# METALS PURCHASE AND SALE AGREEMENT

**BETWEEN**

**SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP.**

**– AND –**

**SOUTH STAR GRAPHITE CANADA CORP.**

**– AND –**

**SOUTH STAR BATTERY METALS CORP.**

**– AND –**

**BRASIL GRAPHITE CORP.**

**– AND –**

**BRASIL GRAPHITE MINERAÇÃO LTDA.**

**APRIL 4, 2022**

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**THIS METALS PURCHASE AND SALE AGREEMENT** dated as of April 4, 2022

**BETWEEN**:

**SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP.**, a corporation existing under the laws of the Province of Ontario (the "**Purchaser**")

– and –

**SOUTH STAR GRAPHITE CANADA CORP.**, a company incorporated under the laws of the Province of British Columbia (the "**Seller**")

-and-

**SOUTH STAR BATTERY METALS CORP.**, a company incorporated under the laws of the Province of British Columbia (the "**BG Parent**")

– and –

**BRASIL GRAPHITE CORP.**, an exempted company incorporated under the laws of the Cayman Islands ("**BG Cayman**")

– and –

**BRASIL GRAFITE MINERAÇÃO LTDA.**, a corporation incorporated under the laws of Brazil ("**BGM**")

**WITNESSES THAT**:

**WHEREAS** BGM, a wholly-owned, indirect subsidiary of BG Parent, is the legal and beneficial owner of the Project Assets (save and except as herein contemplated) and is developing the Project;

**AND WHEREAS**, the Seller has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Seller, Graphite Products subject to and in accordance with the terms and conditions of this Agreement;

**NOW THEREFORE** in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, the Parties mutually agree as follows:

## ARTICLE 1
## INTERPRETATION

### 1.1 Definitions

In this Agreement, including in the recitals and schedules hereto:

“**Abandonment**” and “**Abandon**” has the meaning set out in Section 9.4.

“**Abandonment Property**” has the meaning set out in Section 9.4.

“**Acceptable Change of Control**” means a Change of Control of all of the Seller Entities if:

(a) the Person acquiring control of any Seller Entity acquires direct or indirect control of all of the Seller Entities;

(b) the Person acquiring control of the Seller Entities is an Approved Purchaser, and if such Person acquiring control is a Subsidiary of an ultimate parent owner, then such ultimate parent owner and each of its Affiliates that have a direct or indirect ownership interest in the Seller Entities is an Approved Purchaser;

(c) the Person acquiring control of the Seller Entities assumes in favour of the Purchaser all of the Seller Entities’ obligations under this Agreement and the Transaction Documents which correspond to them pursuant to an agreement in form and substance satisfactory to the Purchaser, acting reasonably (and which agreement shall include a waiver of sovereign immunity in the form of Section 13.5 hereof), and enforceable by the Purchaser;

(d) no material consent for such Change of Control (including those which if not obtained would constitute a breach of Applicable Law) is required from any Governmental Authority that has not already been obtained prior to the effectiveness of, and in connection with, such Change of Control;

(e) immediately prior to the Change of Control, there is no Seller Entity Event of Default that has occurred and is continuing or an event or circumstance which, with notice or the passage of time would give rise to a Seller Entity Event of Default and immediately after such Change of Control there shall not be a Seller Entity Event of Default or an event or circumstance which, with notice or the passage of time would give rise to a Seller Entity Event of Default (or its equivalent) in each case under this Agreement;

(f) such Change of Control will not, or is not reasonably expected to (i) result in a breach of Section 8.3(b) (other than as a result of any Person acquiring control of the Seller Entities having pre-existing security over all of its assets, both present and after acquired, where the Purchaser has agreed to enter into a subordination agreement with such Person, acting reasonably), (ii) give rise to a Material Adverse Effect, or (iii) cause the Purchaser to become liable for any increase to any Tax that is not a Covered Tax, provided that with respect to any non-material non-Covered Taxes, the Seller Entities shall be permitted to satisfy this paragraph (f) by providing an indemnity to the Purchaser (from the Seller Entities, the transferee or other credit-worthy party) in form and substance satisfactory to the Purchaser, acting reasonably, and enforceable by the Purchaser, for the full amount of such increased Taxes; and

(g) the Person acquiring control has provided such replacement Security Documents as may reasonably be required by the Purchaser to ensure that the Purchaser continues to have Security over the Collateral as contemplated herein, on substantially the same terms as the Security.

"**Additional Indebtedness**" means any loan facility or other financing arrangement for Indebtedness in favour of any Seller Entity that occurs after the Additional Indebtedness Threshold Date other than Project Finance Indebtedness or Senior Indebtedness.

"**Additional Indebtedness Subordination Agreement**" has the meaning set forth in Section 8.12(c).

**"Additional Indebtedness Threshold Date**" means the date on which (a) (i) the aggregate amount of the difference between the Quarterly Graphite Price and the Per Tonne Cash Price on all Graphite Products Delivered under this Agreement, plus (ii) any Buy-Down Amounts paid by the Seller to the Purchaser under this Agreement, is greater than or equal to (b) an amount equal to 1.4 multiplied by the sum of (iii) the amount of the Phase 1 Deposit, plus (iv) the amount of the Phase 2 Deposit paid by the Purchaser to the Seller.

"**Additional Property Rights**" means, to the extent not forming part of the Properties, any real property rights (including Surface Rights, rights of way, easements and water rights), land (surface and access rights), real property, concessions or rights of use or interests, including all buildings, structures, improvements, appurtenances and fixtures thereon or attached thereto, owned or leased by any Seller Entity or any of their Affiliates on or after the date hereof ("**Additional Interests**") to the extent that such Additional Interests are, or were, used or are reasonably required for Mining Activities.

"**Additional Term**" has the meaning set out in Section 5.1(a).

"**Affected Property**" has the meaning set out in Section 8.10(a)(i).

"**Affiliate**" means, in relation to any Person, any other Person controlling, controlled by or under common control with such first mentioned Person, and where two (2) Persons are Affiliates of the same Person they are deemed to be Affiliates of each other.

"**Agreement**" means this metals purchase and sale agreement and all schedules hereto, in each case as the same may be amended, restated, supplemented, modified or superceded from time to time in accordance with the terms hereof.

"**Anti-Bribery Laws**" means the *Corruption of Foreign Public Officials Act* (Canada), the *Bribery Act* (United Kingdom), the *Foreign Corrupt Practices Act* (United States), the *Brazilian Federal Law No. 12,846/2013 (Lei Anticorrupção)*, ruled by *Decree No. 8,420/2015,* the *Brazilian Federal Law No. 8,429/1992 (Lei de Improbidade Administrativa)* and all other anti-bribery, and anti-corruption Applicable Laws, whether within Canada or to the extent applicable to any Party, elsewhere, including any regulations, guidelines or orders thereunder.

"**Applicable Laws**" means any international, national, federal, state, provincial, regional, municipal, territorial or local law, statute, regulation, ordinance, code, order, by-laws and all international treaties and agreements or other requirement or rule of law or the rules, policies, orders, decisions, rulings or regulations of any Governmental Authority or stock exchange, including any judicial or administrative interpretation thereof, applicable to a Person or any of its properties, assets, business or operations.

"**Approved Purchaser**" means a Person which, (a) in the opinion of the Purchaser (acting reasonably), (i) has sufficient financial resources (which may include the availability to obtain financing on commercially reasonable terms) to perform the obligations of the Seller or BGM, as applicable, under this Agreement, and (ii) to the extent that such eligible purchaser acquires, directly or indirectly, an interest in substantially all of the Project Assets, it has sufficient mining, processing, engineering and technical skills to operate the Project in accordance with Good Practice Standards, in each case taking into consideration the stage of the Project at such time; and (b) is not a Restricted Person.

"**Approved Stock Exchange**" means the Toronto Stock Exchange, the TSX Venture Exchange, the New York Stock Exchange, the London Stock Exchange, the Australian Securities Exchange, the CSE, the NASDAQ, the NEO Exchange or their respective successor exchanges.

"**Approved Technical Standard**" means NI 43-101 or the Australasian Code for Reporting of Exploration Results, Mineral Resources or Ore Reserves, 2012 edition, as the same may be amended from time to time, or any successor instrument, rule or policy.

**[Redacted – commercially sensitive information].**

"**BG Cayman**" has the meaning set out in the preamble to this Agreement.

"**BG Parent**" has the meaning set out in the preamble to this Agreement.

"**BGM**" has the meaning set out in the preamble to this Agreement.

"**Board**" means the board of directors of BG Parent.

"**Brazilian Share Pledge**" has the meaning set out in Schedule E.

"**Budget**" means, with respect to a particular year, the annual production, operating and financial budget for the Project, consistent with the then current Mine Plan.

"**Business Day**" means any day other than a Saturday or Sunday or a day that is a statutory holiday, public holiday or banking holiday under the laws of Brazil or the Province of Ontario or British Columbia.

"**Buy-Down Amount**" means for each 0.5% of the Phase 2 Designated Percentage to be reduced, an amount equal to $450,000, multiplied by the applicable multiplier set out below with respect to the timing of the delivery of the applicable Buy-Down Notice:

| Time Elapsed Since Phase 2 Closing Date | Applicable Multiplier |
|---|---|
| Up to and including the 12-month anniversary | 1.4X |
| Following the 12-month anniversary, and up to and including the 24-month anniversary | 1.5X |
| Following the 24-month anniversary, and up to and including the 36-month anniversary | 1.6X |
| Following the 36-month anniversary, and up to and including the 48-month anniversary | 1.7X |

“**Buy-Down Effective Date**” has the meaning set out in Section 2.6(a).

“**Buy-Down Notice**” has the meaning set out in Section 2.6(a).

“**Buy-Down Option**” has the meaning set out in Section 2.6(a).

“**Buy-Down Percentage**” has the meaning set out in Section 2.6(a).

“**Buy-Down Period**” has the meaning set out in Section 2.6(a).

“**Capital Stock**” means, with respect to any Person, any and all shares of stock, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated, whether voting or non-voting), such Person’s equity including any preferred stock, but excluding any debt securities convertible into or exchangeable for such equity.

“**Cash Balance**” has the meaning set out in Section 8.13.

“**Cash Equivalent Value 1**” has the meaning set out in Section 6.1.

“**Cash Equivalent Value 2**” has the meaning set out in Section 6.1.

“**Change in Law**” has the meaning set out in Section 14.2(a).

“**Change of Control**” of a Person (the “**Subject Person**”) means the consummation of any transaction, including any consolidation, arrangement, amalgamation or merger or any issue, transfer or acquisition of voting shares or the right to vote such shares, the result of which is that any other Person or group of other Persons acting jointly or in concert for purposes of such transaction: (a) becomes the beneficial owner directly or indirectly of more than 50% of the voting shares of the Subject Person; (b) the occupation of a majority of the seats (other than vacant seats) on the board of directors of the Subject Person neither (i) nominated by the board of directors of the Subject Person, nor (ii) approved by directors so nominated, or (c) acquires control of the Subject Person; provided that a Change of Control shall not include the following transactions:

(i) a change in the beneficial ownership of voting securities of BG Parent, for so long as a majority of BG Parent's voting securities are listed on an Approved Stock Exchange immediately prior to the completion of such transaction; or

(ii) an Internal Reorganization.

"**Collateral**" means all of the presently held and future acquired undertaking, property and assets of the Seller Entities charged or intended to be charged pursuant to the Security Documents.

"**Compensation**" has the meaning set out in Section 8.10(b).

**[Redacted – commercially sensitive information].**

"**Concurrent Equity Raise**" means an equity financing, or series of equity financings occurring on or after the date of this Agreement, the proceeds of which are to be used for the development and construction of the Project as set forth in the Initial Budget, for which the aggregate proceeds received by BG Parent exceed C$6,000,000.

"**Confidential Information**" has the meaning set out in Section 8.7(a).

"**Construction Budget**" means the budget for the construction of the Project as approved by the Board, the version as of the date hereof (the "**Initial Budget**") which has been provided to the Purchaser, as the same may be amended, revised, supplemented or replaced from time to time in accordance with Section 7.4(c).

"**Cost to Complete Certificate**" means a cost estimation certificate provided by the Independent Engineer establishing the estimated costs necessary to achieve the Phase 2 Commencement of Commercial Production.

"**Covered Taxes**" means Taxes arising in connection with this Agreement or any Delivery or payment hereunder (including the Deposit) other than Excluded Taxes.

"**Deductible Transportation Costs**" has the meaning set out in the definition of "Quarterly Graphite Price".

"**Deferment Agreement**" has the meaning set out in Section 8.11.

"**Delivery**" means the sale and delivery by the Seller of Graphite Products in accordance with this Agreement, and "**Deliver**" and "**Delivered**" have corresponding meanings.

"**Deposit**" means collectively, the Phase 1 Deposit, and if applicable, the Phase 2 Deposit.

"**Deposit Reduction Date**" means the date on which the Uncredited Balance has been reduced to nil in accordance with the terms of this Agreement.

"**Designated Jurisdiction**" means **[Redacted – commercially sensitive information].**

"**Designated Percentage**" means the aggregate of (a) the Phase 1 Designated Percentage, and, if applicable, (b) the Phase 2 Designated Percentage.

"**Disclosure Letter**" means the disclosure letter provided by the Seller Entities to the Purchaser on or prior to the date of this Agreement which discloses various matters as qualifications to the representations and warranties of the Seller Entities given hereunder or certain other indicated provisions of this Agreement.

"**Distribution**" means, with respect to any Seller Entity:

(a) the retirement, redemption, retraction, purchase or other acquisition by such Person of any securities of such Person;

(b) the declaration or payment by such Person of any dividend, return of capital or other distribution (in cash, securities or other property or otherwise) of, on or in respect of, any securities of such Person;

(c) any other payment or distribution (in cash, securities or other property, or otherwise) by such Person of, on or in respect of, its securities or otherwise to its direct or indirect securityholders or their Affiliates;

(d) any loan to, guarantee of obligations of, other credit support for, or investment in, its direct or indirect securityholders or their Affiliates; and

(e) any payment, repurchase or other acquisition by such Person of, or on account of, any Related Party Indebtedness, including in respect of principal, interest, bonus, premium or otherwise;

"**Draw Request Amount**" has the meaning set out in Section 4.1(b).

"**Encumbrances**" means any and all mortgages, charges, assignments (as security), hypothecs, deeds of trust, pledges, movable assets guarantees, security interests, royalty interests, liens, easements, restrictions, patent or other reservation in minerals, royalty claims, and other encumbrances and adverse claims of every nature and kind securing any Indebtedness, liability, performance or obligation of any Person, whether registered or unregistered and whether arising under law or otherwise and whether perfected or otherwise.

"**Environmental Laws**" means all Applicable Laws relating to pollution or the protection and preservation of the environment, occupational health and safety, product safety, product liability or Hazardous Substances, including laws relating to Releases or threatened Releases of Hazardous Substances into the indoor or outdoor environment (including ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport or handling of Hazardous Substances and all laws and regulations with regard to recordkeeping, notification, disclosure and reporting requirements respecting Hazardous Substances, and all laws relating to endangered or threatened species of fish, wildlife and plants and the management or use of natural resources.

"**Equitable Share Mortgage**" has the meaning set out in Schedule E.

