of the Inmet Group (as identified by the Inmet Group) (the “**Specified Inmet Entity**”) in respect of Shareholder Loans equal to the amount of the unpaid Class B Special Dividend or portion

thereof (the “**Equivalent Amount**”) (without affecting the rights of the KPMC Group to receive a corresponding pro rata distribution in respect of the Shareholder Loans of the KPMC Group). Inmet shall cause the Specified Inmet Entity to direct payment of the Equivalent Amount to a member of the KPMC Group (as identified by the KPMC Group) in exchange for the KPMC Group directing payment to the Specified Inmet Entity of the Equivalent Amount from Class B Special Dividends subsequently paid.

3.6.7 If all or a portion of a Class B Special Dividend is not paid as and when provided for in Section 3.6.4 and the KPMC Group has not received an amount equal thereto by a payment to the KPMC Group under Section 3.6.6 within 5 Business Days after the applicable dividend payment date provided for in Section 3.6.4, the parties shall take the following actions with respect to the amount by which the unpaid Class B Special Dividend (or portion thereof) exceeds the amount paid to the KPMC Group under Section 3.6.6 (the “**Outstanding Amount**”):

3.6.7.1 Inmet will cause a portion of the principal amount of the Inmet Group’s Shareholder Loans (to the extent the principal amount of the Inmet Group’s Shareholder Loans exceed the Outstanding Amount) equal to the Outstanding Amount to be transferred (5 Business Days after written notice thereof has been given to Franco-Nevada (Barbados) Corporation and Inmet by MPSA or KPMC) to a member of the KPMC Group (as identified by the KPMC Group). Notwithstanding the terms of those Shareholder Loans, they shall become immediately due and payable by MPSA on demand by the member of the KPMC Group who is the transferee of those Shareholder Loans (any such transferred Shareholder Loans, the “**Transferred Shareholder Loans**”).

3.6.7.2 If following the transfer of the Transferred Shareholder Loans, Class B Special Dividends representing all or part of the Outstanding Amount are paid and/or the Outstanding Amount is reduced by an amount paid to the KPMC Group under Section 3.6.6 prior to the repayment of the Transferred Shareholder Loans by MPSA to the KPMC Group, an amount of the Transferred Shareholder Loans equal to the amount so paid or reduced shall immediately and automatically be transferred back to a member of the Inmet Group (as specified by Inmet).

3.6.7.3 If Class B Special Dividends representing the Outstanding Amount are paid on the Class B Special Shares after the repayment by MPSA to the KPMC Group of any amount of the Transferred Shareholder Loans, the KPMC Group shall pay or direct an amount of such Class B Special Dividends equal to the amount of the Transferred Shareholder Loans so repaid to be paid to a member of the Inmet Group as specified by Inmet.

3.6.8 MPSA, Inmet and Luxco II covenant that MPSA will only deliver under the PSA Refined Gold and Refined Silver that MPSA purchases from third parties no more than 10 Business Days before the time the same is required to be delivered under the PSA.

3.6.9 Schedule 3.6.9 contains sample calculations illustrating the intended relationship between deliveries of Refined Gold and Refined Silver, and payments, under

the PSA and Class B Special Dividends and Class A Special Dividends. In the case of any inconsistency or conflict between such sample calculations and the other provisions of this Agreement, the other provisions of this Agreement shall prevail and be given effect notwithstanding such calculations.

3.6.10 If MPSA incurs costs that it would not have incurred but for its entry into or performance of the PSA prior to the date that payments of the Class B Special Dividends commence, Luxco II shall reimburse MPSA for such costs within 30 days after the end of the fiscal quarter during which these costs were incurred. The Inmet Group shall not receive MPSA Shares, Shareholder Loans or other funding contribution credit for amounts so reimbursed.

3.6.11 The parties agree to make Curing Amendments to this Agreement to eliminate any Adverse Impact that is identified by KPMC to Inmet in writing on or prior to the second anniversary of the Operations Start Date (as defined in the PSA), subject to the PSA Purchaser providing any required consent pursuant to Section 8.9(f)(ii) and 8.9(g)(iii) of the PSA. Inmet will reimburse KPMC for its reasonable third party advisor fees with respect to KPMC's analysis of MPSA's cash flows during such two year period. For greater certainty, no member of the Inmet Group shall receive MPSA Securities, Shareholder Loans or any other funding contribution credit under this Agreement in respect of any amount: (a) paid into a segregated account of MPSA for the sole purpose of making payments to the PSA Purchaser under the PSA; or (b) reimbursed by a member of the Inmet Group to MPSA in connection with the PSA pursuant to Section 3.6.10.

ARTICLE 4

FINANCIAL STATEMENTS AND REPORTING

4.1 Access to Books and Records

For so long as they remain shareholders and/or creditors of MPSA, each of KPMC and Inmet shall have full, unrestricted audit and inspection rights with respect to the books and records of MPSA and its subsidiaries, including the right to conduct physical inspections of the Project. Subject to the provisions of this Article 4, the exercise of such rights will be at the sole cost and expense of the party exercising the rights, and must be conducted in such a manner as not to interfere unreasonably with the operations of MPSA.

4.2 Fiscal Year

MPSA shall have a fiscal year which ends on December 31 (a "**Fiscal Year**").

4.3 Financial Statements and Reporting

In addition to any financial statements and reporting required to be prepared or made by MPSA under Applicable Law, the parties will cause MPSA to prepare, at the expense of MPSA, any information that may be reasonably required by KPMC or Inmet or, at the expense of the relevant Shareholder, any information that may be reasonably required by any other member of

such Shareholder's Group, to enable KPMC, Inmet or such member, as the case may be, to comply with the accounting and disclosure requirements of Canadian or Korean securities regulatory authorities under applicable Canadian or Korean securities laws (collectively, the "**Securities Law Requirements**") in effect from time to time, which information will be provided promptly upon request therefor; provided that without the necessity of a request, MPSA shall prepare:

4.3.1 within 30 calendar days after the end of the Fiscal Year, annual audited consolidated financial statements of MPSA, including a statement of cash flows, prepared in accordance with International Financial Reporting Standards ("**IFRS**") and audited in accordance with generally accepted auditing standards ("**GAAS**") in Panama, in each case, as may be reasonably required to allow KPMC and Inmet to prepare their own financial statements meeting the applicable Securities Law Requirements;

4.3.2 within 16 calendar days after the end of each Fiscal Year and 12 calendar days after the end of each of the first three fiscal quarters of each Fiscal Year, in each case, ending after the date hereof, unaudited consolidated financial statements of MPSA, including a statement of cash flows, prepared in accordance with IFRS, and details of the then-current Cost to Complete; and

4.3.3 at the cost of the relevant Shareholder, any additional financial statements or financial disclosure as may be reasonably required by any other member of the Shareholder's Group to allow such other member to prepare its own financial statements meeting applicable Securities Law Requirements.

4.4 Additional Audit Requirements

Notwithstanding the foregoing, if Applicable Law or the accounting rules and regulations to which either KPMC, either KPMC Shareholder or Inmet is subject requires, for any annual financial reporting period of such Person, that the annual consolidated financial statements of MPSA be audited in accordance with generally accepted auditing standards other than those used in the preparation of such annual consolidated financial statements of MPSA, the parties will cause MPSA to have such statements so audited at the expense of MPSA, in the case of an audit required by accounting rules or regulations to which KPMC or Inmet is subject, or at the cost of KPMC, in the case of an audit required by accounting rules or regulations to which a KPMC Shareholder is subject, within 30 calendar days after the end of such Fiscal Year. The Shareholder requesting such audit (or KPMC in the case of a request from a KPMC Shareholder) shall use its commercially reasonable efforts to give Notice that it requires such an audit to MPSA and the other Shareholders not later than the end of the relevant Fiscal Year. If such Notice is not received by MPSA and the other Shareholders on or before 60 days prior to the end of the relevant Fiscal Year, the Shareholders shall use their commercially reasonable efforts to cause MPSA to have such statements audited within the timeframe provided above; provided that if the date of receipt of such Notice makes it commercially unreasonable for MPSA to have such statements audited within that timeframe, MPSA shall have the statements audited in accordance with the foregoing provisions as soon as practicable thereafter.

4.5 Changes to Securities Law Requirements

To the extent that Securities Law Requirements are changed and as a result reduce a timeframe within which KPMC, a KPMC Shareholder or Inmet is required to make any filings thereunder, the relevant timeframe set forth above will be correspondingly adjusted.

4.6 Delivery of Notices Received Pursuant to Financing Documents

MPSA shall promptly deliver to each Group a copy of any notice, demand or other communication received by it pursuant to the Financing Documents.

ARTICLE 5

ISSUANCE AND DISPOSITION OF PROJECT INTERESTS

5.1 General Restriction

5.1.1 No member of the KPMC Group or of the Inmet Group may sell, assign, transfer or otherwise dispose of (“**Transfer**”) any Project Interests now or hereafter held by it or any interest therein, except as permitted by this Agreement and, to the extent a Transfer is restricted by the terms of any Financing Documents, in compliance with such restrictions.

5.1.2 The prohibition set out in Section 5.1.1 shall apply to any indirect sale of any Project Interests through: (A) the disposition by any member of the Inmet Group of any interest in a member of the Inmet Group, other than to a Person that is a Wholly-Owned Subsidiary of Inmet, and (B) the disposition by any member of the KPMC Group of any interest in a member of the KPMC Group, other than to a Person that is a Wholly-Owned Subsidiary of any of the KPMC Shareholders. For greater certainty, an issuance of securities by or a change of Control of Inmet or LS-Nikko shall not constitute a Transfer of Project Interests.

5.1.3 A purported Transfer of any Project Interest or any interest therein (including any indirect sale of a Project Interest) in violation of this Agreement shall not be valid. MPSA shall not register any purported Transfer of or other dealing with a Project Interest in violation of this Agreement on the securities register or other records of MPSA, nor shall any voting or other rights attaching to any such Project Interest be exercised or exercisable by the purported recipient, nor shall any interest, dividend or other distribution or payment be paid or made on such a Project Interest to the purported recipient.

5.2 Permitted Transfers by Inmet and KPMC

5.2.1 Notwithstanding the restrictions set out in Section 5.1.1, the Inmet Group may, directly or indirectly, Transfer a portion of its Project Interests to one or more Acceptable Third Parties or to a Person (a “**Holdco**”) of which it and one or more Acceptable Third Parties own all voting interests so long as:

5.2.1.1 upon completion of such Transfer: (i) Inmet and one or more Acceptable Third Party Operators hold, directly or indirectly, a majority of the outstanding Class A Common Shares and a majority of the outstanding Class A Special Shares, (ii) Inmet holds, directly or indirectly, at least as many of the outstanding Class A Common Shares and at least as many of the outstanding Class A Special Shares as the KPMC Group holds, directly or indirectly, of the Class B Common Shares and the Class B Special Shares, respectively, and (iii) Acceptable Third Party Non-Operators hold, in aggregate, directly or indirectly, no more than 25% of the outstanding Class A Common Shares and 25% of the outstanding Class A Special Shares, where for purposes of this Section 5.2.1.1 a Person is deemed to hold that number of MPSA Shares held by an entity in which such Person holds a voting interest equal to such Person's percentage voting interest in such entity multiplied by the number of MPSA Shares held (or deemed by the section to be held) by such entity;

5.2.1.2 each Holdco and each Transferee of Project Interests to whom MPSA Shares are Transferred shall assume the rights and obligations under this Agreement in proportion to the Project Interests Transferred;

5.2.1.3 the terms of such Transfer and the rights and obligations of each Transferee upon the completion of such Transfer shall not be more favourable to the Transferee (excluding any tax consequences but including stated capital consequences), on a pro rata basis, than the terms on which the KPMC Group acquired its Project Interests (including any amount paid to acquire and exercise the option in respect thereof) and the rights and obligations of the KPMC Group under this Agreement; and

5.2.1.4 the Project Interests held by the KPMC Group shall not be diluted and its rights under this Agreement shall not otherwise be adversely affected as result of such Transfer.