"**Excluded Taxes**" means, with respect to the Purchaser or any other recipient of any Delivery or payment or transfer of property of any kind under this Agreement:

(a) any Taxes imposed on or measured by the Party's net income, net profits, capital gains, capital or branch profits, arising in a jurisdiction (or any political subdivision thereof) by virtue of the Party:

(i) being incorporated or continued or resident or organized in such jurisdiction, in each case determined by application of the laws of such jurisdiction; or

(ii) having a permanent establishment, determined by application of the laws of such jurisdiction, or otherwise having any present or former connection with such jurisdiction (other than any establishment or connection arising solely from (A) purchasing and selling Graphite Products under this Agreement, (B) receiving and making Deliveries of Graphite Products under this Agreement, (C) making or receiving payments under this Agreement (including the Deposit), (D) enforcing rights under this Agreement or (E) entering into this Agreement); or

(b) any Taxes which arise because of a change in the identity or any change in the jurisdiction in which the Purchaser or any other recipient is resident or incorporated.

"**Expropriation Event**" means an expropriatory act or series of expropriatory acts, comprising confiscation, nationalization, requisition, deprivation, sequestration and/or similar acts, by law, order, executive or administrative action or otherwise of any Governmental Authority, or caused by any act or event of any Governmental Authority, or any corporation or other entity controlled by any Governmental Authority the result of which act or series of acts is that (a) all or substantially all of the rights, privileges and benefits pertaining to or associated with all or any material part of the Properties cease being for the benefit or entitlement of BGM, or (b) condemns, nationalizes, seizes, confiscates, or otherwise expropriates, all or any material portion of the share capital of BGM owned by any Seller Entity, assumes custody or control of all or any material portion of the share capital of BGM owned by any Seller Entity, or commences any proceeding in furtherance of any of the foregoing that is reasonably expected to be resolved adversely in the last instance.

"**Final Invoice**" means, in respect of a Parcel sold and delivered to an Offtaker, the final invoice issued by the Seller to such Offtaker in accordance with the relevant Offtake Agreement.

"**Financing or Sale Transaction**" has the meaning set out in Section 7.6(a).

"**Funding Notice**" has the meaning set out in Section 4.1(d).

"**Good Practice Standards**" means, in relation to mining and processing (including all relevant disciplines pertaining thereto, such as metallurgy, environmental and relations with community and indigenous peoples), those policies, practices, methods and acts engaged in or approved by a Person which, in the conduct of its undertaking, exercises that degree of safe and efficient practice, diligence, prudence, and foresight reasonably and ordinarily exercised by reputable, skilled and experienced international operators engaged in the mining industry.

"**Governmental Authority**" means any international, national, federal, state, provincial, regional, municipal, territorial or local government, agency, department, ministry, authority, board, bureau, tribunal, commission, official, court, arbitrator (public or private), stock exchange or securities commission, and any Person entitled under Applicable Law 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.

**"Graphite Products**" means any and all graphite in whatever form or state that is mined, produced, extracted or otherwise recovered from Minerals, including any graphite derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from Minerals, and including graphite contained in any ore or other products resulting from the further milling, processing or other beneficiation of minerals mined, produced, extracted or otherwise recovered from Minerals.

"**Guarantee**" means (a) any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person and (b) any obligation, direct or indirect, contingent or otherwise, of such Person:

(i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise); or

(ii) entered into for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

"**Hazardous Substance**" means any substance, pollutant, contaminant, waste of any nature, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted, identified in or regulated by any Environmental Laws.

"**IFRS**" means the international financial reporting standards issued by the International Accounting Standards Board as applicable to enterprises, as the same may be amended, restated or replaced from time to time.

"**Indebtedness**" of any Person means, without duplication:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, bills or other similar instruments;

(b) all obligations, contingent or otherwise, relative to the face amount of all letters of credit or letters of guarantee, whether or not drawn, and banker's acceptances issued for such Person's account;

(c) all obligations of such Person under any lease that is required to be classified and accounted for as a capital lease for financial accounting purposes, obligations under sale-leasebacks or rental payments under leases entered into primarily as a means of financing the acquisition of the asset leased;

(d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business);

(e) all indebtedness of another Person secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) any Encumbrance, upon or in property owned by such Person, even if such Person has not assumed or become liable for the payment of such obligations or such obligations are limited in recourse;

(f) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even if the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property);

(g) all Guarantees, indemnities and other obligations (contingent or otherwise) of such Person in respect of Indebtedness of another Person;

(h) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value any equity, ownership or profit interests in such Person within ten (10) years from the date of issuance thereof; and

(i) to the extent accelerated or otherwise then due and payable, the net liability of such Person on account of foreign exchange transactions or interest rate swap transactions.

"**Independent Engineer**" means one of the mine engineering firms listed in Schedule J, as selected by the Seller and identified to the Purchaser, or another internationally recognized mine engineering firm, selected by the Seller and accepted to the Purchaser, acting reasonably.

"**Infrastructure**" means any power station and related generation and transmission assets, water treatment plant, pipelines and related infrastructure, any port and related storage, loading, handling and shipping assets used in connection with the Project, and any concession or license that is granted solely in relation thereto.

"**Initial Budget**" has the meaning set forth in the definition of Construction Budget.

"**Initial Term**" has the meaning set out in Section 5.1(a).

"**Insolvency Event**" means, in respect of any Person, an event whereby such Person shall (a) generally fail to pay, or admit in writing its inability to pay, debts as they become due (an "**Insolvent Party**"), (b) be subject to a decree or order of a competent Governmental Authority adjudging it to be bankrupt or insolvent, unless such order or decree is vacated within sixty (60) days, or a petition seeking reorganization, arrangement or adjustment of or in respect of it is approved under Applicable Laws relating to bankruptcy, insolvency or relief of debtors, unless such approval is vacated within sixty (60) days, (c) apply for, consent to, or acquiesce in, the appointment of a trustee, receiver or other custodian for such Person or for a substantial part of the property of such Person, or make a general assignment for the benefit of creditors, or commence any process to make a proposal to its creditors including for readjustment of its debt, or apply for or obtain any stay of actions or enforcement against its creditors, in each case under any applicable bankruptcy, insolvency, insolvency moratorium, reorganization or other law, process or procedure affecting creditors' rights in respect of an Insolvent Party, (d) in the absence of such application, consent or acquiescence, permit or suffer to exist the appointment of a trustee, receiver or other custodian for such Person or for a substantial part of the property of any such Person, and such trustee, receiver or other custodian shall not be discharged within sixty (60) days, or (e) permit or suffer to exist the commencement of any bankruptcy, debt arrangement or other similar insolvency proceeding under any applicable bankruptcy or insolvency law, or a resolution is passed by the competent Governmental Authority for the receivership, dissolution, winding up or liquidation proceeding in respect of such Person, and, if such case or proceeding is not commenced by such Person, such case or proceeding shall be consented to or acquiesced in by such Person or shall result in the entry of an order for relief which order is not vacated within sixty (60) days or such case or proceeding or shall remain undismissed for sixty (60) days, (f) the publication in one or more widely-circulated daily newspapers in Canada, in accordance with Applicable Laws in Canada, of the declaration of insolvency of such Person, with the effect that a time period for creditors to "prove" or request recognition of their claims (or similar requests) commences, or (g) suffer anything analogous or having a similar effect to an event described in (a) to (g) above.

"**Internal Reorganization**" means any transaction consisting solely of (a) the Transfer by BG Cayman of all of the shares of BGM to another wholly-owned Subsidiary of BG Parent, and (b) the Transfer of the assets of BGM to another wholly-owned Subsidiary of BG Parent; provided that, concurrent with a Transfer described in this definition, such wholly-owned Subsidiary executes a copy of this Agreement and each of the Security Documents, as required by the Purchaser, acting reasonably, and any other security documents as may reasonably be required by the Purchaser to ensure that the Purchaser holds at all times valid, enforceable, perfected Encumbrances from the Seller Entities meeting the requirements of Section 8.8, subject only to Permitted Encumbrances.

"**IPO Entity**" has the meaning set out in Section 7.6(a).

"**Losses**" means all claims, demands, proceedings, fines, losses, damages, liabilities, obligations, deficiencies, costs and expenses (including all legal and other professional fees and disbursements, interest, penalties, judgments and amounts paid in settlement of any demand, action, suit, proceeding, assessment, judgment or settlement or compromise), including any Taxes payable in respect thereof, but excluding indirect losses and special or consequential losses.

"**Material Adverse Effect**" means any event, circumstance, occurrence, fact or state of facts, change or effect that, when taken individually or in conjunction with other events, circumstances, occurrences, facts or state of facts, changes or effects (or a series of adverse effects, none of which is material in and of itself but which, cumulatively, result in a material adverse effect) that:

(a) has or is reasonably expected to have a material adverse effect on (i) the condition (financial or otherwise), business, performance, operations, properties or prospects of the Seller Entities (taken as a whole), (ii) the ability of BGM to operate the Project in all material respects in accordance with the Mine Plan for the Project in effect at the time of the occurrence of such event, circumstance, occurrence, fact or state of facts, change or effect, (iii) the ability of any Seller Entity to observe, comply and perform its obligations under the Transaction Documents as a whole, or (iv) the rights and remedies of the Purchaser under the Transaction Documents, (v) the legality, validity or enforceability of any Transaction Document, and (vi) the perfection or intended priority of the Security; or

(b) results in a Seller Entity Event of Default;

provided that changes to commodity prices shall not be a Material Adverse Effect or taken into account in determining whether there has been or will be a Material Adverse Effect.

"**Mine Plan**" means the development or mine plan, as applicable, for the Project, as approved by the Board, as the same may be amended, revised, supplemented or replaced from time to time in accordance with Section 7.4(c). As of the date hereof, the Mine Plan is attached hereto as Schedule A.

"**Minerals**" means any and all marketable metal bearing material in whatever form or state that is mined, produced, extracted or otherwise recovered from the Stream Area, including any such material derived from any processing or reprocessing of any tailings, waste rock or other waste products originally derived from the Stream Area, and including ore and any other products resulting from the further milling, processing or other beneficiation of such material, including concentrates, derived from the Stream Area.

**[Redacted – commercially sensitive information].**

"**Mining Activities**" means the exploration, development, extraction, beneficiation, processing, treatment, refining, transportation, sale or commercialization of Minerals, and all operations related to the foregoing.

"**Money Laundering Laws**" means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the *Brazilian Federal Law No. 9,613/1998*, and all other anti-money laundering, anti-terrorist financing, government sanction and "know your client" Applicable Laws, whether within Canada and, to the extent applicable to any Party, elsewhere, including any regulations, guidelines or orders thereunder.

"**Monthly Report**" means a written report in relation to a calendar month with respect to the Project to be prepared by or on behalf of the Seller, which shall be substantially the same as the monthly reports prepared and provided to the Board relating to the Project and, to the extent not contained in such reports, will also contain, for such month:

(a) until Phase 2 Commencement of Commercial Production has been achieved:

(i) a summary of the actual Project Costs incurred on a cumulative and monthly basis (including costs committed to and/or actually funded, and, if applicable, the expected time of funding);

(ii) variances of actual Project Costs from projected Project Costs in the Construction Budget;

(iii) the percentage completion of the major elements of construction compared to the Mine Plan;

(iv) the anticipated date for Phase 1 Commencement of Commercial Production (if not yet achieved); and

(v) the anticipated date for Phase 2 Commencement of Commercial Production;

(b) types, tonnes and grades of (A) mined ore (including ore, low-grade ore and waste); and (B) stockpiled ore, including grades and waste;

(c) tonnes of Mineral-bearing material processed and all other minerals processed from the processing facilities related to the Project, recoveries for graphite and graphite concentrate grades and flake size and other relevant technical and commercial specifications;

(d) for the purposes of (b) and (c), comparison to that year's Budget;

(e) a summary of Graphite Products in inventory at the end of such month, that have not been sold or delivered to an Offtaker, broken down by applicable product specifications; and

(f) a detailed calculation of the Uncredited Balance as of the end of such month.

“**Net Proceeds**” means, with respect to the receipt of proceeds under Sections 8.6(d) and 8.10(b), the aggregate amount received by the Seller Entities less the fees, costs and other reasonable out-of-pocket expenses (as evidenced by supporting documentation provided to the Purchaser upon reasonable request) incurred or paid to a third party by any Seller Entity in connection with the claim giving rise to such proceeds, without deduction for any insurance premiums or similar payments.

“**NI 43-101**” means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators*, as the same may be amended from time to time, or any successor instrument, rule or policy.

“**Note**” means the secured promissory note, dated the date hereof, between Seller, as the borrower, and Purchaser, as the noteholder, in a principal amount of $2,000,000.

“**Notice of Offer**” has the meaning set out in Section 6.1(a).

“**NPV Criteria**” means **[Redacted – commercially sensitive information].**

“**NPV of the Project**” means the net present value of the Project based on the NPV Criteria.

“**NPV of the Remaining Stream**” means the net present value of the Purchaser’s rights under this Agreement based on the NPV Criteria.

“**Obligations**” means all present and future Indebtedness, liabilities and other obligations of the Seller Entities to the Purchaser arising hereunder and of any Seller Entity under any other Transaction Document, direct or indirect, matured or not.

“**OFAC**” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“**Offered Interest**” has the meaning set out in Section 6.1(a).

“**Offtake Agreement**” means any agreement (**[Redacted – commercially sensitive information]**) entered into by a Seller Entity or any Affiliate of a Seller Entity with any Person (a) for the sale of Graphite Product to such Person, or (b) for the processing, refining or other beneficiation of Graphite Product by such Person, and includes Spot Sales Invoices.

“**Offtaker**” means any Person that enters into an Offtake Agreement with a Seller Entity or an Affiliate of a Seller Entity.

“**Offtaker Delivery**” means the delivery of a Parcel to an Offtaker or the transfer of the entitlement to or benefit of a Parcel to an Offtaker.

“**Offtaker Settlement**” means with respect to Graphite Products purchased by an Offtaker from a Seller Entity or refined, purified or otherwise beneficiated by an Offtaker on behalf of a Seller Entity, the receipt by such Seller Entity of payment or other consideration from the Offtaker, whether provisional or final, or other consideration from the Offtaker in respect of said Graphite Products in accordance with the applicable Offtake Agreement.

"**Offtaker Settlement Sheets**" means the final documents from the Offtaker (or if such final documents are not available in the case of provisional payment, the relevant documents on which provisional payments have been determined) evidencing at least the amount, grade, flake size and other relevant technical specifications of Graphite Products.

"**Other Minerals**" means any and all marketable metal bearing materials that are not Graphite Products.

"**Other Property**" means all assets and property owned or leased by the Seller Entities or any of their Affiliates on or after the date hereof to the extent that such assets and property: (a) are, or were, used or are reasonably required, or reasonably expected to be required for Mining Activities, and (b) do not form part of the Properties, the Additional Property Rights, the Infrastructure, the Processing Plant and the Minerals.

"**Other Rights**" means all material licenses, approvals, authorizations, consents, rights (including Surface Rights, access rights and rights of way), privileges, concessions or franchises required to be obtained from any Person (other than a Governmental Authority), to carry on the Mining Activities contemplated by the Mine Plan.

"**Parcel**" means the applicable quantity of Minerals delivered or shipped or to be delivered or shipped to an Offtaker under a single shipment or delivery pursuant to the relevant Offtake Agreement.

"**Parties**" means the Purchaser and any Seller Entity and "**Party**" shall mean any one of them.

"**Per Tonne Cash Price**" means 20% of the applicable Quarterly Graphite Price.

"**Permits**" means all material licenses, permits, approvals (including all other environmental approvals), authorizations, consents, rights (including Surface Rights, access rights and rights of way and access to water and power), privileges, concessions or franchises required to be obtained from the relevant Governmental Authority, to carry on the Mining Activities contemplated by the Mine Plan.

"**Permits and Other Rights Schedule**" means the list set out in Schedule B, setting out all Permits and Other Rights that have been identified to date as being required to reach Phase 2 Commencement of Commercial Production.

"**Permitted Disposition**" means (a) any Transfer by any of the Seller Entities of obsolete, worn out or no longer useful property, or any property that is being replaced with newly acquired property, whether now owned or hereafter acquired, (b) any Abandonment in compliance with Section 9.4, (c) any sale or Transfer of Other Minerals; and (d) any sale or Transfer of Graphite Products as contemplated in this Agreement.

"**Permitted Encumbrances**" means the following Encumbrances in respect of the Project Assets:

(a) any Encumbrance on any Project Asset existing on the date hereof other than those not disclosed in breach of a representation and warranty of a Seller Entity provided herein;

(b) any Encumbrance imposed by law that was incurred in the ordinary course of business, including, without limitation, construction, carriers', materialmans', suppliers', contractors', subcontractors', workers', repairmans', builders', warehousemen's and mechanics' liens and other similar Encumbrances arising in the ordinary course of business, in each case for sums not yet due or being contested in good faith by appropriate proceedings and for which appropriate reserves in accordance with IFRS have been established to the extent required by IFRS and any such Encumbrance which does not materially impair the operation of the business of any Seller Entity and which does not materially detract from the value of, or materially impair the use of the Collateral;

(c) any Encumbrance arising by operation of Applicable Law securing Taxes, assessments, royalties, rents and other governmental charges, the payment of which are not yet due or are being contested in good faith by appropriate proceedings and for which appropriate reserves in accordance with IFRS have been established to the extent required by IFRS;

(d) any reservations, limitations, provisos, conditions, or exceptions contained or expressed in the original grants of land or other real or immovable property, or interests therein, or by applicable statute or the terms of any lease in respect of any Properties, or comprising the Properties;

(e) Encumbrances as a result of any judgment or order rendered or claim filed against any of the Seller Entities which is being contested in good faith by proper legal proceedings and for which appropriate reserves in accordance with IFRS have been established to the extent required by IFRS;

(f) title defects, encroachments or irregularities which are minor in nature with respect to the Properties, minor discrepancies in the legal description or acreage of or associated with the Properties or any adjoining properties which would be disclosed in an up to date survey, and pre-existing registered easements and pre-existing registered restrictions or pre-existing covenants that run with the land, in each case which do not materially detract from the value of, or materially impair the use of, the Properties for the purpose of conducting and carrying out mining operations thereon;

(g) rights of way for, reservations of rights of others for, or rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, water lines, gas lines, steam lines, electric lines, telegraph and telephone lines, and other similar utilities, or zoning by-laws, regulations, ordinances, surface access rights, restrictions, servitudes, licences, or easements, which do not in the aggregate materially detract from the use of the affected property for the purpose for which it is used in the operation of the business for purposes of developing and operating the Project;

(h) any rights of set-off or bankers' Encumbrances of any Person with respect to any deposit account of the Seller Entities arising in the ordinary course of business;

(i) security deposits pertaining to the Project with any Governmental Authority and utilities in the ordinary course of business;

(j) rights of title retention, purchase money security interests, and equipment/capital lease obligations, provided that any such purchase money security interest is limited to the specific asset that has been acquired and which has given rise to the purchase money security interest, in connection with the acquisition by the Seller Entities of goods pertaining to the Project in the ordinary course of business;

(k) statutory liens or charges not at the time overdue;

(l) any Encumbrance created by the Security Documents;

(m) Encumbrances securing the Permitted Indebtedness referred to in paragraphs (b) and (d) of the definition thereof;

(n) Encumbrances securing Indebtedness comprising indemnification or other surety or contingent obligations in respect of performance bonds, letters of credit or guarantee or other security provided by any Seller Entity in respect of statutory obligations or regulatory requirements (including reclamation obligations) associated with the Properties in accordance with Applicable Law including, for the avoidance of doubt, Encumbrances in favour of financial institutions in customary form to ultimately secure performance of statutory obligations or regulatory requirements (including reclamation obligations);

(o) Encumbrances securing Indebtedness issued or incurred in the ordinary course of business in connection with workers' compensation, employment insurance and other similar legislation and deposits securing liability to insurance carriers under insurance or self-insurance arrangements to the extent required by law;

(p) undetermined or inchoate liens, rights of distress and charges incidental to current operations which have not at such time been filed or exercised or which relate to obligations not due or payable, or if due, the validity of which is being contested in good faith and by appropriate proceedings;

(q) pledges and deposits made in good faith and in the ordinary course of business (A) in connection with bids, offers, tenders, leases or contracts (excluding, however, contracts for the borrowing of money or the repayment of money borrowed), or (B) to secure surety, performance or appeal bonds and similar obligations or the costs of litigation when required by law;

(r) the extension or renewal or refinancing of any Permitted Encumbrance (other than an Encumbrance dealt with in paragraph (w) below);

(s) Encumbrances on concentrates, minerals or the proceeds of sale of such concentrates or minerals arising or granted pursuant to a processing arrangement entered into in the ordinary course and upon usual market terms, securing only the payment of the Seller Entities' fees, costs and expenses attributable to the processing of such concentrates or minerals under any such processing arrangement, but only insofar as such Encumbrances relate to obligations which are at such time not past due or the validity of which are being contested in good faith by appropriate proceedings and, as to which adequate reserves are being maintained in accordance with generally accepted accounting principles and such Encumbrances do not result in a Seller Entity Event of Default or materially impair the Project of the operation of the business of the Seller Entities;

(t) any Encumbrance securing Senior Indebtedness provided the Senior Indebtedness is subject to a Senior Indebtedness Subordination Agreement;

(u) any Encumbrance securing Project Finance Indebtedness, provided that the lender(s) of such Project Finance Indebtedness have entered into a Project Finance Intercreditor Agreement;

(v) to the extent not otherwise permitted pursuant to the foregoing clauses of this definition of "Permitted Encumbrances", any Encumbrance securing Additional Indebtedness, provided that (i) the Additional Indebtedness Threshold Date has occurred, and (ii) such Additional Indebtedness is subject to an Additional Indebtedness Subordination Agreement; and

(w) any Encumbrance created with the Purchaser's prior written consent.

"**Permitted Indebtedness**" means:

(a) the Obligations (including, for greater certainty, any guarantees of the Obligations);

(b) Indebtedness comprising indemnification or other surety or contingent obligations in respect of surety or performance bonds, letters of credit or guarantee or other security provided by any Seller Entity when required any Governmental Authority or utilities or otherwise in respect of statutory obligations or regulatory requirements (including reclamation obligations) associated with the Properties in accordance with Applicable Law, including reclamation bonding facilities or ore or waste bonding facilities;

(c) Related Party Indebtedness provided that, from and after the Phase 1 Closing Date, any such Related Party Indebtedness is subject to a Deferment Agreement and a Pledge of Intercompany Debt in accordance with Section 8.11 of this Agreement;

(d) Indebtedness issued or incurred in the ordinary course of business in connection with workers' compensation, employment insurance and other similar legislation and deposits securing liability to insurance carriers under insurance or self-insurance arrangements to the extent required by law;

(e) Indebtedness that relates to any right of title retention, purchase money security interests and equipment/capital leases that are permitted by paragraph (j) of the definition of Permitted Encumbrances;

(f) Senior Indebtedness, up to an aggregate amount of $2,000,000, provided that such Senior Indebtedness is subject to a Senior Indebtedness Subordination Agreement;

(g) any Project Finance Indebtedness, provided that it is subject to a Project Finance Intercreditor Agreement;

(h) any Additional Indebtedness, provided that (i) the Additional Indebtedness Threshold Date has occurred, and (ii) such Additional Indebtedness is subject to an Additional Indebtedness Subordination Agreement;

(i) Indebtedness comprised of amounts owed to trade creditors and accruals in the ordinary course of business, which are either not overdue or, if disputed and in that case whether or not overdue, are being contested in good faith by a Seller Entity by appropriate proceedings diligently conducted, and provided always that the failure to pay such Indebtedness would not reasonably be expected to result in a Material Adverse Effect;

(j) trade payables and other accrued liabilities incurred in the ordinary course of business and payable in accordance with customary practices or which are not overdue for more than sixty (60) days or are or are being contested in good faith by appropriate proceedings and for which appropriate reserves in accordance with IFRS have been established to the extent required by IFRS;

(k) any Guarantee of Indebtedness if such Indebtedness is permitted under this Agreement; and

(l) Indebtedness in a principal aggregate amount not exceeding R$8,000,000 owing by the Seller Entities to Alessandro Sebastião Ferraz Pimenta, Genise Ferrax Pimenta Vasconcelos, Paula Fernanda Ferraz Pimenta and Flávia Ferrax Pimenta Santos pursuant to a private purchase and sale agreement dated February 24, 2022.

(m) any Indebtedness incurred with the Purchaser’s prior written consent.

“**Permitted Purpose**” has the meaning set out in Section 7.6(a).

“**Person**” includes an individual, corporation, body corporate, limited or general partnership, exempted limited partnership, joint stock company, limited liability corporation, joint venture, association, company, exempted company, trust, bank, trust company, Governmental Authority or any other type of organization, whether or not a legal entity.

"**Phase 1 Closing**" has the meaning set out in Section 3.4.

"**Phase 1 Closing Date**" has the meaning set out in Section 3.1.

"**Phase 1 Commencement of Commercial Production**" means the last day of the first period of thirty (30) consecutive days during which the Project achieves a production rate of Graphite Products **[Redacted – commercially sensitive information]**.

"**Phase 1 Deposit**" means an amount equal to $10,000,000.

"**Phase 1 Designated Percentage**" means:

(a) until the Phase 1 Step-Down Date, 21.875%; and

(b) following the Phase 1 Step-Down Date, 10.9375%.

"**Phase 1 Security**" means all of the Encumbrances granted by the Seller Entities in favour of the Purchaser pursuant to the Phase 1 Security Documents from time to time securing or intending to secure directly or indirectly, payment and performance of the Obligations and includes, without limitation, all security described in Section 8.8(a).

"**Phase 1 Security Documents**" has the meaning set out in Section 8.8(a).

"**Phase 1 Step-Down Date**" means the date on which 75,000 tonnes of Graphite Products have been sold and delivered to Offtakers.

"**Phase 2 Closing**" has the meaning set out in Section 4.4.

"**Phase 2 Closing Confirmation**" has the meaning set out in Section 4.1(b).

"**Phase 2 Closing Date**" has the meaning set out in Section 4.1(a).

"**Phase 2 Closing Notification**" has the meaning set out in Section 4.1(b).

"**Phase 2 Commencement of Commercial Production**" means the last day of the first period of thirty (30) consecutive days during which the Project **[Redacted – commercially sensitive information]**.

"**Phase 2 Deposit**" means an amount up to $18,000,000, being an amount equal to at least $9,000,000, as determined in accordance with Section 4.1.

"**Phase 2 Deposit Percentage**" means the percentage of $18,000,000, that reflects the amount that is paid by the Purchaser to the Seller as the Phase 2 Deposit.

"**Phase 2 Designated Percentage**" means, subject to the exercise of the Buy-Down Option, 20% multiplied by the Phase 2 Deposit Percentage.

"**Phase 2 Study**" means a study **[Redacted – commercially sensitive information]**.

"**Pledge of Intercompany Debt**" has the meaning set out in Section 8.11.

"**Prescribed Technical Report**" has the meaning set out in Section 7.5(b).

"**Processing Plant**" means any mill, ore concentrator, purifier, refinery, crusher, conveyor, vents, fans or other processing facility that is owned or operated or both by a Seller Entity or any of their Affiliates, and that is located on the Properties and used in connection with Mining Activities.

"**Project**" means the Santa Cruz graphite project located in Bahia, Brazil, which comprises the Project Assets and the Mining Activities conducted at the Stream Area.

"**Project Assets**" means: (a) the Properties, (b) the Other Rights, (c) the Additional Property Rights, (d) the Infrastructure (to the extent owned or leased by a Seller Entity), (e) the Processing Plant, (f) the Minerals, and (g) the Other Property.

"**Project Costs**" means all capital expenditures incurred by any Seller Entity for the purposes of developing the Project, including escalation, contingencies, initial working capital, taxes, duties, expenditures for plant equipment, spares and other capital goods, inventory, capital expenditures required to maintain the Project at its design capacity (including repairs and replacements funded by insurance proceeds), interest during construction, financing fees and expenses and other development costs, as set out in the Construction Budget.

"**Project Finance Indebtedness**" means any loan facility or other financing arrangement for Indebtedness in favour of any Seller Entity that occurs after the Additional Indebtedness Threshold Date provided for the purpose of financing all or a portion of the cost of developing, expanding, constructing or operating the Project, including any refinancing thereof, and that contains customary terms and conditions for mining projects similar in nature to the Project.

"**Project Finance Intercreditor Agreement**" has the meaning set out in Section 8.12.

"**Project Information**" has the meaning set out in Section 7.5(c).

"**Properties**" means all (a) real property interests, mineral rights, mineral claims, mineral leases, mining concessions, land (surface and access rights) and other similar rights, licenses, concessions and interests, whether created privately or by the action of any Governmental Authority (the "**Interests**") listed in Schedule C, (b) any other Interests of the Seller Entities within the Stream Area as of the Phase 1 Closing Date, and (c) any Interests acquired by the Seller Entities or any of their Affiliates after the date of this Agreement in each case to the extent that such Interests are located within the Stream Area (collectively, the "**Property Interests**"). "**Properties**" shall also include any term extension, renewal, replacement conversion *or substitution* of any such Property Interests and *any* related rights, concessions or interests, owned or in respect of which an interest is held, directly or indirectly, by the Seller Entities or any of their Affiliates at any time during the Term to the extent located within the Stream Area, whether or not such ownership or interest is held continuously, and including any abandoned Property or related rights subsequently re-acquired.

"**Proposal**" has the meaning set forth in Section **Error! Reference source not found.**.

"**Purchase Price**" has the meaning set out in Section 2.3(a).

"**Purchaser Affiliate**" means any Affiliate of the Purchaser.

"**Purchaser Interest**" means any interest of the Purchaser under this Agreement and the other Transaction Documents as of the date hereof.

"**Purchaser's Share of Production**" has the meaning set out in Section 2.1(a).

"**Purchaser Transferee**" means any Person to whom the Purchaser Transfers a Transferred Interest in accordance with Section 9.5.

"**Quarterly Graphite Price**" means in respect of a calendar quarter, a price per tonne, expressed in U.S. dollars, determined by dividing (a) (i) the aggregate gross proceeds (prior to the application of any Deductions), expressed in U.S. dollars, realized by the Seller Entities (including in the case of the Seller, whether for its own account or for the account of the Purchaser in its capacity as agent) from the sale of all Graphite Products that were subject to an Offtaker Settlement during such quarter, <u>less</u> (ii) any third-party transportation costs (ex-mine gate) actually incurred by a Seller Entity in connection with the delivery of such Graphite Products to an Offtaker on arm's length terms for which evidence of such costs is provided to the Purchaser ("**Deductible Transportation Costs**"), by (b) the aggregate number of tonnes of Graphite Products that were subject to an Offtaker Settlement during such quarter.