5.2.2 Notwithstanding the restrictions set out in Section 5.1.1 but subject to Section 5.11, the KPMC Group may Transfer some or all of its Project Interests to a Person that is, in the opinion of Inmet, acting reasonably, a reputable Person that is capable of fulfilling the obligations to be assumed by it under this Agreement.

5.2.3 Notwithstanding the restrictions set out in Section 5.1.1, any member of the Inmet Group or the KPMC Group may pledge Group Interests in accordance with the terms of Section 5.5, and any pledgee thereof may Transfer some or all of the Group Interests so pledged in accordance with Section 5.5, and in such cases, the terms of Section 5.5 and not Section 5.2.1 or 5.2.2 shall govern such pledge and/or Transfer.

5.2.4 Notwithstanding any other provision of this Agreement, (i) no Transfer of Class A Common Shares or Class A Special Shares shall be made to any Person without a simultaneous Transfer to such Person of a proportionate number of Class A Special Shares or Class A Common Shares, respectively, (ii) no Transfer of Class B Common Shares or Class B Special Shares shall be made to any Person without a simultaneous Transfer to

such Person of a proportionate number of Class B Special Shares or Class B Common Shares, respectively and (iii) in the event of a Transfer of Project Interests outside of a Group, the same percentage (as nearly as is reasonably practicable) of each type of Project Interests (MPSA Common Shares, MPSA Special Shares, Shareholder Loans and Default Loans) held by such Group shall be Transferred to the same transferee (for illustrative purposes only, if a member of the Inmet Group transfers 10% of the Class A Common Shares held by the Inmet Group to the transferee, the Inmet Group must also transfer 10% of Class A Special Shares held by the Inmet Group and 10% of the principal amount and accrued interest of the Shareholder Loans and Default Loans held by the Inmet Group to that same transferee).

5.3 Pre-Emptive Right

Except (i) for issuances of MPSA Securities in connection with required contributions under Article 3 pursuant to an approved Work Plan and Budget, (ii) for issuances of MPSA Securities pursuant to an Approved Financing Plan, (iii) for issuances of MPSA Securities to reflect changes in Ownership Interests pursuant to this Agreement, and (iv) where the Project Interests held by the KPMC Group would not be diluted and its rights under this Agreement not otherwise adversely affected, no MPSA Securities shall be issued by MPSA and no option or other right for the purchase of or subscription for any MPSA Securities shall be granted at any time after the date hereof except upon compliance with the following provisions.

5.3.1 If MPSA proposes to issue any MPSA Securities other than pursuant to the exceptions set out in items (i), (ii), (iii) and (iv) of the first paragraph of this Section 5.3 (the “**Affected Securities**”), MPSA shall first offer the Affected Securities for subscription by the Shareholders in proportion to their respective Group’s Ownership Interests at the date of the offer, at the subscription price per share determined by the MPSA Board. Such offer shall be made in writing to each Shareholder. The offer shall contain a description of the terms and conditions relating to the Affected Securities and shall state the price at which the Affected Securities are offered and the date on which the purchase of Affected Securities by Shareholders is to be completed and shall state that any Shareholder that wishes to subscribe for Affected Securities may do so only by giving Notice of the exercise of the subscription right to MPSA within 60 days, or such shorter period as the Shareholders agree subject to Applicable Law, after the date of the offer. The offer shall also state that any Shareholder that wishes to subscribe for a number of Affected Securities less than or in excess of its proportion shall, in its Notice of subscription, specify the number of Affected Securities less than or in excess of such proportion that it wishes to purchase. If a Shareholder does not subscribe for its entire proportion, the unsubscribed Affected Securities shall be applied to satisfy the subscription, if any, of the other Shareholder for Affected Securities in excess of its respective proportion. No Shareholder shall be obliged to purchase any Affected Securities in excess of the number indicated in its subscription.

5.3.2 If any of the Affected Securities of any issue are not subscribed for within the period of 60 days, or such shorter period as the Shareholders agree, after they are offered to the Shareholders, MPSA may offer such unsubscribed Affected Securities within the period of 120 days after the expiration of such 60-day period to any Person; provided that

the price at which such Affected Securities may be issued shall not be less than the subscription price offered to the Shareholders and the terms of payment for such Affected Securities shall not be more favourable to such Person than the terms of payment offered to the Shareholders, and provided, further, that such Person shall have agreed to be bound by this Agreement pursuant to a counterpart agreement which is in a form and substance acceptable to Inmet and KPMC, acting reasonably.

5.3.3 If MPSA proposes to grant an option or other right for the purchase of or subscription for Affected Securities, such option or other right shall first be made available to Shareholders as nearly as may be possible in accordance with the foregoing.

5.4 Transfer Within Group

5.4.1 In addition to its Transfer rights set out in Section 5.2, a member of the Inmet Group may at any time Transfer all or any part of its Project Interests to Inmet or a Wholly-Owned Subsidiary of Inmet, and a member of the KPMC Group may at any time Transfer all or any part of its Project Interests to KPMC, to a KPMC Shareholder or to a Wholly-Owned Subsidiary of KPMC or a KPMC Shareholder, in each case provided that (1) the transferee agrees with the other parties hereto to assume that proportion of the Project Obligations of the transferor equal to the proportion of the transferor's Project Interests which are the subject of the Transfer, by execution of a counterpart of this Agreement or another agreement in form and substance satisfactory to such other parties, acting reasonably, and (2) in the case of a Transfer to a Wholly-Owned Subsidiary of Inmet or a Wholly-Owned Subsidiary of KPMC or a KPMC Shareholder, Inmet or KPMC or such KPMC Shareholder, as the case may be, guarantees the performance by its Wholly-Owned Subsidiary of such Wholly-Owned Subsidiary's Project Obligations under this Agreement and under any relevant Shareholder Loan Note. For greater certainty, all Wholly-Owned Subsidiaries which provide all or any portion of the Shareholder Loans must execute a counterpart to, and become bound by, this Agreement before holding any Project Interest.

5.4.2 If at any time and for any reason a Wholly-Owned Subsidiary of Inmet or KPMC or a KPMC Shareholder, as applicable, which holds Project Interests would cease to be a Wholly-Owned Subsidiary of Inmet or a Wholly-Owned Subsidiary of KPMC or such KPMC Shareholder, as applicable, then Inmet or KPMC or such KPMC Shareholder, as the case may be, shall cause such Wholly-Owned Subsidiary, prior to its ceasing to be a Wholly-Owned Subsidiary, to transfer, in accordance with Section 5.4.1, all Project Interests held by it to Inmet or KPMC or such KPMC Shareholder, as the case may be, or to any other Wholly-Owned Subsidiary of Inmet or KPMC or a KPMC Shareholder, as the case may be.

5.5 Encumbrance of Group Interests

5.5.1 No member of any Group that directly or indirectly holds Project Interests shall mortgage, hypothecate, pledge, grant a security interest in or otherwise encumber (i) any of its Project Interests or (ii) any of its interest (including, without limitation, any Member

Equity or Member Shareholder Loans) in any other member of such Group (any such interest hereinafter referred to as a “**Member Interest**”) except:

5.5.1.1 pursuant to an Approved Financing Plan; or

5.5.1.2 in connection with financing arrangements entered into by a member of a Group or the PSA in the case of the Inmet Group, in each case, provided that:

5.5.1.2.1 prior to Completion such arrangements (other than the PSA) are entered into to meet, and all proceeds or advances available to it under such financing arrangements are used to meet, its funding obligations under this Agreement; and

5.5.1.2.2 after Completion such arrangements (other than the PSA) are entered into only with financial institutions, other financial lenders, investment dealers in respect of public markets transactions or Persons whose principal business is financial services;

provided that in all cases any pledgee of Group Interests agrees that (i) it takes such pledge or security interest subject to the provisions of this Agreement, and (ii) upon any realization of a security interest in any such Group Interests, it shall take all commercially reasonable actions necessary to Transfer such Group Interests to, and shall Transfer such Group Interests only to:

5.5.1.2.3 if a member of the Inmet Group is the pledgor, an Acceptable Third Party Operator; or

5.5.1.2.4 if a member of the KPMC Group is the pledgor, a reputable Person that is, in the reasonable judgment of Inmet, acting reasonably, capable of fulfilling the obligations to be assumed by it under this Agreement,

and in each case, until such a Transfer of Group Interests has been completed, it shall retain MPSA as the operator of the Project unless otherwise approved by the other Group (provided that if the pledgee of Group Interests is such an Acceptable Third Party Operator or reputable Person, as the case may be, it shall not be required to Transfer such Group Interests); or

5.5.1.3 with the prior written consent of the other parties hereto, which consent may be withheld in the absolute discretion of such parties.

5.6 **Piggy-Back Right**

5.6.1 Except in connection with a Transfer permitted under Section 5.2 or Section 5.5.1.2.3, if at any time after the Completion Date an arm's length third party (a “**Third Party**”) makes a *bona fide* offer (a “**Third Party Offer**”) to purchase all (but not less than all) of the Project Interests not held by the KPMC Group that the holders of such Project Interests, acting reasonably, wish to accept, Inmet shall (subject to Section 5.7)

obtain from the Third Party a *bona fide* offer addressed to the KPMC Group to purchase all (but not less than all) of the KPMC Group's Project Interests (the "**Piggy-Back Offer**") setting forth the total price offered for all of the Project Interests not held by the KPMC Group (the "**Non-KPMC Offer Price**") in the Third Party Offer and the total price offered for all of the Project Interests held by the KPMC Group (the "**KPMC Offer Price**", and together with the Non-KPMC Offer Price, the "**Total Offer Price**"). The Piggy-Back Offer will otherwise be on the same terms as contained in the Third Party Offer; however, the Piggy-Back Offer may provide that the purchase of the Project Interests of the KPMC Group is conditional on the purchase by the Third Party of the Project Interests held by the holders of Project Interests other than the KPMC Group under the Third Party Offer. Inmet shall deliver the Piggy-Back Offer to the KPMC Group, together with a copy of the Third Party Offer as accepted by the holders of Project Interests other than the KPMC Group. For greater certainty, other than in connection with a Transfer permitted under Section 5.2, a member of the Inmet Group shall only be entitled to sell Project Interests pursuant to a Third Party Offer if a Piggy-Back Offer is made (as set out above) in respect of that Third Party Offer in the manner set out above in the amount and of the kind identified in such Piggy Back Offer as the total amount and kind of the Project Interests to be purchased from holders of Project Interests other than the KPMC Group in such Third Party Offer.