"**Quarterly Settlement Date**" means, in respect of a calendar quarter, the eighth Business Day after the end of such calendar quarter.

"**Quarterly Stream Revenue Payment**" has the meaning set out in Section 2.4(f).

"**Receiving Party**" has the meaning set out in Section 8.7(a).

"**Recipient**" has the meaning set out in Section 6.1(a).

"**Reference Interest Rate**" means the SOFR Rate or any replacement rate to the extent that the SOFR Rate ceases to be a determinable rate as may be reasonably determined by the Purchaser.

"**Regulatory Approvals**" means any grant of approval, permission, consent, authority or license (but not including Permits) by any Governmental Authority or stock exchange, applicable to a Person or any of its properties, assets, business or operations.

"**Related Party Indebtedness**" means Indebtedness owing by any Seller Entity to an Affiliate, excluding (a) Seller Affiliate Trade Payables; and **[Redacted – commercially sensitive information]**.

"**Release**" means any release, spill, emission, discharge, leaking, pumping, pouring, emitting, emptying, dumping, escape, injection, deposit, disposal, dispersal, leaching or migration into the indoor or outdoor environment (including ambient air, surface water, groundwater and surface or subsurface strata) or into or out of any property, including the movement of Hazardous Substances through or in the air, soil, surface water, groundwater or property.

"**Restricted Person**" means any Person or entity that:

(a) is named, identified, described on or included on any of:

(i) the lists maintained by the Office of the Superintendent of Financial Institutions Canada with respect to terrorism including the lists made under subsection 83.05(1) of the *Criminal Code*, under the *Regulations Implementing the United Nations Resolutions on the Suppression of Terrorism and under the Regulations Implementing the United Nations Resolutions on Taliban ISIL (Da'esh) and Al-Qaida*;

(ii) the Denied Persons List, the Entity List or the Unverified List, compiled by the Bureau of Industry and Security, U.S. Department of Commerce;

(iii) the List of Statutorily Debarred Parties compiled by the U.S. Department of State;

(iv) the Specially Designated Nationals Blocked Persons List compiled by the U.S. Office of Foreign Assets Control;

(v) the annex to, or is otherwise subject to the provisions of, U.S. Executive Order No. 13324; or

(vi) any other Applicable Law relating to anti-terrorism or anti-money laundering matters;

(b) is subject to:

(i) the *United Nations Act* (Canada), the *Special Economic Measures Act* (Canada) and the *Freezing of Assets of Corrupt Foreign Officials Act* (Canada); or

(ii) the International Emergency Economic Powers Act, 50 U.S.C.; or

(iii) the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq.; or any other enabling legislation or executive order relating thereto, including the Uniting and Strengthening America by Providing Appropriate Tools

Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56; or

(iv) any other trade restrictions under United States law of a similar nature as those included in (b)(i), (ii) and (iii) above; or

(c) is a Person who is an Affiliate of a Person listed above.

"**Restricted Transfer**" means any direct Transfer by any Seller Entity, in whole or in part, of the Project Assets, any right, title or interest therein, or any indirect Transfer of all or a portion of such assets, right, title or interest through a direct or indirect Transfer of any shares of any Seller Entity by the Seller or through the issuance of new Capital Stock by any Seller Entity other than BG Parent, other than an Internal Reorganization.

**[Redacted – commercially sensitive information].**

"**ROFR Exercise Notice**" has the meaning set out in Section 0.

"**Sales Agency**" has the meaning set out in Section 2.4(a).

"**Sanctioned Entity**" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government, or (d) a person resident in a country, in each case, that is subject to a country sanctions program administered and enforced by OFAC.

"**Sanctioned Person**" means a person named on the list of Specially Designated Nationals maintained by OFAC.

"**Secured Assets**" means, collectively:

(a) all of the Capital Stock issued by BGM;

(b) all of the Capital Stock issued by BG Cayman;

(c) all of the Capital Stock issued by the Seller; and

(d) any and all Property Interests, held by any of the Seller Entities from time to time.

"**Security**" means all of the Encumbrances granted by the Seller Entities in favour of the Purchaser pursuant to the Security Documents from time to time securing or intending to secure directly or indirectly, payment and performance of the Obligations and includes, without limitation, all security described in Section 8.8.

"**Security Documents**" has the meaning set out in Section 8.8(j)(i).

"**Seller Affiliate Trade Payables**" means accounts payable and trade debt incurred in the ordinary course of business of a Seller Entity that is payable to an Affiliate to the extent that (a) payment and other terms in respect of such accounts payable and trade debt are on normal market terms and consistent with payment and other terms in respect of accounts payable and trade debt owing by such Seller Entity to arm's length parties, and (b) payments on such Affiliate accounts payable and trade debt are kept current (and are not in arrears).

"**Seller Entities**" means the Seller, BG Parent, BG Cayman, BGM and any entity that is a Subsidiary of BG Parent that holds or acquires a direct or indirect interest in BGM or the Project Assets in accordance with the terms of this Agreement and includes any Subsidiary of BG Parent that becomes a party to any Transaction Document after the date hereof in accordance with the terms of this Agreement.

"**Seller Entities Guarantees**" has the meaning set out in Section 8.8(a)(i).

"**Seller Entity Event of Default**" has the meaning set out in Section 11.1.

"**Seller Share Pledge**" has the meaning set out in Schedule E.

"**Seller's Cost**" has the meaning set out in Section 2.5(b)(iii).

"**Seller's Invoice**" has the meaning set out in Section 2.5(b)(ii).

"**Senior Indebtedness**" means any loan facility or other financing arrangement for Indebtedness in favour of any Seller Entity in an aggregate principal amount not to exceed **[Redacted – dollar figure deleted]**.

"**Senior Indebtedness Subordination Agreement**" has the meaning set forth in Section 8.12(a).

"**Senior Officer**" means a Chief Executive Officer, Chief Financial Officer, General Counsel or Executive Vice President, or equivalent.

"**SOFR**" means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of SOFR).

"**SOFR Rate**" means, for any day (a "**SOFR Rate Day**"), a rate per annum equal to SOFR for the day that is one U.S. Government Securities Business Day prior to (a) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (b) is such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published on the SOFR Administrator's website; provided that if such SOFR is has not been published, then the SOFR Rate will be SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website.

“**Spot Sale**” means a sale of a Graphite Product by a Seller Entity to an Offtaker that is not pursuant to a written agreement, that is charged and delivered by means of a Spot Sales Invoice only.

“**Spot Sale Invoice**” means an invoice in respect of a Spot Sale (evidencing at least the amount, grade, flake size and other relevant technical specifications of Graphite Products sold pursuant to such Spot Sale), delivered by a Seller Entity or an Affiliate to an Offtaker, pursuant to which payment is made by the Offtaker to such Seller Entity or an Affiliate.

“**Stream Area**” means the lands (including the subsurface of such lands) described by the coordinates set out in Schedule C, and, for reference purposes only, is shown on the map included in Schedule C and identified as “stream area”.

“**Stream Equivalent Agreement**” means (a) a streaming or royalty agreement or (b) a similar agreement, the primary purpose of which is to provide a right to participate in Graphite Products exclusive of Value -Added Graphite Products and excluding (i) any joint venture that is a *bona fide* joint venture not formed in whole or in part to evade the requirements of Article 6 of this Agreement and dilution royalties resulting therefrom; (ii) ordinary course offtake agreements; and (iii) any agreement to acquire an equity interest in a Person that is a *bona fide* agreement to acquire an equity interest in a Person not formed in whole or in part to evade the requirements of Article 6 of this Agreement.

“**Subject Person**” has the meaning set out in the definition of Change of Control.

“**Subsidiary**” means, with respect to any Person, any other Person which is, directly or indirectly, controlled and wholly owned by that Person.

“**Successor**” has the meaning set out in Section 9.1(b).

“**Surface Rights**” means all rights (whether in fee, by lease, under Permit or Regulatory Approval or otherwise) to use, enter and occupy the surface of any of the Properties or other real property reasonably necessary for the operation of the Project, and all titles, leases, licenses, contracts, agreements, permits or other documents relating to such rights, including any lease to the surface area or license of occupation or other occupation right and includes any fee simple rights.

“**Target Phase 2 Closing Date**” has the meaning set out in Section 4.1(d)

“**Target Return Amount**” means at any date the greater of (a) the Uncredited Balance and (b) the aggregate amount that would need to be paid to the Purchaser on that date after taking into account all payments made by the Seller to the Purchaser hereunder (net of all payments made by the Purchaser to the Seller hereunder) to repay to the Purchaser the Deposit and to yield, after taking into account the timing of the payments, **[Redacted – commercially sensitive information]**.

“**Taxes**” means all taxes, surtaxes, duties, levies, imposts, impositions, tariffs, fees, assessments, reassessments, withholdings, dues and other charges of any nature, whether disputed or not, imposed by a Governmental Authority, and instalments, or other additions that may become payable in respect thereof, including such amounts imposed or collected on the basis of: income; profits; branch profits; capital; real or personal property; payments, deliveries or transfers of property of any kind to residents or non-residents; purchases, consumption, sales, use, import, export, or provision, of goods and services; documents, their registration or effectiveness; mining; the environment; distributions; equity; together with penalties, fines, additions to tax and interest thereon, and "**Tax**" shall have a corresponding meaning.

"**Term**" has the meaning set out in Section 5.1(a).

"**Third Party Offer**" has the meaning set out in Section 6.1(a).

"**Third Party Offer Termination Event**" has the meaning set out in Section 6.1(a).

**[Redacted – commercially sensitive information].**

"**Time of Sale**" has the meaning set out in Section 2.2(a).

"**TP Stream Agreement**" has the meaning set out in Section 6.1(a).

"**Transaction Documents**" means this Agreement, the Security Documents, the Note, all other documents to be provided by the Seller Entities or any other Subsidiary or Affiliate of the Seller Entities pursuant to the terms of this Agreement, any subordination agreement in favour of the Purchaser, and such other documents as may be necessary or appropriate to give effect to the terms hereof.

"**Transactors**" means: (a) the IPO Entity, (b) *bona fide* potential financiers of the Purchaser or *bona fide* potential purchasers of the Purchaser Interest, or any portion thereof, including a syndication or participation in, or of, such Purchaser Interest, and (c) in either case, their respective underwriters, advisors, consultants, agents and representatives.

"**Transfer**" means to sell, transfer, assign, convey, dispose or otherwise grant a right, title or interest, provided for greater certainty an Encumbrance shall not constitute a Transfer.

"**Triggering Event**" means the occurrence of a Seller Entity Event of Default, or any event or circumstance which, with notice, the passage of time or both, would constitute a Seller Entity Event of Default.

"**Uncredited Balance**" at any time means the uncredited balance of the Deposit (that has been paid to the Seller) determined in accordance with this Agreement.

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

**[Redacted – commercially sensitive information].**

“**Value-Add Facility**” has the meaning set out in Section 2.7.

“**Value-Added Graphite Product**” has the meaning set out in Section 2.7.

“**Warrants**” means 6,000,000 common share purchase warrants in the capital of BG Parent, with a three year term and an exercise price that represents a 35% premium to the lowest price per share received by BG Parent in the Concurrent Equity Raise, represented by a warrant certificate substantially in the form set forth in Schedule I.

“**Withholding Taxes**” means any Taxes other than Excluded Taxes, that are required to be deducted, withheld, charged or levied pursuant to Applicable Law.

### 1.2 Certain Rules of Interpretation

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires:

(a) The terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof.

(b) References to an “Article”, “Section” or “Schedule” followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement.

(c) Headings of Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

(d) Where the word “including” or “includes” is used in this Agreement, it means “including without limitation” or “includes without limitation”.

(e) References to “tonne” or “tonnes” shall mean metric tonnes (1,000 kgs).

(f) A Person (first Person) is considered to control another Person (second Person) if:

(i) the first Person beneficially owns or directly or indirectly exercises control or direction over securities of the second Person carrying votes which, if exercised, would entitle the first Person to elect a majority of the directors of the second Person, unless that first Person holds the voting securities only to secure an obligation;

(ii) the first Person directly or indirectly exercises control or direction over the majority of the directors or has the ability to control the management and policies of the second Person;

(iii) the second Person is a partnership, other than a limited partnership, and the first Person holds more than 50% of the interests of the partnership; or

(iv) the second Person is a limited partnership, and the general partner of the limited partnership is the first Person,

and "controls", "controlling", "controlled by" and "under common control" have corresponding meanings.

(g) The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

(h) Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

(i) Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under generally accepted accounting principles applicable to such entity at the relevant time, in effect from time to time (which may be International Financial Reporting Standards), consistently applied, and all determinations of an accounting nature required to be made shall be made in a manner consistent with such applicable generally accepted accounting principles.

(j) References to a Person in this Agreement refer to such Person and their legal successors, assigns (excluding any Person who acquires any rights of the Seller Entities through an Expropriation Event or other unlawful or involuntary method of a similar nature (and for greater certainty, a direct or indirect take-over bid or other acquisition of any of the Seller Entities, including by way of exercise of creditor rights, shall not be considered an unlawful or involuntary method of acquisition)), heirs, executors, administrators, estate, trustees and personal or legal representatives.

(k) Reference to (i) this Agreement is to be construed as a reference to this Agreement as it may be amended, modified, restated, supplemented or extended from time to time, and (ii) any other agreement is to be construed as a reference to that agreement as it may be amended, modified, restated, supplemented, extended, replaced or superceded from time to time.

(l) A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, any reference to a statute or regulation includes the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation from time to time.

(m) Time is of the essence in the performance of the Parties' respective obligations under this Agreement.

(n) In this Agreement a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. (Toronto, Canada time) on the last day of the period. If, however, the last day of the period does not fall on a Business Day, the period shall terminate at 5:00 p.m. (Toronto, Canada time) on the next Business Day.

(o) Unless specified otherwise in this Agreement, all statements or references to dollar amounts in this Agreement are to United States of America dollars.

(p) The Parties agree that whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis of such determination. The rates of interest in the Stream Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under the Agreement**.**

## 1.3 Schedules

The following schedules are attached to and form part of this Agreement:

| | | |
|---|---|---|
| Schedule A | – | Mine Plan |
| Schedule B | – | Permits and Other Rights Schedule |
| Schedule C | – | Stream Area |
| Schedule D | – | Quarterly Stream Revenue Payment Examples |
| Schedule E | – | Security Documents |
| Schedule F | – | Seller Entity Representations and Warranties |
| Schedule G | – | Purchaser Representations and Warranties |
| Schedule H | – | Dispute Resolution |
| Schedule I | – | Form of Warrant Certificate |
| Schedule J | – | Acceptable Independent Engineers |

# ARTICLE 2
# PURCHASE AND SALE

## 2.1 Purchase and Sale of Graphite Products

(a) During the Term, subject to and in accordance with the terms of this Agreement, the Seller shall sell to the Purchaser, and the Purchaser shall purchase from the Seller an amount of Graphite Products equal to the Designated Percentage of all Graphite Products produced from Minerals (such Graphite Products, the "**Purchaser's Share of Production**"), free and clear of all Encumbrances.