5.6.2 Within 15 days after receiving the Piggy-Back Offer, the KPMC Group may, if it disagrees with the KPMC Offer Price, request a determination of the KPMC Formula Price pursuant to Section 5.8.

5.6.3 The KPMC Group shall have the right, exercisable by Notice given to Inmet, as agent for and on behalf of the Third Party, within 60 days after receipt of the Piggy-Back Offer:

5.6.3.1 to accept the Piggy-Back Offer; or

5.6.3.2 to reject the Piggy-Back Offer.

If no Notice is given by the KPMC Group under this section, the KPMC Group shall be deemed to have given the Notice referred to in Section 5.6.3.2.

5.6.4 The purchase of the affected Project Interests pursuant to the Third Party Offer, and, if accepted by the KPMC Group, the Piggy-Back Offer, must be completed within 90 days of the date KPMC accepts, rejects or is deemed to have rejected the Piggy-Back Offer. If the KPMC Group has accepted the Piggy-Back Offer, the closing of both transactions will occur contemporaneously. If the KPMC Group has accepted the KPMC Offer Price, on the closing the KPMC Group will receive the KPMC Offer Price and the holders of the Project Interests other than members of the KPMC Group will receive, in the aggregate, the Non-KPMC Offer Price. If the KPMC Group has requested the KPMC Formula Price and the KPMC Formula Price has been determined prior to the closing, the KPMC Group shall receive the KPMC Formula Price at the closing from the Third Party and the holders of Project Interests other than members of the KPMC Group will receive, in the aggregate, an amount at the closing from the Third Party equal to the Total Offer Price less the KPMC Formula Price. If the KPMC Formula Price has not been determined

as of the closing date, the closing shall proceed, and on closing the KPMC Group shall receive the KPMC Offer Price paid by the Third Party and the holders of the Project Interests other than members of the KPMC Group will receive, in the aggregate, the Non-KPMC Offer Price and, within 5 Business Days after the KPMC Formula Price has been determined pursuant to Section 5.8, (x) if the KPMC Formula Price exceeds the KPMC Offer Price the holders of Project Interests other than members of the KPMC Group shall pay to the KPMC Group the difference between the KPMC Formula Price and the KPMC Offer Price, and (y) if the KPMC Offer Price exceeds the KPMC Formula Price, the KPMC Group shall pay the holders of Project Interests other than members of the KPMC Group the difference between the KPMC Offer Price and the KPMC Formula Price. If the sale is not completed within such 90 day period, the provisions of Section 5.6 shall again apply to any proposed sale of Project Interests by the Inmet Group or any member thereof and so on from time to time. Notwithstanding the foregoing, at the closing the KPMC Group shall repay out of its sale proceeds all outstanding principal and interest in respect of loans deemed to be made to it by Inmet pursuant to Section 2.7 and Section 2.9.

5.6.5 On completion of the purchase of the affected Project Interests pursuant to the Third Party Offer, and if applicable the Piggy-Back Offer, the Third Party will become entitled to the benefit of, and become subject to, all of the rights and obligations of holders of Project Interests other than KPMC Group and, if applicable, KPMC, to the extent of the Project Interests so acquired.

5.7 Carry-Along Obligation

5.7.1 Except in connection with a Transfer permitted under Section 5.5.1.2.3, if at any time after the Completion Date a Third Party makes a Third Party Offer to purchase all (but not less than all) of the Project Interests not held by the KPMC Group that the holders of such Project Interests, acting reasonably, wish to accept, Inmet shall either comply with the provisions of Section 5.6 or may elect to comply with the provisions of this Section 5.7, provided that Inmet may not elect to comply with the provisions of this Section 5.7 unless the Carry-Along Offer delivered to KPMC pursuant to Section 5.7.2 provides the KPMC Group with the right to elect, in its sole discretion, to receive, in lieu of any securities or other property offered as consideration in the Third Party Offer (if any), consideration in cash equal to the fair market value of any such securities and other property as determined by an independent third party to be agreed by Inmet and KPMC or, if they cannot agree on such an independent third party, as determined pursuant to the dispute resolution mechanisms in Section 6.8 (provided that if KPMC requests the KPMC Formula Price and such price is determined by arbitration pursuant to Section 5.8 then if the parties cannot agree on such fair market value, such fair market value shall be determined by the independent arbitrator selected pursuant to Section 5.8 in accordance with the procedures provided for in Section 5.8).

5.7.2 If Inmet elects to comply with this Section 5.7, Inmet shall obtain from the Third Party a *bona fide* offer addressed to the KPMC Group (a “**Carry-Along Offer**”) to purchase all (but not less than all) of the Project Interests held by the KPMC Group and setting forth the total price offered for all of the Project Interests not held by the KPMC Group (the “**Non-KPMC Offer Price**”) in the Third Party Offer and the total price offered

for all the Project Interests held by the KPMC Group (the “**KPMC Offer Price**”, and together with the Non-KPMC Offer Price, the “**Total Offer Price**”). The Carry-Along Offer will otherwise be on the same terms and conditions as contained in the Third Party Offer (adjusted only to reflect the KPMC Group’s right to elect to receive consideration in cash equal to the fair market value of all securities and other property offered as consideration in the Third Party Offer determined as contemplated in Section 5.7.1) and shall be delivered forthwith to KPMC.

5.7.3 The KPMC Group shall be obliged to accept the Carry-Along Offer within 10 Business Days of receipt of the Carry-Along Offer. The acceptance of the Carry-Along Offer shall be made in writing to the Third Party and a copy of the acceptance (or of the accepted Carry-Along Offer) shall be delivered to Inmet within such 10 Business Day period. The KPMC Group may indicate in the acceptance that it disagrees with the KPMC Offer Price and request a determination of the KPMC Formula Price pursuant to Section 5.8. If the KPMC Group does not deliver an acceptance within such 10 Business Day period or does not indicate such disagreement in such acceptance, then the KPMC Group shall be deemed to have accepted the KPMC Offer Price.

5.7.4 If the KPMC Group does not accept the Carry-Along Offer within the 10 Business Day period referred to in Section 5.7.3, Inmet shall be entitled to accept the Carry-Along Offer on behalf of the KPMC Group and to deliver the same to the Third Party and, for such purpose, each member of the KPMC Group hereby appoints Inmet as its attorney, with full power of substitution, in the name of each member of the KPMC Group to accept the Carry-Along Offer and to execute and deliver all documents and instruments to give effect to such acceptance and to establish a binding contract of purchase and sale between each member of the KPMC Group and the Third Party with respect to all the Project Interests held by each member of the KPMC Group. Such appointment is irrevocable by the members of the KPMC Group to the full extent permitted by Applicable Law and shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of KPMC or any member of the KPMC Group. Each member of the KPMC Group agrees that it shall perform the agreement resulting from acceptance of the Carry-Along Offer in accordance with its terms and shall ratify and confirm all that Inmet may do or cause to be done to consummate the Carry-Along Offer.

5.7.5 The purchase and sale of Project Interests between the KPMC Group and the Third Party and between the holders of Project Interests other than the KPMC Group and the Third Party shall be completed in accordance with the provisions of the Carry-Along Offer and the Third Party Offer and each such transaction shall be completed contemporaneously. If the KPMC Group has accepted the KPMC Offer Price, on closing the KPMC Group will receive the KPMC Offer Price and the holders of the Project Interests other than members of the KPMC Group will receive, in the aggregate, the Non-KPMC Offer Price. If the KPMC Group has requested the KPMC Formula Price and the KPMC Formula Price has been determined prior to the closing, the KPMC Group shall be entitled to receive the KPMC Formula Price at the closing from the Third Party and the holders of the Project Interests other than members of the KPMC Group will receive, in the aggregate, an amount at the closing from the Third Party equal to the Total Offer Price less

the KPMC Formula Price. If the KPMC Formula Price has not been determined as of the closing date, the closing shall proceed, and on closing the KPMC Group shall receive the KPMC Offer Price and the holders of the Project Interests other than members of the KPMC Group will receive, in the aggregate, the Non-KPMC Offer Price and within 5 Business Days after the KPMC Formula Price has been determined pursuant to Section 5.8, (x) if the KPMC Formula Price exceeds the KPMC Offer Price the holders of the Project Interests other than members of the KPMC Group shall pay to the KPMC Group the difference between the KPMC Formula Price and the KPMC Offer Price, and (y) if the KPMC Offer Price exceeds the KPMC Formula Price, the KPMC Group shall pay the holders of the Project Interests other than members of the KPMC Group the difference between the KPMC Offer Price and the KPMC Formula Price. Notwithstanding the foregoing, at the closing the KPMC Group shall repay out of its sale proceeds all outstanding principal and interest in respect of loans deemed to be made to it by Inmet pursuant to Section 2.7 and Section 2.9.

5.7.6 If the KPMC Group accepts a Carry-Along Offer under Section 5.7.3 or a Carry-Along Offer is accepted on its behalf under Section 5.7.4, the percentage of copper concentrates production allocated to KPMC under the Offtake Agreement in each year thereafter shall be equal to the Ownership Interest of the KPMC Group immediately prior to the completion of any such Carry-Along Offer.

5.8 Determination of KPMC Formula Price

5.8.1 The KPMC Formula Price shall be determined in accordance with the methodology set out in Schedule 5.8.

5.8.2 If the KPMC Group provides notice of disagreement with the KPMC Offer Price and requests a determination of the KPMC Formula Price pursuant to Section 5.6 or 5.7, then Inmet shall prepare a detailed calculation of the KPMC Formula Price and send such calculation to the KPMC Group within 15 Business Days of receiving the request referred to above. The KPMC Group shall be deemed to have accepted the calculation of the KPMC Formula Price if it does not provide a notice of objection to Inmet within 10 Business Days of receipt of the calculation. Upon receipt of a notice of objection, KPMC and Inmet shall endeavor in good faith to agree within 20 Business Days after receipt of the objection notice (the “**Negotiation Period**”) on the KPMC Formula Price.

5.8.3 To the extent KPMC and Inmet are unable to agree on the KPMC Formula Price within the Negotiation Period, they will each prepare a detailed calculation of the KPMC Formula Price. Each of KPMC and Inmet will submit its calculation within 20 Business Days after the expiry of the Negotiation Period (or, if later, within 5 Business Days following the selection or appointment of an independent arbitrator in accordance with Section 5.8.4), together with any supporting evidence on which it relies, to an independent arbitrator who will be instructed to choose one such calculation as the basis for determining the KPMC Formula Price and to make its determination within 20 Business Days after calculations have been submitted by both parties. The award of the independent arbitrator shall be made in writing in the English language and shall state the

reasons for such award, and shall be final and binding on the parties. Judgment on the award may be entered in any court having jurisdiction thereof.