(b) Save and except as expressly provided herein: (i) the Purchaser shall not be responsible for any conversion, refining, treatment or other charges, penalties, insurance, deductions, transportation, settlement, financing, price participation charges or other charges, penalties, deductions, set-offs, Taxes or expenses pertaining to and/or in respect of the Graphite Products purchased by it hereunder, all of which shall be for the account of the Seller; and (ii) and, if the Purchaser pays any costs and expenses related to handling and transportation, the Seller shall promptly reimburse the Purchaser for such payments upon receipt of satisfactory evidence of the Purchaser's payment of such costs and expenses. For greater certainty, no deductions shall be made to the quantity of Graphite Products or the Quarterly Graphite Price on account of any royalties or Taxes, including those payable to Governmental Authorities.

(c) The Graphite Products Delivered pursuant to this Agreement may come from graphite physically mined, produced, extracted or otherwise recovered from the Stream Area or from any other source capable of supplying Graphite Products; provided that all Graphite Products Delivered shall be sourced from a third party refinery or other physical refiner, or processor of minerals and metals. The Seller shall not sell or deliver to the Purchaser (for purposes of this Agreement and at any time during the Term) any Graphite Product that has been directly or indirectly purchased by the Seller on a commodity exchange or from another similar source.

**2.2 Delivery Obligations**

(a) The Purchaser shall receive from the Seller a beneficial right, title and interest in the Purchaser's Share of Production. Subject to Section 2.5(b), title to, and risk of loss of, the Purchaser's Share of Production shall transfer from the Seller to the Purchaser immediately prior to the transfer of title to the Offtaker. The time at which title to, and risk of loss of, the Purchaser's Share of Production transfers from the Seller to the Purchaser is referred to in this Agreement as the "**Time of Sale**".

(b) The Seller hereby represents and warrants to and covenants with the Purchaser that, (i) immediately prior to the Time of Sale in respect of the Purchaser's Share of Production, the Seller will be the sole legal and beneficial owner of the Purchaser's Share of Production delivered to the Purchaser in accordance with Section 2.5(a), (ii) the Seller will deliver to the Purchaser good, valid and marketable title to the Purchaser's Share of Production, free and clear of all Encumbrances, and (iii) the production, use or sale of Graphite Products contained in the Purchaser's Share of Production does not infringe or misappropriate any Intellectual Property Rights of any third party, including any patent, copyright, trademark or trade secret.

(c) The Purchaser's Share of Production shall be deemed to have been delivered to the Purchaser for all purposes of this Agreement at the Time of Sale in respect thereof. The Time of Sale and the deemed Delivery shall only take place in a Designated Jurisdiction.

(d) If required by the Purchaser, acting reasonably, as soon as reasonably practicable after the Time of Sale in respect of the Purchaser's Share of Production, the Seller shall deliver to the Purchaser all deeds, documents of title, conveyances, bills of sale, transfers, assignments, indentures and other instruments and documents reasonably necessary or desirable to evidence the sale to the Purchaser of the Purchaser's Share of Production.

(e) All Deliveries of Graphite Products by the Seller and all payments and transfers of property of any kind under this Agreement by a Seller Entity hereunder shall be made or paid to Purchaser without any deduction, withholding, charge or levy or negative adjustment for or on account of any laws, regulations or actions of any Governmental Authority of Brazil, including commodity export restrictions or repatriation requirements save and except for matters that would fit within the definition of Excluded Taxes.

**2.3 Purchase Price and Payment**

(a) The purchase price (the "**Purchase Price**") for each tonne of Graphite Products sold and delivered by the Seller to the Purchaser under this Agreement shall be equal to:

(i) until the Deposit Reduction Date, the applicable Quarterly Graphite Price for the applicable calendar quarter; and

(ii) after the Deposit Reduction Date, the applicable Per Tonne Cash Price.

(b) Subject to Section 2.5(c), the Purchase Price for the Graphite Products purchased by the Purchaser shall be paid by the Purchaser to the Seller on or before each Quarterly Settlement Date as follows:

(i) the applicable Per Tonne Cash Price for such Graphite Products interest shall be paid by way of deduction from the Quarterly Stream Revenue Payment payable to the Purchaser pursuant to Section 2.4(f) or pursuant to Section 2.5(c) as the case may be; and

(ii) until the Deposit Reduction Date, the balance of the Purchase Price shall be paid by crediting such amount against the Deposit in order to reduce the Uncredited Balance until it has been credited and reduced to nil.

**2.4 Sale of Graphite Product by Seller as Agent**

(a) The Purchaser hereby appoints the Seller as its agent (the "**Sales Agency**") for purposes of: (i) administering the marketing and sale of the Purchaser's Share of Production (other than Graphite Products of which the Purchaser is taking physical delivery pursuant to Section 2.5) in accordance with the terms of this Section 2.4; (ii) carrying out any other duties of the Seller expressly set forth in this Section 2.4; and (iii) carrying out any other duties from time to time agreed to in writing by the Seller and by the Purchaser. The Seller hereby accepts such appointment and agrees to be bound by the provisions of this Section 2.4.

(b) If, during the Sales Agency, the Seller or any of its Affiliates possesses the property of the Purchaser, including the Purchaser's Share of Production or the proceeds therefrom, it does so as agent, bare trustee and nominee for, and on the behalf of, the Purchaser, to the extent of the Purchaser's ownership interest therein.

(c) The Seller shall arrange for the Purchaser's Share of Production contained in any Graphite Products to be sold together with the Seller's interest, if any, in such Graphite Products to Offtakers pursuant to Offtake Agreements. Except as otherwise specifically provided herein, including Section 2.4(e)(iv) all decisions concerning the storage, handling, shipping, marketing and sale of the Graphite Products shall be made by the Seller, in its sole discretion,

(d) The Seller, as agent, shall be solely responsible for: (i) negotiating, concluding and administering all Offtake Agreements on behalf of the Seller and the Purchaser; and (ii) storing (pending sale), handling, shipping and other operations required to transport the Graphite Products to the point of sale with the Offtaker.

(e) The Seller shall ensure that, at all times during the Sales Agency:

(i) the Purchaser's Share of Production is insured in accordance with the terms of this Agreement and to the same extent as the Seller's Graphite Products (and, without limiting the foregoing, the Seller shall ensure that the Purchaser is identified as an insured party on all insurance policies of the Seller Entities to the extent of their ownership interest during such period);

(ii) security of the Purchaser's Share of Production is maintained in accordance with Good Industry Practice and to the same extent as the Seller's Graphite Products;

(iii) at any time that the Seller's Graphite Products are transported from one location to another, the Purchaser's Share of Production is transported, together therewith, by a reputable, established and experienced bonded carrier; and

(iv) the Seller shall only act as the agent for the Purchaser in respect of the Purchaser's Share of Production in a Designated Jurisdiction and the Purchaser's Share of Production shall only be sold, and the transfer of title to Purchaser shall only occur, in a Designated Jurisdiction.

(f) On or before each Quarterly Settlement Date, the Seller shall remit the revenues attributable to the Purchaser's Share of Production by making a cash payment (the "**Quarterly Stream Revenue Payment**") to the Purchaser equal to the sum of the amounts calculated pursuant to the following formulae:

(i) In respect of the first 6,000 tonnes of Graphite Products sold in a calendar year:

$$W * X * (Y - Z)$$

where:

"W" is the total number of tonnes of Graphite Products (up to 6,000 tonnes sold annually in the aggregate) subject to an Offtaker Settlement during the prior calendar quarter;

"X" is the Phase 1 Designated Percentage;

"Y" is the Quarterly Graphite Price; and

"Z" is the applicable Per Tonne Cash Price; and

(ii) In respect of all Graphite Products sold in a calendar year in excess of 6,000 tonnes:

(((0.15)A * B) + ((0.85)A * C)) * (D-E)

"A" is the total number of tonnes of Graphite Products (in excess of the 6,000 tonnes sold in the applicable calendar year) subject to an Offtaker Settlement during the prior calendar quarter;

"B" is the Phase 1 Designated Percentage

"C" is the Phase 2 Designated Percentage, if applicable

"D" is the Quarterly Graphite Price; and

"E" is the applicable Per Tonne Cash Price.

For illustrative purposes only, sample calculations of the Quarterly Stream Revenue Payment are attached as Schedule D.

(g) Concurrently with each Quarterly Stream Revenue Payment, the Seller shall deliver a written report to the Purchaser containing:

(i) a calculation in reasonable detail of:

(A) the Quarterly Stream Revenue Payment,

and to the extent not set forth in detail in the calculation of the Quarterly Stream Revenue Payment;

(B) the number of tonnes of each type (including flake size, grade and other relevant technical specifications) of Graphite Product delivered to Offtakers and the number of tonnes of contained graphite contained in such Graphite Products; and

(C) the Quarterly Graphite Price;

(ii) until the Deposit Reduction Date, the Uncredited Balance calculation;

(iii) copies of the relevant Offtaker Settlement Sheets available at such time and other relevant offtaker statements, invoices and receipts available at such time; and

(iv) copies of all information necessary to support the incurrence of Deductible Transportation Costs.

(h) The calculation of the number of tonnes and Quarterly Stream Revenue Payment as set forth in such report shall be final and binding (absent manifest error) unless the Purchaser provides a written objection to the Seller within 90 days after the end of the applicable tax year of BG Parent in which the report was delivered.

(i) If the Seller receives any payment from an Offtaker on a provisional basis, the Quarterly Stream Revenue Payment (and its constituent components) for the calendar quarter in which such provisional payment is received shall be calculated based on the quantity, grade and/or price of Graphite Products credited by such provisional settlement, but shall be adjusted as between the Seller and the Purchaser to account for the quantity and price of Graphite Products, as applicable, established by final settlement with the Offtaker in the Quarterly Stream Revenue Payment for the calendar quarter during which the final settlement occurs. If there is no Quarterly Stream Revenue Payment for the calendar quarter in which final settlement with the Offtaker occurs, the adjustments as between the Seller and the Purchaser shall be settled through a cash payment by the Seller or the Purchaser, as applicable, to the other.

(j) In the event that during a calendar quarter, the Seller, in its capacity as agent, does not sell the entire amount of the Purchaser's Share of Production pursuant to Section 2.4(a), the number of tonnes of Graphite Product representing such shortfall shall be sold on the Purchaser's behalf in the next calendar quarter, in accordance with the terms of the Sales Agency, in addition to the Purchaser's Share of Production for such Quarter.

(k) Notwithstanding any other provision of this Agreement, the Seller shall not, in its capacity as agent for the Purchaser, carry on any business or activity in a jurisdiction outside of a Designated Jurisdiction that would, in light of existing Applicable Law at the time such business or activity is conducted, cause the Purchaser to be subject to any Tax or Tax return filing requirements in such jurisdiction solely as a result of such business or activity, without the prior written consent of the Purchaser (which consent shall not be unreasonably withheld or delayed).

(l) **[Redacted – commercially sensitive information].**

(m) **[Redacted – commercially sensitive information].**

**2.5 Purchaser's Election to Take Physical Delivery**

(a) The Purchaser may at any time (in respect of one or more quarters) elect to take physical delivery of all (but not part) of the Graphite Products purchased by it hereunder by giving written notice (a "**Physical Delivery Notice**") to the Seller. The Physical Delivery Notice shall specify (i) the types and quantity of Graphite Products to which the election applies, and (ii) the date on which the election shall become effective (such date to be the first day of a calendar quarter at least thirty (30) days after the date of such notice). The election will thereafter apply to all Graphite Products produced on or after such effective date until further notice is provided.

(b) Following delivery by the Purchaser of a Physical Delivery Notice, the Seller and the Purchaser, acting reasonably and in good faith, shall assess, review and develop supplementary terms and conditions for the physical delivery of the Purchaser's Share of Production to the Purchaser, including terms and conditions providing for the following:

(i) the division of the Graphite Products;

(ii) the storage and handling, packaging and labeling, the time and place of delivery, weighing, sampling, pricing (based on the Quarterly Graphite Price that would have been applicable to such Graphite Products but for the delivery of the Physical Delivery Notice) and invoicing (the "**Seller's Invoice**") taking into consideration, among other things, the usual and customary shipping and delivery practices of the Seller (benchmarked to the average and most commonplace terms and conditions contained in the Seller's Offtake Agreements); and

(iii) that the Purchaser shall pay any incremental costs (additional administrative and compliance costs) (the "**Seller's Costs**") of the Seller incurred in physically delivering such Graphite Products above those costs the Seller would have incurred had the Purchaser not made such election to take physical delivery of all or part of the Graphite Products purchased by the Purchaser hereunder, provided that notwithstanding any of the foregoing, the Purchaser's right to receive physical delivery shall exist and continue pursuant to and in accordance with this Section 2.5 whether or not the Parties reach agreement on any or all of such terms.

(c) Notwithstanding Section 2.3(b), the Purchase Price for Graphite Products physically delivered to the Purchaser shall be paid by the Purchaser as set out in the Seller's Invoice and as follows: (i) the applicable Per Tonne Cash Price for such Graphite Products together with the Seller's Costs shall be paid in cash; and (ii) until the Deposit Reduction Date, the balance of the Purchase Price shall be paid by crediting such amount against the Deposit in order to reduce the Uncredited Balance until it has been credited and reduced to nil.

(d) **[Redacted – commercially sensitive information].**

## 2.6 Buy-Down Option

(a) Following the payment of the Phase 2 Deposit, the Seller shall have the option (the "**Buy-Down Option**") exercisable in up to two tranches, for a period of four (4) years following the Phase 2 Closing Date (the "**Buy-Down Period**") to reduce the Phase 2 Designated Percentage by making a cash payment equal to the applicable Buy-Down Amount. The Seller may exercise a Buy-Down Option by providing an irrevocable notice (the "**Buy-Down Notice**") to the Purchaser of its intention to exercise the Buy-Down Option on any day in the month prior to each successive twelve (12)-month anniversary of the Phase 2 Closing Date. For illustrative purposes only and without limitation, if the Phase 2 Closing Date is May 1, 2023, then (subject to having previously exercised the Buy-Down Option twice) a Buy-Down Notice may be delivered at any time in between (i) May 1, 2023 and April 30, 2024, (ii) May 1, 2024 and April 30, 2025, (iii) May 1, 2025 and April 30, 2026 and (iv) May 1, 2026 and April 30, 2027. Each such notice shall set out the percentage being bought down (which must be in increments of 0.5%) (the "**Buy-Down Percentage**"), the applicable Buy-Down Amount, and an effective date for the Buy-Down Option (the "**Buy-Down Effective Date**") which must be within one month of the delivery of the Buy-Down Notice and shall be irrevocable once such notice is delivered to the Purchaser. The giving of such notice will constitute the Seller's binding obligation with respect to such Buy-Down Option. If the Seller fails to give any Buy-Down Notices within the period that is forty-eight (48) months from the Phase 2 Closing Date, it will cease to have any rights under this Section 2.6(a). On each Buy-Down Effective Date, the Seller shall pay to the Purchaser, by wire transfer of immediately available funds, an amount equal to the applicable Buy-Down Amount. This amount, as and when so paid, shall reduce the Uncredited Balance, if any, on a dollar-for-dollar basis.

(b) In the event that a Buy-Down Option is exercised from time to time within the Buy-Down Period and the Purchaser receives the payment contemplated under Section 2.6(a), the definition of Phase 2 Designated Percentage shall be reduced by the applicable Buy-Down Percentage.