5.8.4 For this purpose KPMC and Inmet shall each be entitled to nominate, prior to the end of the Negotiation Period, a Person qualified by education and experience in the subject matter of the dispute (a “**nominee**”), and the respective nominees will then choose, within 10 Business Days after their selection as nominees, an independent arbitrator qualified by education and experience in the subject matter of the dispute to be the sole arbitrator for determination of the KPMC Formula Price. If the nominees are unable to agree on an independent arbitrator within such 10 Business Day period, either KPMC or Inmet may ask the International Chamber of Commerce to appoint an independent arbitrator qualified by education and experience in the subject matter of the dispute. Following the selection of the independent arbitrator, the initial nominees shall have no further duties in connection with the arbitration under this Section 5.8. The procedures of the independent arbitrator shall be determined by the independent arbitrator, but shall: (i) give KPMC and Inmet a reasonable opportunity to make written and oral representations to the independent arbitrator; (ii) require that KPMC and Inmet supply each other with a copy of any written representations at the same time as they are made to the independent arbitrator; (iii) permit each of KPMC’s representatives and Inmet’s representatives to be present while oral submissions are being made by the other; (iv) require that all written and oral submissions by KPMC and Inmet be made and all hearings be conducted in the English language; and (v) require any hearing or meetings of the independent arbitrator be held in Toronto, Ontario, Canada. KPMC and Inmet shall co-operate in good faith with the independent arbitrator and comply with its reasonable requests made in connection with the carrying out of its duties under this Agreement. Except as may be required by Applicable Law or (in the case of a party only) as provided in Section 6.5, neither a party nor any independent arbitrator may disclose the existence, content or results of any arbitration under this Section 5.8 without the prior written consent of both KPMC and Inmet.

5.9 Call Right for Inmet

5.9.1 If at any time the Ownership Interest of the KPMC Group is less than 15% (excluding, for the purpose of this Section 5.9.1 only, the effect of any dilution in the circumstances contemplated in Section 2.7.5.3.4 and Section 2.9.2.3.4), Inmet may provide a Call Notice to KPMC and thereby elect to purchase all but not less than all of the Project Interests held by the KPMC Group. Such Call Notice shall constitute the irrevocable election by Inmet to purchase all of the Project Interests held by the KPMC Group and, upon the giving of such Call Notice, the KPMC Group shall thereupon be obligated to sell to Inmet all such Project Interests. Inmet may designate a Wholly-Owned Subsidiary of Inmet to purchase the Project Interests of the KPMC Group but, notwithstanding such designation, Inmet shall continue to be liable for performance of the obligation to purchase the Project Interests of the KPMC Group. The purchase and sale shall be for a price equal to the KPMC Group’s Project Interests Value as at the date of the Call Notice, payable in cash. The purchase and sale shall be completed on the 20th Business Day, or such other date as shall be mutually acceptable to KPMC and Inmet, after the later of (i) the

determination of the KPMC Group's Project Interests Value and (ii) the satisfaction (or waiver) of each of the conditions to closing provided in Section 5.12.

5.10 Determination of Value for Call

5.10.1 Following the delivery of a Call Notice, KPMC and Inmet shall endeavor in good faith to agree, within 20 Business Days after the Call Notice Date, on the proportionate amount of the value of all issued and outstanding Project Interests represented by Project Interests owned by the KPMC Group (the "**KPMC Group's Project Interests Value**") based on (1) metal prices, currency exchange rates and a discount rate appropriate to the Project (collectively, the "**Financial Variables**"), and (2) the elements of the mine model to be used for such valuation; provided that for the purpose of this determination, the Project shall be valued excluding the effect of the obligations of MPSA under the PSA.

To the extent KPMC and Inmet are unable to agree on the KPMC Group's Project Interests Value or any of the Financial Variables to be used in the determination thereof within 20 Business Days after the Call Notice Date, KPMC and Inmet agree that the KPMC Group's Project Interests Value shall be determined based on (1) metal prices specified in the consensus metal price forecast published by Brook Hunt or, if such forecast is not available, the consensus metal price forecast published by such other mining and metal industry consultant acceptable to both KPMC and Inmet, acting reasonably, (2) currency exchange rates specified in the 12-month forecast published by Reuters or, if Reuters ceases to publish currency exchange rates, the rates published by such other source as KPMC and Inmet agree, and (3) a discount rate will be determined by a mutually agreed independent international financial institution. For the purposes of this Agreement, "independent" means a financial institution without significant current or historical ties to either party, and "international financial institution" means a chartered bank or investment bank, serving clients directly or through Affiliates in North America. If KPMC and Inmet are unable to agree on the independent international financial institution within 20 Business Days after the Call Notice Date, the independent international financial institution will be selected by the independent arbitrator selected pursuant to Section 5.10.2. The selection of the independent international financial institution, whether by mutual agreement or an independent arbitrator, shall be made within 50 Business Days after the Call Notice Date, and KPMC and Inmet shall instruct the independent international financial institution to make its determination of the discount rate within 20 Business Days after its selection.

5.10.2 To the extent KPMC and Inmet are unable to agree on the elements of the mine model within 20 Business Days after the Call Notice Date, they will each prepare a valuation of the aggregate value of all issued and outstanding Project Interests using the Financial Variables agreed between them or determined pursuant to Section 5.10.1, as the case may be, and any other elements of the mine model agreed between them. Each of KPMC and Inmet will submit its valuation within 50 Business Days after the Call Notice Date, together with any supporting evidence on which it relies, to an independent arbitrator who will be instructed to choose one such valuation as the basis for determining the KPMC Group's Project Interests Value and to make its determination within 20 Business Days

after valuations have been submitted by both parties. The award of the independent arbitrator shall be made in writing in the English language and shall state the reasons for such award, and shall be final and binding on the parties. Judgment on the award may be entered in any court having jurisdiction thereof.

For this purpose KPMC and Inmet shall each be entitled to nominate, within 30 Business Days after the Call Notice Date, a Person qualified by education and experience in the subject matter of the dispute (a “**nominee**”), and the respective nominees will then choose, within 10 Business Days after their selection as nominees, an independent arbitrator qualified by education and experience in the subject matter of the dispute to be the sole arbitrator for determination of the valuation. If the nominees are unable to agree on an independent arbitrator within such 10 Business Day period, either KPMC or Inmet may ask the International Chamber of Commerce to appoint an independent arbitrator qualified by education and experience in the subject matter of the dispute. Following the selection of the independent arbitrator, the initial nominees shall have no further duties in connection with the arbitration under this Section 5.10. The independent arbitrator may, if the independent international financial institution which shall determine the discount rate appropriate to the Project has not been agreed by KPMC and Inmet pursuant to Section 5.10.1, select such independent international financial institution. The procedures of the independent arbitrator shall be determined by the independent arbitrator, but shall: (i) give KPMC and Inmet a reasonable opportunity to make written and oral representations to the independent arbitrator; (ii) require that KPMC and Inmet supply each other with a copy of any written representations at the same time as they are made to the independent arbitrator; (iii) permit each of KPMC’s representatives and Inmet’s representatives to be present while oral submissions are being made by the other; (iv) require that all written and oral submissions by KPMC and Inmet be made and all hearings be conducted in the English language; and (v) require any hearing or meetings of the independent arbitrator be held in Toronto, Ontario, Canada. KPMC and Inmet shall co-operate in good faith with the independent arbitrator and comply with its reasonable requests made in connection with the carrying out of its duties under this Agreement. Except as may be required by Applicable Law or as provided in Section 6.5, neither a party nor any independent arbitrator may disclose the existence, content or results of any arbitration under this Section 5.10.2 without the prior written consent of both KPMC and Inmet.

5.11 Right of First Offer

5.11.1 If any member of the KPMC Group wishes to sell, assign or transfer Project Interests held by the KPMC Group (the “**Subject Interests**”) as permitted pursuant to Section 5.2.2, the KPMC Group shall not sell, assign or transfer the Subject Interests unless and until the KPMC Group has first provided Inmet with the opportunity to acquire all of the Subject Interests for consideration payable in cash.

5.11.2 Upon determining that it wishes to sell, assign or transfer the Subject Interests, KPMC shall deliver a Notice to Inmet (the “**ROFO Notice**”) which sets out the terms on which the relevant member of the KPMC Group is willing to sell, assign or transfer the Subject Interests to Inmet, and such ROFO Notice shall be deemed to constitute an offer

(the “**KPMC Offer**”) by such member of the KPMC Group to Inmet to sell, assign or transfer all but not less than all of the Subject Interests to Inmet on the terms and conditions set out therein.

5.11.3 Inmet shall be entitled to accept the KPMC Offer in respect of all, but not less than all, of the Subject Interests by giving Notice to KPMC within 5 Business Days of receipt of the ROFO Notice. If Inmet accepts the KPMC Offer in respect of all of the Subject Interests, then it shall purchase the Subject Interests, with the closing of the purchase to be completed within 10 Business Days after acceptance of the KPMC Offer, provided that Inmet may direct that title thereto be registered in the name of a Wholly-Owned Subsidiary of Inmet.

5.11.4 If Inmet does not accept the KPMC Offer in respect of all of the Subject Interests by the date provided in Section 5.11.3, then Inmet will be deemed to have rejected the KPMC Offer as of the expiry of such period, following which the KPMC Group may, within the period of 90 Business Days after the final date for acceptance of the KPMC Offer by Inmet, sell all but not less than all of the Subject Interests to a *bona fide* third party (the “**ROFO Buyer**”), provided that:

- (i) the terms of sale to the ROFO Buyer shall be no more favourable to the ROFO Buyer than those set forth in the ROFO Notice;
- (ii) the ROFO Buyer agrees to be bound by that proportion of the Project Obligations of the KPMC Group which is equal to the proportion of the KPMC Group’s Project Interests being sold, by agreement in form and substance satisfactory to Inmet, acting reasonably;
- (iii) in the reasonable judgment of Inmet, acting reasonably, the ROFO Buyer is a reputable Person capable of fulfilling the obligations it is assuming under this Agreement; and
- (iv) the sale to the ROFO Buyer will not have the effect of creating a breach of, or default under, any Financing Document.

5.11.5 If the KPMC Group does not sell all of the Subject Interests to the ROFO Buyer within the period of 90 Business Days in accordance with Section 5.11.4, KPMC must again comply with the provisions this Section 5.11 with respect to any sale, assignment or transfer of all or any portion of its Project Interests.

5.12 General Closing Procedures

5.12.1 The provisions of this Section 5.12 shall apply to any sale or transfer of Project Interests pursuant to any of Sections 5.2, 5.5, 5.6, 5.7, 5.9 and 5.11. For the purposes of this Section 5.12 the term “**selling Group**” means the selling or transferring Group or Person, as the case may be, and the term “**acquiring Group**” means each purchasing or transferee Group or Person, as the case may be.

5.12.2 On completion of any sale, assignment or transfer of any Project Interests referred to in Section 5.12.1, the selling Group shall deliver to each acquiring Group (to the extent the same are not in the possession of a holder of liens or encumbrances in accordance with the Financing Documents or the PSA) the certificates, promissory notes and other documents representing the Project Interests being sold or transferred, with duly executed transfers and assignments thereof and such authorizing resolutions, evidences of authority to act and other instruments as may be reasonably necessary to effect the valid transfer and assignment of such Project Interests and any resignations of the selling Group's nominees as directors of MPSA. In addition, the selling Group shall also deliver such other documents as may be necessary to fully vest in the acquiring Group the selling Group's other interests, if any, in MPSA and the Project to the extent equal to the portion of the selling Group's Ownership Interest in MPSA that is acquired by the acquiring Group. All such documents shall be in form and substance satisfactory to the acquiring Group, acting reasonably.

5.12.3 Notwithstanding any other provision of this Agreement (but subject to the provisos set forth in Section 6.7 in respect of pledgers) any Person who transfers Project Interests as permitted by and in accordance with this Agreement may assign all of its rights and benefits under this Agreement to the acquiring Group and such acquiring Group shall be subject to all obligations of the selling Group as set forth in this Agreement, in each case to the extent of the selling Group's Ownership Interest in MPSA that is acquired by the acquiring Group.

5.12.4 Any sale or transfer of Project Interests referred to in Section 5.12.1 shall be conditional on receipt of all necessary governmental and regulatory consents and approvals (if any). Such transaction shall also be conditional on the acquiring Group acquiring good title to such Project Interests free of all encumbrances (other than those created in accordance with (i) the PSA or (ii) the Financing Documents and securing the Project Obligations including, if applicable, those Project Obligations to be assumed by the acquiring Group pursuant to Section 5.13) and on completion of the sale or transfer the selling Group shall be deemed to have represented and warranted the same in favour of the acquiring Group.

5.12.5 Without limiting any other provision of this Agreement, any Person who at any time acquires any Project Interest, including by way of issuance by MPSA, transfer, sale or otherwise, shall agree with the parties hereto to be bound by this Agreement, and, if applicable, the relevant Shareholder Loan Note, by execution of a counterpart of this Agreement and, if applicable, the relevant Shareholder Loan Note, or other agreement in form and substance satisfactory to the parties hereto, acting reasonably.

5.13 Assumption of Obligations/Releases

5.13.1 Upon the completion of any sale or transfer of MPSA Securities referred to in any of Sections 5.9 and 5.11:

- (i) in the case of a sale arising pursuant to Section 5.9 (call right), the Inmet Group shall assume all of the Project Obligations of the KPMC Group;

- (ii) in the case of a sale arising pursuant to Section 5.11 (right of first offer), the Inmet Group shall assume the proportion of the Project Obligations of the KPMC Group that is equal to the proportion of the Project Interests of the KPMC Group (prior to such sale or transfer) represented by the Subject Interests sold or transferred in accordance with Section 5.11.3; and
- (iii) in the case of a sale arising pursuant to Section 5.11 (right of first offer) to a party other than a member of the Inmet Group, the ROFO Buyer shall assume the proportion of the Project Obligations of the KPMC Group that is equal to the proportion of the Project Interests of the KPMC Group (prior to such sale or transfer) represented by the Subject Interests sold or transferred in accordance with Section 5.11.4; provided that to the extent the ROFO Buyer acquired all of the Project Interests held by the KPMC Group, the ROFO Buyer shall succeed to all of KPMC's and the KPMC Group's Project Obligations and rights under this Agreement, and all references to KPMC shall be deemed to be references to such ROFO Buyer;

and in each case, each of KPMC and the KPMC Shareholders shall be released from such of its obligations under this Agreement as are so assumed.

5.14 Change of Control of MPSA

During any period in which the Ownership Interest of the KPMC Group is greater than 50%, the provisions of Article 2 and Article 5 (including the terms defined in Section 1.1 when used in such provisions) shall be read as though references to KPMC were to Inmet and references to Inmet were to KPMC.

ARTICLE 6

GENERAL

6.1 Parent Company Guarantees

Inmet unconditionally and irrevocably guarantees (as primary obligor and not as surety) that each member of the Inmet Group (other than Inmet) will comply with the provisions of this Agreement to the extent that such member of the Inmet Group is a party to such agreement from time to time. KPMC unconditionally and irrevocably guarantees (as primary obligor and not as surety) that each member of the KPMC Group (other than KPMC) will comply with the provisions of this Agreement to the extent that such member of the KPMC Group is a party to such agreement from time to time. Each KPMC Shareholder unconditionally and irrevocably severally guarantees (as primary obligor and not as surety) in proportion to its indirect Project Interests that KPMC will comply with the provisions of this Agreement.

6.2 KPMC Shareholders

6.2.1 Each KPMC Shareholder represents to Inmet that its direct and indirect ownership interest in KPMC is as follows:

LS-Nikko Copper Inc.:	50%
Korea Resources Corporation:	50%

6.2.2 Nothing in this Agreement shall prohibit any Transfer of direct or indirect beneficial or other ownership interests in KPMC to a third party; provided that a KPMC Shareholder proposing to effect such a transfer (i) shall not effect any such transfer that would result in MPSA being in breach of Applicable Law, (ii) shall provide Inmet with at least 10 days' prior written notice of any such transfer and the transferee; (iii) shall not effect any such transfer unless such transferee is a Person that is, in the opinion of Inmet, acting reasonably, a reputable Person that is capable of fulfilling the obligations to be assumed by it under this Agreement, and (iv) shall cause any transferee of such ownership interests to become bound by the provisions of this Agreement (including a several guarantee of KPMC's obligations as contemplated in Section 6.1) to the same extent as such KPMC Shareholder, in which case the transferring KPMC Shareholder shall be released from such of its obligations under this Agreement as are so assumed.

6.3 Cooperation, Further Assurances

Each party hereto agrees to vote and act as a Shareholder (if applicable) and in all other respects to use its commercially reasonable efforts and take all such steps in all relevant jurisdictions as may be reasonably within its power so as to cause MPSA to act in the manner contemplated by and consistent with the provisions hereof and in accordance with Applicable Law, so as to implement to the full extent the provisions of this Agreement and of any other document or instrument evidencing Project Obligations. Each party hereto shall execute any deeds, assignments, agreements and other instruments and give such further assurances as may be necessary or appropriate in connection with performing its Project Obligations, including its obligations under this Agreement, under the Shareholder Loan Notes and under the Financing Documents, and to give effect to any consent and approval rights of any other party hereto as provided herein. Without limiting the generality of the foregoing:

6.3.1 the Shareholders shall cause such meetings of the MPSA Board and/or the Shareholders to be held, votes cast, resolutions passed, articles amended, by-laws enacted, documents executed and all things and acts done to give effect to the arrangements described in this Agreement;

6.3.2 each Shareholder shall take all necessary or desirable actions, and each Group shall cause its nominees on the MPSA Board to take all necessary or desirable actions, in each case to give effect to any matter approved in accordance with the provisions of this Agreement or to otherwise give effect to the provisions of this Agreement (including, for greater certainty, (i) voting its MPSA Shares or causing its nominees on the MPSA Board to vote, as the case may be, in favour of, or against, as the case may be, such matter and (ii) causing its nominees on the MPSA Board to cause the appropriate officers of MPSA to

perform or cause to be performed the actions specified in this Agreement to be performed by management of MPSA); provided that any matter requiring approval under this Agreement that has not been approved in accordance with the provisions of this Agreement shall be deemed not to have been approved regardless of having been approved solely in accordance with Applicable Law; and

6.3.3 as soon as practicable following the date hereof and of any amendment hereto, the Shareholders shall take all necessary actions, and shall cause the MPSA Board to take all necessary actions, to cause the MPSA Articles and other organizational or constating documents of MPSA to be amended so as to make them consistent with the terms of this Agreement (as amended), subject to Applicable Law. To the extent provisions of Applicable Law prevent the MPSA Articles and other organizational or constating documents of MPSA from being so amended, the terms of this Agreement (as amended) shall govern as among the Shareholders who shall take or cause to be taken all actions necessary to give effect to the substance of such terms and amendments in accordance with Applicable Law.

6.4 Severability; Conflict with MPSA Articles/Registration

The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid or unenforceable (i) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (ii) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

If there is a conflict between the provisions of this Agreement and the provisions of the MPSA Articles or other organizational or constating documents of MPSA, then subject to Applicable Law, this Agreement shall govern among the parties hereto and the parties hereto shall promptly do whatever is required to amend the MPSA Articles or such other organizational or constating documents so that they conform to the fullest extent possible to the provisions of this Agreement. To the extent provisions of Applicable Law prevent the MPSA Articles and other organizational or constating documents of MPSA from being so amended, the terms of this Agreement (as amended) shall govern as among the Shareholders who shall take or cause to be taken all actions necessary to give effect to the substance of such terms and amendments in accordance with Applicable Law.

6.5 Confidentiality

No party hereto shall disclose to any Person, other than its Affiliates, officers, directors, employees, bankers or advisers who have a need for such information, any information relating to the business and affairs of MPSA or the Project which could reasonably be considered to be proprietary or confidential. A party may disclose such proprietary or confidential information to its Affiliates, officers, directors, employees, bankers and advisors only to the extent they have the

need to know such information, they have been informed of the proprietary or confidential nature of such information and agree to be bound by and act in accordance with this Section 6.5. Nothing in this Section 6.5 shall restrict:

- (i) any disclosure which a party is advised by its counsel is required in order to comply with Applicable Law, including the rules and policies of any stock exchange upon which such party's shares or shares of its Affiliates are traded, any disclosure required in connection with continuous disclosure obligations, annual information forms, prospectuses, registration statements, take-over bid circulars or other public disclosure documents;
- (ii) any disclosure by MPSA which is necessary in the course of its business and affairs or with respect to the Project;
- (iii) any disclosure made to any prospective purchaser of the interests of a party in MPSA, provided such prospective purchaser agrees to be bound by similar confidentiality obligations, which agreement shall be for the benefit of each of the parties hereto; or
- (iv) any disclosure made to any independent arbitrator in connection with any arbitration under Sections 5.8, 5.10.2 or 6.8 or to any independent international financial institution under Section 5.10.

Subject to the foregoing, any press release or similar continuous disclosure document relating to the matters provided for herein which is to be made by any party hereto shall be delivered to the others for their review and comment not later than one Business Day prior to its release.