## 2.7 Pricing of Value-Added Products

**[Redacted – commercially sensitive information]**

## 2.8 Expenses

All reasonable out-of-pocket transaction costs and expenses incurred by the Purchaser in connection with this Agreement and the transactions contemplated hereby including the Note (**[Redacted – commercially sensitive information]**) shall be paid or reimbursed by the Seller by wire transfer of immediately available funds, including but not limited to, third party expert and consultant fees, travel expenses and outside legal and professional fees, incurred prior to or after the date hereof in connection with, or incidental to, this Agreement and the transactions contemplated hereby, whether or not this Agreement is terminated prior to the Phase 1 Closing Date.

## ARTICLE 3
## PHASE 1 DEPOSIT AND CONDITIONS TO COMMENCEMENT

### 3.1 Deposit

(a) In connection with the respective promises and covenants contained herein, including the Delivery by the Seller to the Purchaser of Graphite Products as contemplated herein, on the third Business Day following the satisfaction of the conditions set forth in Sections 3.5 and 3.6, and subject to Section 3.7, the Purchaser hereby agrees to pay to the Seller the Phase 1 Deposit in cash and/or by set off against any legal obligation that is liquid and due and owing from the Seller to the Purchaser and as a prepayment of, the Purchase Price as contemplated herein. The date upon which the Phase 1 Deposit is funded by the Purchaser shall be referred to in this Agreement as the "**Phase 1 Closing Date**".

(b) The Seller shall provide wire transfer instructions and requisite bank account information to the Purchaser at least three (3) Business Days in advance of the Phase 1 Closing Date.

### 3.2 No Interest

No interest will be payable by the Seller on or in respect of the Phase 1 Deposit.

### 3.3 Use of Phase I Deposit

The Seller shall use the Phase 1 Deposit only for funding the payment, directly or indirectly through a Seller Entity, of costs to explore, develop and construct the Project and achieve Phase 1 Commencement of Commercial Production, as contemplated by the Mine Plan and for general working capital requirements in accordance with the Initial Budget.

### 3.4 Phase 1 Closing

The closing for the payment of the Phase 1 Deposit (the "**Phase 1 Closing**") shall be held at the offices of Torys LLP located at 79 Wellington St. West #3000, Toronto, ON M5K 1N2, at 9:00 a.m., Toronto time, on the Phase 1 Closing Date, subject to the satisfaction or waiver, if permissible, of the conditions set forth in Sections 3.5 and 3.6 have been satisfied or waived, if permissible, (other than conditions which by their nature can only be satisfied at the Phase 1 Closing and are expected to be satisfied at the Phase 1 Closing, such as, without limitation, the delivery of legal opinions and other certificates).

### 3.5 Conditions to Obligations of the Purchaser

The Phase 1 Closing shall be subject to the satisfaction of the following conditions in favour of the Purchaser, except if waived in writing by the Purchaser:

(a) each of the Seller Entities shall have delivered to the Purchaser a current certificate of status, good standing or compliance (or equivalent) for it issued by the relevant Governmental Authority (simplified certificate - *certidão simplificada* - issued by the competent Board of Trade), dated not more than three (3) Business Days prior to the Phase 1 Closing Date;

(b) each of the representations and warranties made by the Seller Entities in this Agreement as of the date hereof shall be true and correct in all material respects (provided that if such representation and warranty is qualified as to materiality or by reference to the existence of a Material Adverse Effect, true and correct to the extent of such qualification) as of the Phase 1 Closing Date as though made on and as of the Phase 1 Closing Date (other than those representations and warranties which speak as of a specific date, which shall only be made in respect of such date);

(c) each of the Seller Entities shall have performed in all material respects all obligations and complied in all material respects with all covenants required by this Agreement to be performed or complied with by it on or prior to the Phase 1 Closing;

(d) each of the Seller Entities shall have delivered to the Purchaser a certificate of a Senior Officer of such Seller Entity in form and substance satisfactory to the Purchaser, acting reasonably, dated as of the Phase 1 Closing Date, as to (i) such Seller Entity's constating documents (or equivalent), (ii) the resolutions of such Seller Entity authorizing the execution, delivery and performance of the Transaction Documents to which such Seller Entity is a party and the transactions contemplated hereby, (iii) the names, positions and true signatures of the persons authorized to sign such Transaction Documents and to the extent applicable, any powers of attorneys granted to any individuals who signed such Transaction Documents on such Seller Entity's behalf, (iv) the satisfaction of the conditions in Section 3.5(b) and 3.5(c) above by such Seller Entity, and (v) such other matters pertaining to the transactions contemplated thereby as the Purchaser may reasonably require;

(e) no Material Adverse Effect shall have occurred since the date of this Agreement;

(f) no Seller Entity Event of Default and no event which with notice or lapse of time or both would become a Seller Entity Event of Default shall have occurred and be continuing;

(g) BG Parent shall have confirmed in writing, to the satisfaction of the Purchaser, acting reasonably, that the Seller Entities will have, on the Phase 1 Closing Date, sufficient cash available (together with the Deposit and the proceeds of the

Concurrent Equity Raise) to achieve Phase 1 Commencement of Commercial Production in accordance with Construction Budget;

(h) TSXV approval for the Transaction shall have been obtained;

(i) the Concurrent Equity Raise shall have been completed;

(j) the Warrants shall have been issued in the name of the Purchaser with the applicable statutory hold period noted thereon;

(k) each of the Phase 1 Security Documents shall have been executed in form and substance satisfactory to the Purchaser, acting reasonably, by the applicable Seller Entity; the applicable Seller Entities shall have delivered to the Purchaser evidence that the Phase 1 Security Documents have been submitted for registration and recordation as required to perfect the Phase 1 Security in all relevant jurisdictions reasonably required by the Purchaser, or in the case of BG Cayman, an updated copy of its register of mortgages and charges evidencing that any security interests created in BG Cayman pursuant to the Phase 1 Security Documents to which it is a party have been recorded on such register of mortgages and charges; and the Phase 1 Security shall constitute a valid and enforceable charge over the Collateral charged thereby subject only to Permitted Encumbrances;

(l) each of the Seller Entities shall have delivered to the Purchaser a favourable legal opinion, subject to reasonable assumptions and qualifications, in form, substance and detail satisfactory to the Purchaser, acting reasonably, addressed to the Purchaser from reputable external counsel licensed to practice in the applicable jurisdiction and dated as of the Phase 1 Closing Date, as to the following matters: (i) the valid existence of such Seller Entity; (ii) the corporate power and authority of such Seller Entity to execute, deliver and perform the Transaction Documents to which it is a party, (iii) the authorization, execution and delivery of the Transaction Documents to which it is a party and the enforceability of the Transaction Documents against such Seller Entity to the extent it is a party; (iv) the execution, delivery and performance of the Transaction Documents to which such Seller Entity is a party is not conflicting with, breaching or resulting in a default under (A) the constating documents of such Seller Entity, and (B) any Applicable Laws to which such Seller Entity is subject, (v) the due filing of the Transaction Documents for registration with the relevant authorities, as required by Applicable Law, (vi) where applicable, perfection by control of the securities being pledged and the authorization of the board of directors of each of the Seller Entities whose shares are pledged authorizing the pledge of such shares, and (vii) that the Phase 1 Security Documents create valid and enforceable security interests in favour of the Purchaser in the Collateral charged thereby;

(m) the Seller Entities shall have delivered to the Purchaser evidence satisfactory to the Purchaser, acting reasonably, that the Seller Entities have all the Regulatory Approvals and Permits required to complete the development of the Project in accordance with the Mine Plan and sufficient to achieve Phase 1 Commencement of Commercial Production; and

(n) no change to any Applicable Laws and no action by any Governmental Authority having competent jurisdiction, in each case occurring after the date hereof, shall prohibit the Phase 1 Closing or adversely affect in any material respect the Purchaser's rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Authority having competent jurisdiction occurring after the date hereof shall prohibit the Phase 1 Closing or adversely affect in any material respect the Purchaser's rights, obligations or benefits under this Agreement.

**3.6 Conditions to Obligations of the Seller**

The Phase 1 Closing shall be subject to the satisfaction of the following conditions in favour of the Seller, except if waived, in writing, by the Seller:

(a) the Purchaser shall have delivered to the Seller a certificate of status, good standing or compliance (or equivalent) for it issued by the relevant Governmental Authority dated not more than three (3) Business Days prior to the Phase 1 Closing Date;

(b) the representations and warranties made by the Purchaser in this Agreement as of the date hereof shall be true and correct in all material respects (provided that if such representation and warranty is qualified as to materiality or by reference to the existence of a material adverse effect, true and correct to the extent of such qualification) as of the Phase 1 Closing Date as though made on and as of the Phase 1 Closing Date (other than those representations and warranties which speak of a specific date, which shall only be made in respect of such date);

(c) the Purchaser shall have performed in all material respects all obligations and complied in all material respects with all covenants required by this Agreement to be performed or complied with by it on or prior to the Phase 1 Closing;

(d) the Purchaser shall have executed and delivered to the Seller a certificate of a director or the secretary of the Purchaser in form and substance satisfactory to the Seller acting reasonably, dated as of the Phase 1 Closing Date, as to (i) its constating documents, (ii) the resolutions of its board of directors or other comparable authority authorizing the execution, delivery and performance of the Transaction Documents and the transactions contemplated hereby, (iii) the signatures of the persons authorized to sign the Transaction Documents and any powers of attorney granted to individuals who signed the Transaction Documents on its behalf, (iv) the satisfaction of the conditions in Section 3.6(b) and (c) above, and (v) such other matters pertaining to the transactions contemplated thereby as the Seller may reasonably require;

(e) TSXV approval for the Transaction shall have been obtained; and

(f) no change to any Applicable Laws or any action by any Governmental Authority having competent jurisdiction shall prohibit the Phase 1 Closing or adversely affect in any material respect the Seller Entities' rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Authority having competent jurisdiction shall prohibit the Phase 1 Closing or adversely affect in any material respect the Seller Entities' rights, obligations or benefits under this Agreement.

## 3.7 Termination of Agreement Prior to the Phase 1 Closing Date

This Agreement may be terminated at any time prior to the Phase 1 Closing Date as follows:

(a) by mutual written consent of the Purchaser and the Seller;

(b) by the Purchaser if the Phase 1 Closing shall not have occurred on or before October 14, 2022, except that the right to terminate this Agreement under this Section 3.7(b) shall not be available to the Purchaser if the Purchaser's breach of any covenant or representation or warranty in this Agreement shall have been the cause of, or shall have resulted in, the failure of the Phase 1 Closing to occur on or prior to such date;

(c) by the Purchaser if any of the Seller Entities shall have breached any of the covenants or agreements contained in this Agreement to be performed by any Seller Entity such that the condition set forth in Section 3.5(b) or 3.5(c) would not be satisfied and such breach has not been cured (or is incapable of being cured) by the relevant Seller Entity within thirty (30) calendar days following its receipt of notice from the Purchaser of such breach; or

(d) by either the Purchaser or the Seller if any Governmental Authority having jurisdiction over either of the Seller Entities or the Purchaser shall have issued a judgment, injunction order or decree or taken any other action, in each case permanently enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement, and such judgment, injunction, order or decree or other action shall have become final and non-appealable; provided that (i) the right to terminate this Agreement under this Section 3.7(d) shall not be available to the Purchaser or the Seller, as applicable, if its, in the case of the Purchaser, or a Seller Entities', in the case of the Seller, failure to fulfill any obligation under this Agreement has been the primary cause of, or primarily resulted in, such judgment, injunction, order or decree, and (ii) the Purchaser or the Seller, as applicable, seeking to terminate this Agreement under this Section 3.7(d) shall have used its, in the case of the Purchaser, or the Seller Entities', in the case of the Seller, commercially reasonable efforts to cause any such judgment, injunction, order or decree to be vacated or lifted or to ameliorate the effects thereof.

## 3.8 Effect of Termination Prior to the Closing

In the event of termination of this Agreement by the Seller or the Purchaser pursuant to and in accordance with Section 3.7, written notice thereof shall forthwith be given by the terminating Party to the other Parties hereto in accordance with Section 15.7, and this Agreement shall thereupon terminate and become void and have no force or effect, no Party to this Agreement (or any of its Affiliates or its or their respective representatives) will have any liability or further obligation to any other Party to this Agreement (and the Parties shall be relieved and released from any related liabilities or damages), and the transactions contemplated hereby shall be abandoned without further action by the Parties hereto, except that notwithstanding anything herein to the contrary: (a) the provisions of Sections 2.8, 8.7 and 13.4 shall survive the termination of this Agreement; and (b) no Party shall be relieved or released from any liabilities or damages arising out of its breach of its obligations under this Agreement prior to such termination.

**3.9 Satisfaction of Conditions Precedent**

(a) All Seller Entities shall use all commercially reasonable efforts and take all reasonable action as may be necessary or advisable, to satisfy and fulfil all the conditions set forth in Section 3.5 and the Purchaser shall use all commercially reasonable efforts and take all reasonable action as may be necessary or advisable, to satisfy and fulfil all the conditions set forth in Section 3.6, in each case as soon as reasonably practicable. The Parties shall co-operate in exchanging such information and providing such assistance as may be reasonably required in connection with the foregoing.

(b) Each of the conditions set forth in Section 3.5 is for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in writing, in its sole discretion in whole or in part. Each of the conditions set forth in Section 3.6 is for the exclusive benefit of the Seller Entities, and may be waived by the Seller in writing, in its sole discretion in whole or in part.

## ARTICLE 4
## PHASE 2 DEPOSIT AND CONDITIONS TO COMMENCEMENT

**4.1 Phase 2 Deposit**

(a) In connection with the respective promises and covenants contained herein, including the Delivery by the Seller to the Purchaser of Graphite Products as contemplated herein, on the third Business Day following the satisfaction of the conditions set forth in Sections 4.5 and 4.6 (subject to Section 4.1(d)), the Purchaser hereby agrees to pay to the Seller the Phase 2 Deposit in cash against, and as a prepayment of, the Purchase Price as contemplated herein. The date upon which the Phase 2 Deposit is funded by the Purchaser shall be referred to in this Agreement as the "**Phase 2 Closing Date**".

(b) At any time prior to the Outside Date, the Seller shall have the right to notify the Purchaser in writing (the "**Phase 2 Closing Notification**") that the conditions set out in Sections 4.5(e), (f), (g), (h), (i), (j), **Error! Reference source not found.** and (m) have been satisfied. The Phase 2 Closing Notification shall set out the closing date for the Phase 2 Deposit which shall be no earlier than thirty (30) calendar days after the date of the Phase 2 Closing Notification and no later than sixty (60) calendar days after the date of the Phase 2 Closing Notification. The Purchaser shall have twenty-five (25) calendar days after receipt of the Phase 2 Closing Notification to notify the Seller in writing (the "**Phase 2 Closing Confirmation**") that the condition set out in Section 4.5(l) has been satisfied or waived.