6.6 Notice

Any notice, demand or other communication required or permitted to be given or made hereunder (a "**Notice**") shall be in writing and shall be delivered personally or by courier during normal business hours on a Business Day at the relevant address set forth below, or sent by facsimile or other means of recorded electronic communication (provided such transmission is confirmed), in the case of:

- (a) any member of the Inmet Group, addressed as follows:

Inmet Mining Corporation
330 Bay Street, Suite 1000
Toronto, Ontario
M5H 2S8
Attention: Vice-President, Legal and Corporate Affairs
Facsimile: (416) 368-4692

with a copy to:

Torlys LLP

Suite 3000
79 Wellington Street West
Toronto, Ontario
M5K 1N2
Attention: Christopher Fowles
Facsimile: (416) 865-7380

- (b) any member of the KPMC Group or any KPMC Shareholder, addressed as follows:

LS-Nikko Copper Inc.
20th Floor, ASEM Tower
Gangnam-gu
Seoul
135-798
South Korea
Attention: Vice-President, Head of Mineral Resources Management
Facsimile: (82) 2 2189 9898

and to:

Korea Resources Corporation
79 Siheung-Daero, Dongjak-Gu
Seoul 156-706
South Korea
Attention: Director, Americas Business Team
Facsimile: (82) 2 833 1250

with a copy to:

Stikeman Elliott LLP
1700-666 Burrard St.
Vancouver, BC
V6C 2X8
Attention: John Anderson
Facsimile: (604) 681-1825

- (c) MPSA, addressed as follows:

Minera Panama, S.A.
Torre Las Américas
Punta Pacifica, Calle Punta Darién y Punta Coronado
Torre A, Piso 20
Apdo. 0830-00576
Panama, Rep. de Panama
Attention: President
Facsimile: 501-212-5139

with a copy to Inmet.

Any Notice so given shall be deemed to have been given or made and received on the day of delivery, if so delivered, and on the next day following its sending by facsimile or other means of recorded electronic communication (provided such day is a Business Day at the place of receipt and, if not, on the first Business Day thereafter). Each party may from time to time change its address for notice by giving Notice to the others given in the manner aforesaid.

6.7 Assignment/Benefit

This Agreement shall not be assignable by any party hereto without the prior written consent of the other parties hereto, except as provided herein, provided that any party may, without the consent of the other parties, grant an interest in its rights and obligations under this Agreement (including, without limitation, by way of assignment) in connection with a financing arrangement or the PSA to the extent and as contemplated by and permitted under Section 5.5.1.1, 5.5.1.2 or 5.5.1.3 and provided that:

6.7.1 (i) if a member of the Inmet Group is the grantor of such an interest, the Person taking such interest is the pledgee permitted to take an encumbrance over Group Interests pursuant to Section 5.5.1.1, 5.5.1.2 or 5.5.1.3 of this Agreement; or (ii) in the case of a Transfer by such pledgee upon realization of its security in the Group Interests, the Person taking such interest is an Acceptable Third Party Operator; and

6.7.2 (i) if a member of the KPMC Group is the grantor of such an interest, the Person taking such interest is the pledgee permitted to take an encumbrance over Group Interests pursuant to Section 5.5.1.1, 5.5.1.2 or 5.5.1.3 of this Agreement; or (ii) in the case of a Transfer by such pledgee upon realization of its security in the Group Interests, the Person taking such security is a reputable Person that is, in the reasonable judgment of Inmet acting reasonably, capable of fulfilling the obligations to be assumed by it under this Agreement.

This Agreement shall enure to the benefit of and shall be binding upon the successors and permitted assigns of the parties hereto.

6.8 Dispute Resolution

6.8.1 Except as provided in Section 5.8 or 5.10, if a dispute arises out of or relates to this Agreement, or the interpretation, breach or validity thereof, or in respect of the legal relationship associated with or derived from this Agreement (excluding, for greater certainty, in respect of the Offtake Agreement) (a “**Dispute**”), it will be resolved in accordance with the provisions of this Section 6.8.

6.8.2 If a Dispute has not been settled through negotiation within 30 days of the disputing party’s Notice thereof to the other parties hereto, either party may, through a Notice of arbitration to the other parties, initiate arbitration to be carried out on the following basis:

6.8.2.1 Arbitration will be carried out in accordance with the ICC Rules of Arbitration in force on the date of this Agreement and shall be administered by the International Chamber of Commerce, which shall also act as appointing authority;

6.8.2.2 The parties shall each be entitled to nominate, within 20 Business Days after the disputing party's Notice of arbitration is received by all other applicable parties, a Person (a "**nominee**") who is (i) qualified by education and experience in the subject matter of the Dispute and knowledgeable about the mining industry and the operation of mining projects of the scope and size of the Project, (ii) disinterested in the dispute or controversy, (iii) independent and impartial with respect to all parties hereto, and (iv) experienced in resolving large, complex international commercial disputes involving similar issues. The respective nominees of the parties will then choose, within 10 Business Days after their selection as nominees, an independent arbitrator with the foregoing qualifications to be the sole arbitrator for determination of the Dispute. If the nominees are unable to agree on an independent arbitrator within such 10 Business Day period, either party may ask the International Chamber of Commerce to appoint an independent arbitrator having the foregoing qualifications. Following the selection of the independent arbitrator, the initial nominees shall have no further duties in connection with the arbitration under this Section 6.8.2;

6.8.2.3 The arbitrator shall have the power to grant any relief appropriate to the facts and circumstances that would be within the jurisdiction of a judge of the Superior Court of Justice of the Province of Ontario;

6.8.2.4 The award of the arbitrator shall be made in writing, state the reasons for such award and be final and binding on the parties;

6.8.2.5 Judgment on the award may be entered in any court having jurisdiction thereof;

6.8.2.6 The parties shall co-operate in good faith with the Arbitrator and comply with the arbitrator's reasonable requests made in connection with the carrying out of the arbitrator's duties under this Agreement; and

6.8.2.7 The place of arbitration shall be Toronto, Ontario, Canada. The arbitration shall be conducted in the English language and any documents or portions thereof presented as evidence at the merits hearing in a language other than English shall be accompanied by an English translation thereof. The arbitrator shall apply the laws of the Province of Ontario to the substance of a Dispute.

6.8.3 Except as may be required by Applicable Law or (in the case of a party only) as provided in Section 6.5, neither a party nor any arbitrator may disclose the existence, content or results of any arbitration under this Section 6.8 without the prior written consent of all parties to this Agreement.

6.8.4 All out-of-pocket expenses of an arbitration (including the fees and expenses of any arbitrator or nominee or of the ICC), as well as the costs of the parties in preparing for, participating in and being represented at such arbitration, shall be borne by the parties in the proportion determined by the arbitrator. In making such determination, the arbitrator shall take into account all relevant circumstances including the relative success of each of the parties and the extent to which each of the parties conducted the arbitration in an expeditious and cost-effective manner.

6.9 Injunctive Relief

Notwithstanding the provisions of Section 6.8, on default by a party hereto in the performance of any of its obligations hereunder, the other parties hereto shall be entitled to seek injunctive relief or specific performance in the courts of the Province of Ontario or the Republic of Panama to enforce the provisions hereof, and in this regard the parties hereto acknowledge that damages alone may not be an adequate remedy for any such breach.

6.10 Waiver of Immunity

Each party hereto unconditionally and irrevocably:

6.10.1 agrees that the execution, delivery and performance by it of this Agreement and all other agreements, contracts, documents and writings relating to this Agreement constitute private and commercial acts and not public or governmental acts;

6.10.2 agrees that should any proceedings be brought against it or its assets, other than the assets protected by the diplomatic and consular privileges under the *Foreign Sovereign Immunities Act* or any analogous legislation (“**Exempted Assets**”) in any jurisdiction, in relation to this Agreement or any transaction contemplated by this Agreement, no immunity, sovereign or otherwise, from such proceedings, executions, attachment or other legal process shall be claimed by or on behalf of itself or with respect to any of its assets (other than the Exempted Assets);

6.10.3 consents generally in respect of the enforcement of any judgment against it in any proceedings in any jurisdiction to the giving of any relief or the issue of any process in connection with such proceedings including without limitation the making, enforcement or execution against or in respect of any property irrespective of its use or intended use subject to Section 6.10.2; and

6.10.4 waives, to the fullest extent permitted by Applicable Law, with respect to itself and its revenues and assets (other than Exempted Assets), all immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction, order for specific performance or for recovery of property, (iv) attachment of its assets (whether before or after judgment) and (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any suit, action or proceedings relating to this Agreement in the courts of any jurisdiction and irrevocably agrees, to the extent permitted by Applicable Law, that it will not claim any such immunity in any such proceedings.

6.11 Entire Agreement; No Third-Party Beneficiaries

This Agreement constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter hereof, and is not intended to and shall not confer upon any Person other than the parties hereto any rights or remedies hereunder.

6.12 No Partnership

Nothing contained in this Agreement shall be deemed in any way or for any purpose to constitute any party a partner or, except as expressly provided herein, the agent or legal representative of any other party in the conduct of any business or otherwise, or a member of a joint venture or joint enterprise with any other, or to create any fiduciary relationship among them.

6.13 Amendment, Waiver; No Rescission

This Agreement may not be amended except by execution and delivery of an instrument in writing signed by each of the parties hereto. No waiver by any party of any of its rights hereunder shall be effective unless made in writing and no such waiver shall be construed as, nor constitute, a continuing waiver of such right, nor a waiver of any other right hereunder. This Agreement may not be rescinded in whole or in part.

6.14 Termination, Survival

This Agreement shall terminate at the earlier of such time as (i) all of the parties hereto other than MPSA agree to terminate this Agreement, or (ii) one Group or one Person owns all of the issued and outstanding Project Interests, provided that any such termination shall not affect any right or obligation of any party hereto accrued prior to the effective time of such termination, and provided, further, that Sections 5.6.4, 5.7.5, 5.8 and 6.5 and Schedule 5.8 shall survive any termination of this Agreement.

6.15 Counterparts

This Agreement may be executed in several counterparts (by parties at the date hereof and by those who are by the terms hereof obligated to agree to be bound by the provisions hereof), each of which shall be deemed to be an original, but all such counterparts together shall constitute one and the same instrument.

6.16 Facsimile or Electronic Image Execution

To evidence the fact that it has executed this Agreement, a party hereto may send a copy of its executed counterpart of this Agreement to all other parties hereto by facsimile or electronic image transmission. That party hereto shall be deemed to have executed this Agreement on the date it sends such facsimile or electronic image transmission.

IN WITNESS WHEREOF, the parties hereto have executed this Amended and Restated MPSA Shareholders Agreement.

INMET MINING CORPORATION

Per: “Steve Astritis”
Name: Steve Astritis
Title: Vice-President, Legal and
Corporate Affairs

Per: “Jon Wojnicki”
Name: Jon Wojnicki
Title: Vice-President, Strategic
Development

INMET PANAMA II SA

Per: “Emmanuel Reveillaud”
Name: Emmanuel Reveillaud
Title: Director

MINERA PANAMA, S.A.

Per: “Steven D. Botts”
Name: Steven D. Botts
Title: President

KOREA PANAMA MINING CORP.

Per: “Jun Tai Choo”
Name: Jun Tai Choo
Title: President

LS-NIKKO COPPER INC.

Per: “Seo Jeonghoon”
Name: Seo Jeonghoon
Title: Senior Vice President

KOREA RESOURCES CORPORATION

Per: “Bong-Sung Kong”
Name: Bong-Sung Kong
Title: Executive Vice President

SCHEDULE 1.1(1) CONCESSION

Description of the Area of the Concession

The Concession, as it is defined in this Contract, has a total area of 13,600 Hectares and its description is the following:

Zone No. 1: Departing from Point No. 1, which geographical coordinates are 80°41'59.02" longitude West and 8°51'25.11" latitude North it follows in a straight line directed East by a distance of 8,000 meters until reaching Point No. 2, which geographical coordinates are 80°37'38.15" longitude West and 8°51'25.11" latitude North, therefrom it follows in a straight line directed South by a distance of 5,000 meters until reaching Point No. 3, which geographical coordinates are 80°37'38.15" longitude West and 8°48'42.07" latitude North, therefrom it follows in a straight line directed West by a distance of 8,000 meters until reaching Point No. 4 which geographical coordinates are 80°41'59.02" longitude West and 8°48'42.07" latitude North, therefrom it follows in a straight line directed North by a distance of 5,000 meters until reaching Point No. 1 which is the departure.

This zone has a total surface of four thousand (4,000) Hectares and is located in the Corregimientos of Cocle del Norte and San Jose del General, District of Donoso, Province of Colon.

Zone No. 2: Departing from, Point No. 1, which geographical coordinates are 80°45'14.67" longitude West



and 8°54'40.76" latitude North it follows in a straight line directed East by a distance of 6,000 meters until reaching Point No. 2, which geographical coordinates are 80°41'59.02" longitude West and 8°54'40.76" latitude North, therefrom it follows in a straight line directed South by a distance of 11,000 meters until reaching Point No. 3, which geographical coordinates are 80°41'59.02" longitude West and 8°48'42.07" latitude North, therefrom it follows in a straight line directed West by a distance of 6,000 meters until reaching Point No. 4, which geographical coordinates are 80°45'14.67" longitude West and 8°48'42.07" latitude North, therefrom it follows in a straight line directed North until reaching Point No. 1 which is the departing point. This Zone has a total area of 6,000 Hectares and is located in the Corregimiento of Cocle del Norte, District of Donoso, Province of Colon and is adjacent to the West with Zone No. 1.

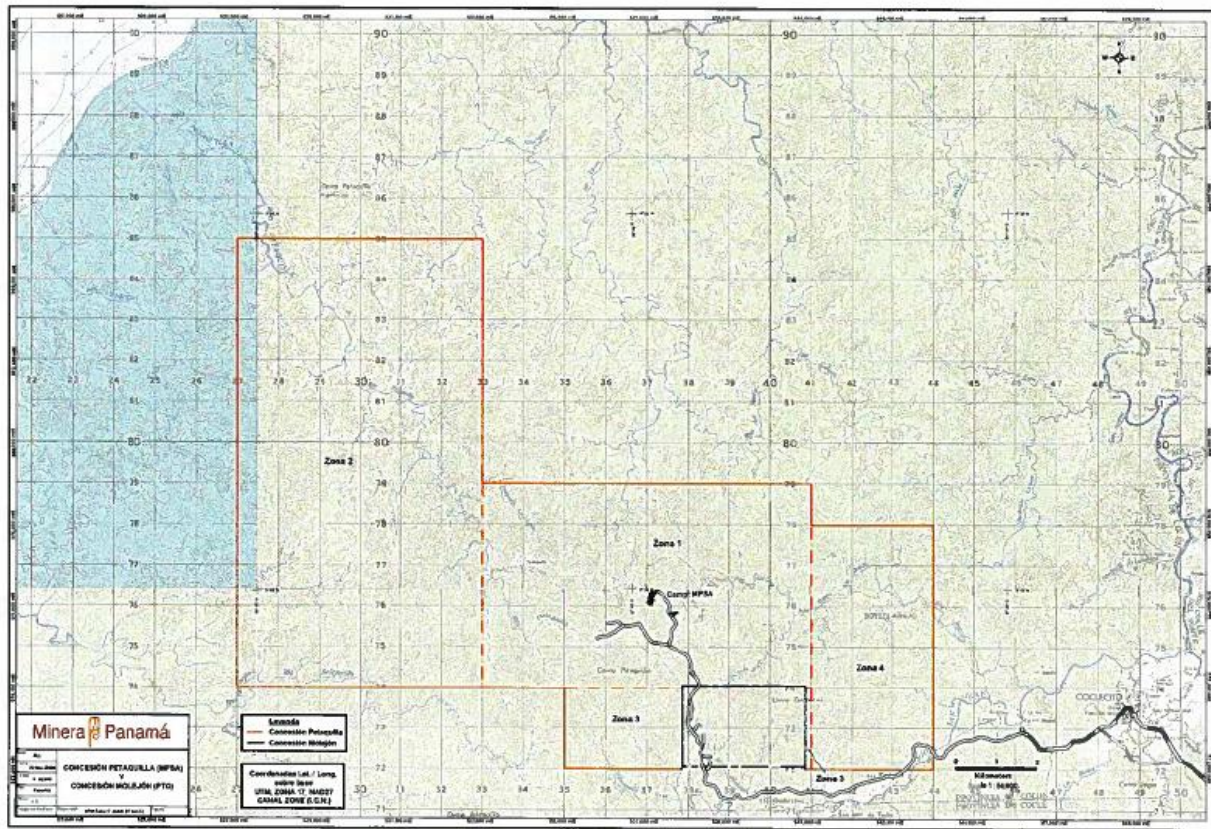
Zone No. 3: Departing from, Point No. 1, which geographical coordinates are 80°40'53.8" longitude West and 8°48'42.07" latitude North it follows in a straight line directed East by a distance of 6,000 meters until reaching Point No. 2, which geographical coordinates are 80°37'38.15" longitude West and 8°48'42.07" latitude North, therefrom it follows in a straight line directed South by a distance of 2,000 meters until reaching Point No. 3, which geographical coordinates are 80°37'38.15" longitude West and 8°47'36.85" latitude North, therefrom it follows in a straight line directed West by a distance of 6,000 meters until reaching Point No. 4, which geographical coordinates are 80°45'14.67" longitude West and 8°48'42.07" latitude North.



coordinates are 80°40'53.8" longitude West and 8°47'36.85" latitude North, therefrom it follows in a straight line directed North until reaching Point No. 1 which is the departing point. This Zone has a total area of 1,200 Hectares, and is located in the Corregimiento of San Jose del General, District of Donoso, Province of Colon and is adjacent to the North with Zone No. 1, granted to GEO-RECURSOS INTERNACIONAL, S.A., according to Contract No. 27-A of August 7, 1991.

Zone No. 4: Departing from, Point No. 1, which geographical coordinates are 80°37'38.15" longitude West and 8°50'52.55" latitude North it follows in a straight line directed South by a distance of 6,000 meters until reaching Point No. 3, which geographical coordinates are 80°36'0.48" longitude West and 8°47'36.85" latitude North, therefrom it follows in a straight line directed West by a distance of 3,000 meters until reaching Point No. 4, which geographical coordinates are 80°37'38.15" longitude West and 8°47'36.85" latitude North, therefrom it follows in a straight line directed North by a distance of 6,000 meters until reaching Point No. 1, which is the departing point. This Zone has a total area of 1,800 Hectares. It is located in the Corregimiento of San Jose del General, District of Donoso, Province of Colon and is adjacent to the West with Zone No. 1 granted to the Company GEO-RECURSOS INTERNACIONAL, S.A., pursuant to Contract No. 27-A of August 7, 1991 and Zone No. 3 requested by the Company of the same name.





SCHEDULE 1.1(2)
APPROVED DISTRIBUTION POLICY

1. Subject to applicable restrictions under any Financing Documents and the provisions of Sections 3.4, 3.5 and 3.6, MPSA shall, not less frequently than quarterly, distribute 100% of its Available Cash Flow to the Shareholders. Such distributions may be made in cash or as otherwise determined by the MPSA Board.
2. Distributions of Available Cash Flow will be made in the following order of priority:
 - (a) in the payment of amounts payable in respect of any loan made by Inmet under Section 2.7;
 - (b) in the payment of amounts payable in respect of any loan made by Inmet under Section 2.9;
 - (c) in the payment of amounts payable in respect of any loan made by Inmet to MPSA under Section 2.15;
 - (d) in the payment of accrued but unpaid interest and any other amounts (other than principal) payable under the terms of all outstanding Default Loans, *pro rata* to the amount of accrued but unpaid interest owing on Default Loans made or caused to be made by each Group;
 - (e) in the repayment of the principal amount of all outstanding Default Loans, *pro rata* to the amount of outstanding Default Loans made or caused to be made by each Group;
 - (f) in the payment of accrued but unpaid interest and any other amounts (other than principal) payable by MPSA under the terms of all outstanding Shareholder Loans, *pro rata* to the amount of outstanding Shareholder Loans made by each Group;
 - (g) in the repayment of the principal amount of all Shareholder Loans, *pro rata* to the amount of outstanding Shareholder Loans owed to each Group;
 - (h) in the payment of dividends to the extent permitted by Panamanian law, *pro rata* to the Ownership Interest of each Group; and
 - (i) in the return of capital (including by way of redemption or repurchase of MPSA Common Shares) to the extent permitted by Panamanian law, *pro rata* to the Ownership Interest of each Group.

SCHEDULE 1.1(3)
APPROVED MARKETING POLICY

- The overall objective of MPSA's marketing policy is to maximize the long term NSR from the production and sale of primary and by-product metals. This will include achieving a balance and diversification in customers, geographic region and term of agreement renewals.
- The General Manager of MPSA will be accountable to the MPSA Board for the deployment of the appropriate resources to achieve this objective. These resources can include employees of MPSA, external consultants, as well as the service capacity of one or more of its shareholders. In all cases, the MPSA will make its marketing resource decisions on the basis of maximizing long term NSR for MPSA. Any and all interactions with Shareholders will be conducted on an arm's length basis governed by prevailing market terms and conditions.
- Shareholders may, by agreement or otherwise, be allocated a percentage of MPSA production as approved by the MPSA Board. All such off-take agreements, in addition to any terms and conditions specific to those agreements, will incorporate prevailing market terms and conditions in all respects including, but not limited to, price, logistics, metal content, penalties, payment terms and finalization adjustments.
- Customers may, by agreement or otherwise, be allocated a percentage of MPSA production as part of a financing arrangement with national import credit programs. In these cases, in addition to any terms and conditions specific to those agreements, will incorporate prevailing market terms and conditions in all respects including, but not limited to, price, logistics, metal content, penalties, payment terms and finalization adjustments. The general principle will be to not provide any marketing benefits to such customers as partial compensation for beneficial financing arrangements.
- The General Manager of MPSA will present, on at least an annual basis, a sales, marketing related logistics plan for approval to the MPSA Board. This plan will be subject to the authorization requirements as outlined in the Shareholders Agreement.

SCHEDULE 2.7.5.3.4 DILUTION CALCULATION

The one-to-one dilution referred to in Section 2.7.5.3.4 and Section 2.9.2.3.4 shall be calculated in the following manner. In the circumstances where such dilution has been triggered, the Ownership Interest of the KPMC Group will immediately be adjusted to the result of $A \div B$, expressed as a percentage, where:

- A = the sum in US\$ of all capital contributions made by, and principal amount outstanding of Shareholder Loans (including Default Loans) owing to, the KPMC Group (with Default Loans made by the KPMC Group in respect of Enhanced Dilution to which the Inmet Group is subject being counted as twice their principal amount when made, whether or not they have been repaid), as recorded in the books of MPSA as of the date of such calculation; and
- B = the sum in US\$ of all capital contributions made by, and principal amount outstanding of Shareholder Loans (including Default Loans) owing to, all Shareholders (with all Default Loans made by any Group being counted as twice their principal amount when made, whether or not they have been repaid), as recorded in the books of MPSA as of the date of such calculation, plus the principal amount the loans deemed to be made by Inmet to KPMC pursuant to Section 2.7 and/or 2.9 with respect to which dilution has been triggered (whether or not they have been repaid).