(c) The Phase 2 Closing Notification shall also include (i) the amount of the Phase 2 Deposit that the Seller shall seek to obtain (the "**Draw Request Amount**"), which must be at least equal to $9,000,000 and up to $18,000,000, and (ii) evidence that such amount of the Phase 2 Deposit that the Seller has requested pursuant to the Draw Request Amount shall (with cash on hand or committed financing) give the Seller sufficient funding to achieve the Phase 2 Commencement of Commercial Production consistent with the Cost to Complete Certificate. Notwithstanding the receipt of the Draw Request Amount by the Seller, the Purchaser shall, at its own discretion and based upon such evidence that the Seller has provided in the Draw Request Amount, determine whether the Seller has met the sufficient cash requirement in clause (ii) above above and choose to accept or reject the amount of the Draw Request Amount. If the Purchaser rejects the Draw Request Amount, the Purchaser and the Seller may, at the Purchaser's sole discretion, discuss and try to come to an agreement with respect to whether the Seller has met the sufficient cash requirement in clause (ii) above above. In the event the Purchaser rejects the Draw Request Amount, absent such agreement, the Draw Request Amount shall be deemed to be the full Phase 2 Deposit amount, regardless of whether such Draw Request Amount is for the full Phase 2 Deposit amount or a portion thereof.

(d) At any time following the first month in which the production and sale of at least 500 tonnes of Graphite Products (**[Redacted – commercially sensitive information].**) occurs, if the Phase 2 Closing has not yet occurred, the Purchaser may provide notice (the "**Funding Notice**") to the Seller of its intention to fund the Phase 2 Deposit (in the full amount) on a Business Day that is at least 30 days but less than ninety (90) days from the date of the notice (the "**Target Phase 2 Closing Date**"). If the Funding Notice is delivered by the Purchaser prior to the Seller's completion of the Phase 2 Study, then the Seller will have 12 months between the date of delivery of the Funding Notice and the Target Phase 2 Closing Date to enable the Seller to satisfy the conditions set out in Sections 4.5(g), (h), (i) and (j). The Seller shall use its commercially reasonable efforts to satisfy all of the conditions set forth in Section 4.5, other than Section 4.5(d), on or before such Target Phase 2 Closing Date, (other than conditions which by their nature can only be satisfied at the Phase 2 Closing and are expected to be satisfied at the Phase 2 Closing, such as, without limitation, the delivery of legal opinions and other certificates). The Seller shall have the right, exercisable for a period of 15 calendar days after receipt of the Funding Notice to forward a Draw Request Notice and if a Draw Request Notice is so delivered, the amount of the Phases 2 Deposit indicated thereon shall be the Phase 2 Deposit that is to be paid by the Purchaser to the Seller pursuant to this Section 4.1(d). On the Target Phase 2 Closing Date, if the conditions set forth in Section 4.5 are not yet satisfied, the Purchaser may elect to waive any condition set forth in Section 4.5 and fund the Phase 2 Deposit, or extend the Target Phase 2 Closing Date. If the Purchaser elects to fund the Phase 2 Deposit, the Seller shall be deemed to have waived any condition in Section 4.6 not yet satisfied (other than conditions which by their nature can only be satisfied at the Phase 2 Closing and are expected to be satisfied at the Phase 2 Closing Date, such as, without limitation, the delivery of legal opinions and other certificates).

### 4.2 No Interest

No interest will be payable by the Seller on or in respect of the Phase 2 Deposit.

### 4.3 Use of Phase 2 Deposit

The Seller shall use the Phase 2 Deposit only for funding the payment, directly or indirectly through a Seller Entity, of costs to explore, develop and construct the Project and achieve Phase 2 Commencement of Commercial Production, as contemplated by the Mine Plan and in accordance with the Cost to Complete Certificate and for general working capital requirements in accordance with the Initial Budget.

### 4.4 Phase 2 Closing

The closing for the payment of the Phase 2 Deposit in the amount of the finally determined Draw Request Amount (the "**Phase 2 Closing**") shall be held at the offices of Torys LLP located at 79 Wellington St. West #3000, Toronto, ON M5K 1N2, at 9:00 a.m., Toronto time, on the Phase 2 Closing Date, subject to the satisfaction or waiver, if permissible, of the conditions set forth in Sections 4.5 and 4.6 have been satisfied or waived, if permissible, (other than conditions which by their nature can only be satisfied at the Phase 2 Closing and are expected to be satisfied at the Phase 2 Closing, such as, without limitation, the delivery of legal opinions and other certificates).

### 4.5 Conditions to Obligations of the Purchaser

The Phase 2 Closing shall be subject to the satisfaction of the following conditions in favour of the Purchaser, except if waived, in writing, by the Purchaser:

(a) each of the Seller Entities shall have delivered to the Purchaser a current certificate of status, good standing or compliance (or equivalent) for it issued by the relevant Governmental Authority (simplified certificate - *certidão simplificada* - issued by the competent Board of Trade), dated not more than three (3) Business Days prior to the Phase 2 Closing Date;

(b) each of the representations and warranties made by the Seller Entities in this Agreement as of the date hereof shall be true and correct in all material respects (provided that if such representation and warranty is qualified as to materiality or by reference to the existence of a Material Adverse Effect, true and correct to the extent of such qualification) as of the Phase 2 Closing Date as though made on and as of the Phase 2 Closing Date (other than those representations and warranties which speak as of a specific date, which shall only be made in respect of such date);

(c) each of the Seller Entities shall have performed in all material respects all obligations and complied in all material respects with all covenants required by this

Agreement to be performed or complied with by it on or prior to the Phase 2 Closing;

(d) each of the Seller Entities shall have delivered to the Purchaser a certificate of a Senior Officer of such Seller Entity in form and substance satisfactory to the Purchaser, acting reasonably, dated as of the Phase 2 Closing Date, as to (i) such Seller Entity's constating documents (or equivalent), (ii) the resolutions of such Seller Entity authorizing the execution, delivery and performance of the Transaction Documents to which such Seller Entity is a party and the transactions contemplated hereby, (iii) the names, positions and true signatures of the persons authorized to sign such Transaction Documents and to the extent applicable, any powers of attorneys granted to any individuals who signed such Transaction Documents on such Seller Entity's behalf, (iv) the satisfaction of the conditions in Section 4.5(b) and 4.5(c) above by such Seller Entity, and (v) such other matters pertaining to the transactions contemplated thereby as the Purchaser may reasonably require;

(e) no Material Adverse Effect shall have occurred since the date of this Agreement;

(f) no Seller Entity Event of Default and no event which with notice or lapse of time or both would become a Seller Entity Event of Default shall have occurred and be continuing;

(g) the Phase 2 Study shall have been completed and delivered to the Purchaser;

(h) the Seller shall have confirmed in writing, to the satisfaction of the Purchaser, acting reasonably, that the Seller will have on the Phase 2 Closing Date sufficient cash available (together with the Phase 2 Deposit and any committed financing) to complete the development of the Project in accordance with the Mine Plan and the Cost to Complete Certificate;

(i) binding quotations from vendors representing quotations for all material equipment required for the Phase 2 Commencement of Commercial Production in accordance with the Phase 2 Study;

(j) receipt of a Cost to Complete Certificate in respect of the Project;

(k) **[Redacted – commercially sensitive information]**;

(l) the satisfactory completion of any required due diligence review by the Purchaser and receipt of the approval of the Purchaser's investment committee;

(m) to the extent not previously executed and delivered, each of the Security Documents shall have been executed in form and substance satisfactory to the Purchaser, acting reasonably, by the applicable Seller Entity and the applicable Seller Entities shall have delivered to the Purchaser (to the extent not previously delivered) evidence that the Security Documents have been submitted for registration and recordation as required to perfect the Security in all relevant jurisdictions reasonably required by the Purchaser, or in the case of BG Cayman, an updated copy of its register of mortgages and charges evidencing that any security interests created by BG Cayman pursuant to the Security Documents to which it is a party have been recorded on such register of mortgages and charges, and the Security shall constitute a valid and enforceable charge over the Collateral charged thereby subject only to Permitted Encumbrances;

(n) the Seller Entities shall have delivered to the Purchaser evidence satisfactory to the Purchaser, acting reasonably, that the Seller Entities have all the Regulatory Approvals, Permits, Other Rights and access to all of the land properties required to complete the development of the Project in accordance with the applicable Mine Plan and sufficient to achieve Phase 2 Commencement of Commercial Production;

(o) each of the Seller Entities shall have delivered to the Purchaser a favourable legal opinion, subject to reasonable assumptions and qualifications, in form, substance and detail satisfactory to the Purchaser, acting reasonably, addressed to the Purchaser from reputable external counsel licensed to practice in the applicable jurisdiction and dated as of the Phase 2 Closing Date, as to the following matters (to the extent not previously delivered): (i) the valid existence of such Seller Entity, (ii) the corporate power and authority of such Seller Entity to execute, deliver and perform the Transaction Documents to which it is a party (iii) the authorization, execution and delivery of the Transaction Documents to which it is a party and the enforceability of the Transaction Documents against such Seller Entity to the extent it is a party, (iv) the execution, delivery and performance of the Transaction Documents to which such Seller Entity is a party is not conflicting with, breaching or resulting in a default under (A) the constating documents of such Seller Entity, and (B) any Applicable Laws to which such Seller Entity is subject, (v) the due filing of the Transaction Documents for registration with the relevant authorities, as required by the Applicable Law, and (vi) that the Security creates valid and enforceable security interests in favour of the Purchaser in the Secured Assets,

(p) the Seller Entities shall have delivered to the Purchaser a favourable legal opinion subject to reasonable assumptions and qualifications in a form, substance and detail satisfactory to the Purchaser, acting reasonably, dated the Phase 2 Closing Date addressed to the Purchaser from prominent reputable Brazilian external counsel with respect to the mining rights forming a part of the Properties. The legal opinion shall be consistent with the representations and warranties pertaining to the mining rights forming a part of the Properties in this Agreement being true and correct, including that the title is valid, clean and marketable and no Encumbrances are registered against the Properties (including executions) other than Permitted Encumbrances; and

(q) no change to any Applicable Laws and no action by any Governmental Authority having competent jurisdiction, in each case occurring after the date hereof, shall prohibit the Phase 2 Closing or adversely affect in any material respect the Purchaser’s rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Authority having competent jurisdiction occurring after the date hereof shall prohibit the Phase 2 Closing or adversely affect in any material respect the Purchaser's rights, obligations or benefits under this Agreement.

**4.6 Conditions to Obligations of the Seller**

The Phase 2 Closing shall be subject to the satisfaction of the following conditions in favour of the Seller, except if waived, in writing, by the Seller:

(a) the Purchaser shall have delivered to the Seller a certificate of status, good standing or compliance (or equivalent) for it issued by the relevant Governmental Authority dated not more than three (3) Business Days prior to the Phase 2 Closing Date;

(b) the representations and warranties made by the Purchaser in this Agreement as of the date hereof shall be true and correct in all material respects (provided that if such representation and warranty is qualified as to materiality or by reference to the existence of a material adverse effect, true and correct to the extent of such qualification) as of the Phase 2 Closing Date as though made on and as of the Phase 2 Closing Date (other than those representations and warranties which speak of a specific date, which shall only be made in respect of such date);

(c) the Purchaser shall have performed in all material respects all obligations and complied in all material respects with all covenants required by this Agreement to be performed or complied with by it on or prior to the Phase 2 Closing; and

(d) no change to any Applicable Laws or any action by any Governmental Authority having competent jurisdiction shall prohibit the Phase 2 Closing or adversely affect in any material respect the Seller Entities' rights, obligations or benefits under this Agreement, and no judgment, injunction, order or decree issued by any Governmental Authority having competent jurisdiction shall prohibit the Phase 2 Closing or adversely affect in any material respect the Seller Entities' rights, obligations or benefits under this Agreement.

**4.7 Satisfaction of Conditions Precedent**

(a) All Seller Entities shall use all commercially reasonable efforts and take all reasonable action as may be necessary or advisable, to satisfy and fulfil all the conditions set forth in Section 4.5 and the Purchaser shall use all commercially reasonable efforts and take all reasonable action as may be necessary or advisable, to satisfy and fulfil all the conditions set forth in Section 4.6, in each case as soon as reasonably practicable. The Parties shall co-operate in exchanging such information and providing such assistance as may be reasonably required in connection with the foregoing.

(b) Each of the conditions set forth in Section 4.5 is for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in writing, in its sole discretion in whole or in part. Each of the conditions set forth in Section 4.6 is for the exclusive benefit of the Seller, and may be waived by the Seller in writing, in its sole discretion in whole or in part.

## ARTICLE 5
## TERM AND TERMINATION

### 5.1 Term

(a) The term of this Agreement shall commence on the date hereof and, subject to the paragraphs below in this Section 5.1, shall continue until the date that is forty (40) years after the date of this Agreement (the "**Initial Term**") and thereafter shall automatically be extended for successive ten (10)-year periods (each an "**Additional Term**" and, together with the Initial Term, the "**Term**") unless there has been no exploration or mining activity in respect of the Stream Area during the last ten (10) years of the Initial Term or of such Additional Term, as applicable, in which case this Agreement shall terminate at the end of the Initial Term or such Additional Term, as applicable.

(b) Notwithstanding Section 5.1(a) and in addition to other provisions herein providing for termination, the Purchaser may terminate this Agreement as of the expiry of the Initial Term or current Additional Term, as applicable, by written notice to the Seller not less than ten (10) Business Days prior to the date on which the then applicable Initial Term or Additional Term is to expire.

(c) This Agreement may also be terminated by the Purchaser for a Seller Entity Event of Default in accordance with Section 11.1.

## ARTICLE 6
## RIGHT OF FIRST REFUSAL

### 6.1 Right of First Refusal

(a) If the Seller or any of its Affiliates receives a *bona fide* written offer that it is willing to accept (a "**Third Party Offer**") from any Person dealing at arm's length with the Seller and its Affiliates to enter into a Stream Equivalent Agreement in or with reference to Graphite Products (except Value-Added Graphite Products subject to an amended Agreement pursuant to Section 2.7) from the Minerals (the "**Offered Interest**"), the recipient of such Third Party Offer (the "**Recipient**") may only accept the Third Party Offer conditional on and subject to this right of first refusal. The Third Party Offer shall have attached thereto a form of Stream Equivalent Agreement that the Recipient and Third Party Offeror are willing to execute (the "**TP Stream Agreement**"). The Seller Entities shall ensure that the Recipient promptly gives notice of the Third Party Offer (the "**Notice of Offer**") to the Purchaser and complies with this Section 6.1(a). The Notice of Offer must contain a copy of the Third Party Offer, the TP Stream Agreement and disclose the identity of the Person making the Third Party Offer (including the name of any corporate or economic group to which it may belong to the extent within the knowledge of the Seller after due inquiry) (the "**Third Party Offeror**"). If the Third Party Offer provides for any non-cash consideration to be paid to the Recipient in respect of the Offered Interest, the Notice of Offer must specify the Recipient's good faith estimate of the cash equivalent value of such non-cash consideration (the "**Cash Equivalent Value 1**"). In addition, the Seller Entities shall ensure that such Recipient concurrently provides to the Purchaser copies of any material written information provided to the Third Party Offeror in respect of the Offered Interest to the extent not already in the possession or under the control of the Purchaser. If the Offered Interest is being offered for sale to the Third Party Offeror together with or in conjunction with other assets of the Recipient, the Purchaser will, in accordance with Section 0, be entitled to purchase only the Offered Interest, and the Notice of Offer must specify the Recipient's good faith estimate of the cash equivalent value being offered by the Third Party Offeror for the Offered Interest (the "**Cash Equivalent Value 2**"). **[Redacted – commercially sensitive information].**

(b) If the Purchaser desires to exercise its right to purchase all of the Offered Interest as contemplated by Section 6.1(a), the Purchaser will give notice of such desire (the "**ROFR Exercise Notice**") to the Recipient within forty-five (45) calendar days of having been given the Notice of Offer. **[Redacted – commercially sensitive information].**

(b) If the Purchaser does not give the ROFR Exercise Notice in accordance with the provisions of Section 0 then the right of the Purchaser to purchase the Offered Interest will terminate and the Recipient may enter into the TP Stream Agreement with the Third Party Offeror at any time within sixty (60) calendar days after the expiry of the applicable sixty (60) calendar day period specified in Section 0, failing which the rights of the Parties pursuant to this Section 6.1 will again take effect with respect thereto.