For the purposes of such calculation above Transferred Shareholder Loans shall be treated as Shareholder Loans of the Inmet Group.

After determining the resulting OI of the KPMC Group, the resulting OI of the Inmet Group will be equal to the percentage resulting from 100% less the resulting OI of the KPMC Group as determined above. MPSA will issue to the Inmet Group for aggregate consideration equal to \$1 that number of MPSA Common Shares which is sufficient to result in each of the KPMC Group and the Inmet Group owning that number of MPSA Common Shares then issued which as closely as possible equates to their respective resulting OIs. Dilution for the purposes of Sections 2.7 and 2.9 shall automatically and immediately be reflected with respect to the Class B Special Shares pursuant to the terms hereof and the MPSA Articles through an adjustment to the Pro-Rata Percentage.

SCHEDULE 2.13
OFFTAKE AGREEMENT TERM SHEET

1. **CHEMICAL COMPOSITION OF CONCENTRATES**

The copper concentrates intended to be produced by MPSA will not depart materially, nor contain material deleterious elements from, the projected typical assays noted below:

Cu	25-31%
Au	3 -4 g/t
Ag	~ 50 g/t
S	~ 30%
Fe	~ 27%
Al	~ 1.5%
Bi	< 75 ppm
As	< 500 ppm
Sb	< 100 ppm
Zn	< 1.0%
Pb	< 0.5%

The copper concentrates produced by MPSA are expected to conform to the specifications set out in section 1 above as per the 1997 feed study. If any new information concerning the chemical, physical or other quality characteristics of copper concentrates is acquired, Seller shall make such information available to Buyer promptly after it becomes available.

2. **QUANTITY**

KPMC will be entitled to be allocated at least 20% of each year's copper concentrates production so long as the KPMC Group's Ownership Interest is at least 15%. If the KPMC Group's Ownership Interest falls below 15%, KPMC will thereafter be allocated a percentage of copper concentrates production in each year equal to the Ownership Interest of the KPMC Group. If the KPMC Group accepts a Carry-Along Offer under Section 5.7.3 or a Carry-Along Offer is accepted on its behalf under Section 5.7.4, the percentage of copper concentrates production allocated to KPMC in each year thereafter shall be equal to the Ownership Interest of the KPMC Group immediately prior to the completion of any such Carry-Along Offer.

3. **DURATION**

The duration of the off-take agreement will be from the date of signing of the off-take agreement until the termination of the financing period for the Project, or 15 years from the commencement of production, whichever is longer. Upon notice to MPSA at least one year prior to the expiry of the off-take agreement, KPMC will be entitled to extend the off-take agreement for a period notified by KPMC to MPSA up to the remaining life of the Cobre Panama mine on the terms set out in this term sheet.

4. **DELIVERY**

Delivery of the concentrates shall be CIF FO (as per Incoterms 2000) Onsan, Korea.

5. **PRICE AND PAYABLE CONTENT, TREATMENT CHARGE, REFINING CHARGES FOR COPPER, SILVER AND GOLD, PRICE PARTICIPATION, QUOTATIONAL PERIOD AND PAYMENT TERMS**

The price, payable content, treatment charge and refining charges for copper, silver, gold, and inclusion of customary conditions for price participation based on the then prevailing market conditions, the quotational period as well as payment terms shall be negotiated annually and agreed based on the free market terms between major custom copper concentrate producers and major custom smelters for representative concentrate qualities.

Off-take agreement will be a non-holiday agreement with disputes being settled by arbitration process pursuant to the Rules of Arbitration of the International Chamber of Commerce.

6. **PAYMENT TERMS**

Subject to the annual negotiations referenced above, payment terms will be 90% of provisional invoice, paid on the third Business Day after arrival at discharge port and the balance shall be paid within three Business Days after all factors are known.

7. **PENALTIES FOR ANY UNFORESEEN IMPURITIES**

A general clause will be inserted to cover any impurities in accordance with accepted industry practice.

8. **CONFIDENTIALITY**

Unless otherwise expressly authorized by one party to the other party, neither party shall disclose to the public or to any third party the existence of the proposed terms and conditions of the off-take agreement or any information received from the other party that is identified at the time of delivery as being confidential, except:

- (a) As may be required by a regulatory authority having competent jurisdiction, or
- (b) To an Affiliate of a party

9. **GOVERNING LAW AND ARBITRATION**

The off-take agreement shall be governed by and interpreted in accordance with the laws of the State of New York. One arbitrator shall conduct the proceedings in the English language.

10. **OTHER TERMS AND CONDITIONS**

Subject to the provisions of this term sheet, the off-take agreement shall contain customary terms and conditions in accordance with accepted industry practice for contracts for similar quality and quantity of copper concentrates and shall otherwise be on terms substantially similar to those of other customers.

SCHEDULE 3.3.3 DILUTION EXAMPLES

Dilution if No Previous Default Contribution

- Inmet's capital contributions and Shareholder Loans outstanding to date are \$80,000,000 and Inmet has an 80% Ownership Interest (assumes no previous Defaulted Contributions)
- KPMC's capital contributions and Shareholder Loans outstanding to date are \$20,000,000 and KPMC has a 20% Ownership Interest
- Following a \$10,000,000 cash call Inmet pays \$8,000,000 and KPMC defaults on \$2,000,000
- Inmet makes a \$2,000,000 Default Loan

Result

KPMC's adjusted Ownership Interest would be:

$$\frac{\$20,000,000}{\$108,000,000 + \$4,000,000} = 17.86\%$$

Dilution After a Previous Default Contribution

- Inmet's capital contributions and Shareholder Loans outstanding to date are \$90,000,000 and Inmet has an 82.14% Ownership Interest (due to previous Defaulted Contribution and Default Loan)
- KPMC's capital contributions and Shareholder Loans outstanding to date are \$20,000,000 and KPMC has a 17.86% Ownership Interest
- Following a further \$5,000,000 cash call Inmet pays \$4,107,500 and KPMC defaults on \$892,500
- Inmet makes a \$892,500 Default Loan

Result

KPMC's adjusted Ownership Interest would be:

$$\frac{\$20,000,000}{\$116,107,500 + \$1,785,000} = 16.96\%$$

SCHEDULE 3.6.9
THE PSA AND SPECIAL DIVIDENDS

[Redacted]

SCHEDULE 5.8

DETERMINATION OF KPMC FORMULA PRICE

For the purposes of Section 5.6, 5.7 and 5.8, the KPMC Formula Price shall be calculated in the manner set out below, with reference to the Total Offer Price, without any deduction for a minority discount.

The KPMC Formula Price shall be equal to the aggregate amount allocated to the KPMC Group pursuant to the items and in the priority set out below (the holders of the non-KPMC Project Interests are referred to below as the “**Inmet Group**”):

1. The KPMC Group and the Inmet Group shall share pro rata in, and based on their respective allocation of, the following amounts: (a) the KPMC Group shall be allocated an amount equal to its Ownership Interest multiplied by the Precious Metals Net Present Value (as defined below), and (b) the Inmet Group shall be allocated an amount equal to (i) its Ownership Interest multiplied by the Precious Metals Net Present Value, minus (ii) the PSA Net Present Value (as defined below), provided that if the amount in clause (b) is a negative amount, it shall be deducted from the Inmet Group’s allocation determined in priority based on the order of the items below.

“**Precious Metals Net Present Value**” shall mean (i) the amount determined by calculating the net present value of the future cash flows relating to Produced Gold and Produced Silver based on the then current Mine Plan (as defined in the PSA) using a [Amount redacted]% discount rate and published Selected Commodity Analyst (as defined in the PSA) consensus annual future Commodity Prices (as defined in the PSA), less (ii) the net present value (using a [Amount redacted]% discount rate) of any applicable royalties payable in respect of such Produced Gold and Produced Silver and less (iii) the net present value (using a [Amount redacted]% discount rate) of taxes payable by MPSA determined based on the then applicable Panamanian statutory tax rate on the amount represented by the difference between clause (i) and (ii) above (which difference shall be calculated without applying a net present value to such amounts).

“**PSA Net Present Value**” shall mean (i) the amount determined by calculating the net present value of the payments and value of the Refined Gold (as defined in the PSA) and Refined Silver (as defined in the PSA) to be delivered to the purchaser under the PSA based on the then current Operating Plan (as defined in the PSA) using a [Amount redacted]% discount rate and published Selected Commodity Analyst consensus annual future Commodity Prices, less (ii) the net present value (using a [Amount redacted]% discount rate) of any applicable royalties payable in respect of Produced Gold and Produced Silver represented by the payments and deliveries referred to in clause (i) above and less (iii) the net present value (using a [Amount redacted]% discount rate) of taxes payable by MPSA determined based on the then applicable Panamanian statutory tax rate on the amount represented by the difference between clause (i) and (ii) above (which difference shall be calculated without applying a net present value to such amounts), and less (iv) the present value of the payments to be made by the purchaser under the PSA with respect to Deliveries based on the then current Operating Plan using a [Amount redacted]% discount rate and published Selected Commodity Analyst consensus annual future Commodity Prices.

2. To the extent of any remaining amount of the Total Offer Price, the KPMC Group shall be allocated any outstanding accrued dividends on the Class B Special Shares.
3. To the extent of any remaining amount of the Total Offer Price, the Inmet Group shall be allocated any outstanding accrued dividends on the Class A Special Shares.
4. To the extent of any remaining amount of the Total Offer Price, the Inmet Group shall be allocated the outstanding principal amount and interest of any loan made by Inmet to MPSA under Section 2.15.
5. To the extent of any remaining amount of the Total Offer Price, the KPMC Group and the Inmet Group shall share pro rata in, and based on their respective allocation of, the following amounts: (a) the KPMC Group shall be allocated an amount equal to the outstanding interest and principal of all Default Loans made by the KPMC Group, and (b) the Inmet Group shall be allocated an amount equal to the outstanding interest and principal of all Default Loans made by the Inmet Group.
6. To the extent of any remaining amount of the Total Offer Price, the KPMC Group and the Inmet Group shall share pro rata in, and based on their respective allocation of, the following amounts: (a) the KPMC Group shall be allocated an amount equal to the outstanding interest and principal of all Shareholder Loans made by the KPMC Group, and (b) the Inmet Group shall be allocated an amount equal to the outstanding interest and principal of all Shareholder Loans made by the Inmet Group.
7. To the extent of any remaining amount of the Total Offer Price, the KPMC Group and the Inmet Group shall share pro rata based on their respective Ownership Interests, provided that the Ownership Interests shall be adjusted to take into account any funding for an Expansion provided by the KPMC Group or the Inmet Group, as applicable.