## ARTICLE 7
## REPORTING; BOOKS AND RECORDS; INSPECTIONS

### 7.1 Monthly Reporting

During the Term, the Seller shall deliver to the Purchaser a Monthly Report on or before the fifteenth day after the end of each calendar month. The Seller shall make detailed reference to and provide on reasonable request together with the Monthly Reports, all other relevant Project documentation or information that may be material to the Project. Notwithstanding the Monthly Reporting periods, the Seller will provide the Purchaser with timely information regarding any material change to the Seller or BGM's operations.

### 7.2 Annual Budgeting and Reporting

(a) On an annual basis within thirty (30) days of January 1 in each year of the Term or as otherwise agreed upon by the Parties, the Seller shall provide to the Purchaser the then current annual life of mine forecast for the Project and reserve and resource statement for the Project prepared in connection with an Approved Technical

Standard, as approved by the Board or adopted by the management of BG Parent or BGM, and to the extent not otherwise provided in such forecasts and statements for the Project:

(i) a forecast, based on the Mine Plan, of the number of tonnes of graphite and any other Graphite Products, if applicable, expected to be produced over the next year on a month-by-month basis and over the remaining life of the mine on a year-by-year basis (which contemplates both the mining of reserves and a portion of assumed resources), including:

(A) tonnes and grades of Graphite Products to be mined (identified by pit or mining area) and to be stockpiled (including ore, low-grade ore and waste);

(B) the tonnes, grades and if applicable, flake size and other relevant technical specifications, of Graphite Products to be processed;

(C) variation analysis of the Mine Plan relative to that of the prior year, noting any material changes in the latest plan;

(ii) the Mine Plan and Budget assumptions, including operating and capital expenditure assumptions, exchange rates and commodity prices used for short-term and long-term planning purposes in developing the forecast referred to in Section 7.2(a)(i);

(iii) a statement setting out the forecasted tonnes and grades of Graphite Product stockpiled as of the start of the period covered by the Mine Plan;

(iv) a statement setting out the mineral reserves and mineral resources (by category) calculated in accordance with an Approved Technical Standard for prospective Graphite Products and the assumptions used, including cut-off grade, metal prices and metal recoveries; and

(v) if at any time the Mine Plan is subject to material amendment, then within ten (10) days after such amendment or amendments is made or are made, the Seller shall provide to the Purchaser the amended Mine Plan, together with the information in Sections 7.2(a)(i) and 7.2(a)(ii).

(b) BG Parent shall deliver to the Purchaser as soon as available but, in any event, within ninety (90) days of BG Parent's year end, a copy of BG Parent's audited annual consolidated financial statements. In respect of any Seller Entity that does not share a fiscal year end with BG Parent, the Seller shall deliver to the Purchaser as soon as available but, in any event, within ninety (90) days of such Seller Entities' fiscal year end, a copy of such Seller Entity's unaudited annual unconsolidated financial statements.

## 7.3 Ongoing Reporting

(a) The Seller shall promptly provide the Purchaser with copies of all material notices or other correspondence received from any Governmental Authority in respect of any breach, non-compliance or alleged breach or non-compliance by any of the Seller Entities of Applicable Laws, Regulatory Approvals or Permits and all responses in respect thereof.

(b) The Seller shall promptly provide the Purchaser with copies of all material notices or other correspondence received from any person in respect of any material breach, non-compliance or alleged material breach or non-compliance by any of the Seller Entities of the terms and conditions of Other Rights, provided that such person has an interest in such Other Rights.

(c) The Seller shall promptly provide the Purchaser with written notice of any material damages suffered to the Project Assets and whether it or any of the Seller Entities has or plans to make any insurance claim.

(d) To the extent not provided pursuant to Sections 7.1, 7.2 and 7.5, concurrently with delivery to the Board, the Seller shall provide to the Purchaser a copy of any work plan or budget impacting the Stream Area or the Project approved by the board of directors of any of the Seller Entities.

## 7.4 Plans, Budgets and Other Matters

(a) The Seller Entities shall update the projections underlying the Mine Plan within 60 days of January 1 in each year of the Term and shall provide the Purchaser with copies of any such amended Mine Plan in accordance with Section 7.4(c).

(b) The Seller shall provide the Purchaser with copies of all material operational, capital, development, exploration, geo-technical and financial budgets and plans and reports for the Project within ten (10) days of the earlier of their (i) approval or (ii) adoption by the Seller Entities.

(c) If at any time the Mine Plan, the Construction Budget, the Permits and Other Rights Schedule and/or Project Costs are subject to a material amendment or there is any material update to the Properties, then within ten (10) days after such amendment or amendments is or are made, each Seller Entity shall provide to the Purchaser the amended plan, together with the information in Sections 7.2(a)(i), 7.2(a)(ii), 7.2(a)(iii) and 7.2(a)(iv).

## 7.5 Books and Records

(a) The Seller Entities shall ensure that each of the Seller Entities keeps true, complete and accurate books and records of all of their financial matters, assets, liabilities, investments, distributions, operations and activities, including, where applicable, with respect to the Project, the mining, treatment, processing, milling, concentrating, transportation and sale of Graphite Products. The Seller Entities shall each permit the Purchaser and its Affiliates and their respective advisors and authorized representatives to perform audits or other reviews and examinations of their books and records relevant to the outturn of the Project and supply chain matters at reasonable times upon a minimum of forty-eight (48) hours' prior written notice and at the Purchaser or its Affiliates', as applicable, sole risk and expense to confirm compliance with the terms of this Agreement. The exercise of such audit, review and examination right shall not unreasonably interfere with the operations of any Seller Entity. In connection with the exercise of such audit, review and examination rights, each Seller Entity shall provide the Purchaser and its Affiliates and their respective advisors and authorized representatives access to the Properties and to the personnel involved therein. The Purchaser and its Affiliates may avail themselves of such right once per calendar year*, unless* there is a dispute or a default under this Agreement which is continuing or remains unresolved and the exercise of such audit, review and examination right shall not unreasonably interfere with the operations of any Seller Entity. The expenses of any audit, review or examination permitted hereunder shall be paid by the Purchaser or its Affiliates, as applicable, unless the results of such audit, review or examination permitted hereunder discloses a discrepancy in calculations of equal to or greater than 3% and such discrepancy had a financial impact on the Purchaser, in which event the reasonable costs of such audit, review or examination shall be paid by the Seller Entities. The Purchaser or its Affiliates, as applicable, shall diligently complete any audit, review or examination permitted hereunder.

(b) If any of the Seller Entities or their respective Affiliates prepares any technical reports on all or part of the Project in accordance with NI 43-101 or other reputable mineral disclosure regime (a "**Prescribed Technical Report**"), such Seller Entity shall, and the Seller shall cause the relevant Seller Entity to, provide to the Purchaser an advanced draft copy of such technical report (and a reasonable opportunity to comment thereon which comments will be considered in good faith but will not be binding) before it is filed on SEDAR or otherwise made publicly available and in any event not less than ten (10) Business Days before it is so filed.

(c) If so requested by the Purchaser and at the Purchaser's cost, the Seller Entities shall ensure that the relevant Seller Entity uses its commercially reasonable efforts to assist the Purchaser and its Affiliates (i) in obtaining copies of any technical reports, including Prescribed Technical Reports, and other technical information (including reserve and resource data), records or information (including access to drill core) pertaining to the Project in the possession or control of any of the Seller Entities (the "**Project Information**") (to be held by the Purchaser subject to Section 8.7) and related qualified person consents and qualified person certificates, and (ii) otherwise in conducting their own diligence of the Project (including access thereto in accordance with Section 7.6) in each case (x) if the Purchaser or any Affiliate of it prepares and files (or proposes to prepare and file) a Prescribed Technical Report on the Project in compliance with this Section 7.5 and Section 8.7 and such Project Information is reasonably necessary to permit the Purchaser or any of its Affiliates to prepare such Prescribed Technical Report or (y) to facilitate the reliance by the Purchaser or any Affiliate of the Purchaser on any exemption available from the requirement to file such a report; provided that prior to the filing by the Purchaser or any of its Affiliates of any technical report on the Project, the Purchaser shall give the Seller Entities a reasonable opportunity to review and comment on such technical report, and shall give reasonable consideration to such comments and provide to the Seller Entities a final copy or an advance draft copy of any such technical report before it is filed on SEDAR or otherwise made publicly available and in any event not less than ten (10) Business Days before it is so filed.

## 7.6 Inspections

(a) Upon no less than five (5) Business Days' notice to the Seller Entities and subject at all times to the workplace rules and supervision of BGM, as applicable, and provided any rights of access do not unreasonably interfere with any exploration, development, mining or processing work conducted on the Properties, the Seller Entities shall grant to the Purchaser and its Affiliates, at reasonable times the right to access (including with any of the Purchaser's advisors and representatives) the Properties, the Processing Plant, Infrastructure and other facilities of the Project, in each case for the purpose (each a "**Permitted Purpose**") of (i) monitoring the Seller Entities' mining and processing operations on the Project, (ii) permitting a qualified person to complete a personal inspection of the Project in connection with the preparation on behalf of the Purchaser or any of its Affiliates of any Prescribed Technical Report, (iii) any reasonable audit, accounting, tax or similar purpose pertaining to the corporate obligations of the Purchaser or its Affiliates or (iv) site visits in respect of a Financing or Sale Transaction. The Seller Entities shall permit the relevant Transactors to accompany the Purchaser or its Affiliates, as the case may be, on any site visit contemplated by (iv) above. Where this right of access is exercised in connection with any Permitted Purpose other than (iv) above, such access shall include access (on a commercially reasonable efforts basis) to the relevant senior employees of the Seller Entities and employees of the Seller Entities' consultants. The Seller Entities acknowledge that the Purchaser may in the future desire to: (A) include the Purchaser Interest in directly or indirectly an entity (the "**IPO Entity**") whose common shares or other common equity may be sold through an initial public offering (whether on a primary or secondary basis), (B) obtain financing and may, in connection therewith, grant a security interest in the Purchaser Interest or (C) sell, grant a participation in, or syndicate all or a portion of the Purchaser Interest through a process that may involve one or more potential purchasers, participants or syndicate members (such transactions in (A)-(C) being a "**Financing or Sale Transaction**"). The Purchaser may avail itself of the right of access under this Section 7.6 a maximum of once per calendar year, except (I) where additional access is reasonably requested by the Purchaser in order to prepare a Prescribed Technical Report or (II) where the Purchaser reasonably desire to bring Transactors to visit the Project, in connection with a Financing or Sale Transaction.

(b) The Purchaser agrees that any visits and inspections contemplated in Sections 7.5 or 7.6(a) shall be subject to the confidentiality provisions of this Agreement. Such site inspection activities shall also be subject to supervision of BGM and shall be conducted in compliance with Applicable Laws and with the safety and workplace rules, policies and procedures of BGM. The Seller Entities shall not be responsible for and the Purchaser shall hold the Seller Entities harmless from any injuries to or damages suffered by the Purchaser, Transactors and their representatives and agents while visiting the Project unless such injuries or damages are caused or contributed to by the negligence or willful misconduct of any Seller Entity or any of their contractors.

### 7.7 Notice of Adverse Impact

The Seller Entities shall notify the Purchaser promptly following the occurrence of a Seller Entity Event of Default and promptly regarding any matter that has had or is reasonably likely to have a Material Adverse Effect or may result in a Seller Entity Event of Default. Prior to causing or permitting a Seller Entity to be subject to an Insolvency Event, the Seller Entities shall provide the Purchaser thirty (30) days' advance written notice.

## ARTICLE 8
## COVENANTS

### 8.1 Conduct of Operations

(a) The Seller Entities shall ensure that BGM operates the Project in a commercially prudent manner and in accordance with all Applicable Laws, including but not limited to Anti-Bribery Laws, the Permits and in accordance with Good Practice Standards, as if the Seller has the full economic interest in the Graphite Products produced from the Stream Area in the absence of this Agreement and as if it was entitled to retain the full price for all Graphite Products. The Seller Entities shall ensure that (i) all cut-off grade, short term mine planning and production decisions concerning the Project shall be based on mineral and metal prices typical of normal industry practice and (ii) all longer-term planning and resource and reserve calculations concerning the Project shall use mineral and metal prices based on normal industry practice.

(b) Subject to this Section 8.1 and Section 8.4(a), all decisions regarding the Project, including all decisions concerning (i) the methods, extent, times, procedures and techniques of any exploration, development and mining related to the Project, (ii) spending on operating and capital expenditures, (iii) milling, processing or extraction, (iv) decisions to operate, expand or continue to operate the Project or any portion thereof, including with respect to closure and care and maintenance, (v) decisions to take or refrain from taking any action in order to maintain graphite recovery or production, and (vi) the sale of Graphite Products and sales strategy (except as provided herein), shall be made by the Seller and its Affiliates that market products from the Project, if any, in their sole discretion.

(c) Notwithstanding Section 8.1(b), the Seller Entities shall ensure that all Mining Activities pertaining to or in respect of the Project are carried out and performed in a commercially reasonable manner and in compliance with Applicable Laws, Regulatory Approvals, Permits, and the terms and conditions of Other Rights and Good Practice Standards.

(d) Notwithstanding Section 8.1(b), the Seller Entities shall:

(i) subject to Permitted Encumbrances and save and except as set out in Section 8.1(d)(i) of the Seller's Disclosure Letter, ensure that BGM and the other Seller Entities are the only legal and beneficial owners of the Project Assets, and ensure that no other Person holds or acquires any ownership right, title or interest in or to the Project Assets;

(ii) keep the Properties in good standing; and

(iii) ensure that the Seller Entities shall obtain and maintain all required material Permits to develop, construct and operate the Project,

provided that nothing in this Section 8.1(d) shall restrict any Permitted Disposition, any Transfer which complies with Section 9.3 or Abandonment in accordance with Section 9.4.

**8.2 Preservation of Corporate Existence and Related Matters**

(a) Except as permitted in Section 8.2(b), the Seller Entities shall, at all times during the Term, do and cause to be done all things necessary or advisable to maintain their respective corporate existence, including the making of all filings necessary in connection therewith.

(b) Each Seller Entity shall not consolidate, amalgamate with or merge into or Transfer all or any of its assets to, or reorganize, reincorporate, or reconstitute into or as, another entity, or continue in any other jurisdiction, except in compliance with Sections 9.1, 9.2 and 9.3 at the time of such consolidation, amalgamation, merger, reorganization, reincorporation, reconstitution, Transfer or continuance; provided that nothing in this Section 8.2(b) shall prevent any transactions described in paragraphs (i) or (ii) of the definition of Change of Control, any Permitted Disposition or any Internal Reorganization permitted pursuant to Section 9.1.

**8.3 Restrictions on Business**

(a) The Seller Entities (other than BG Parent) shall not carry on any business (and shall not incur liabilities in connection with carrying on such business) other than the operation of the Project without the prior written consent of the Purchaser which may be withheld in its sole discretion.

(b) The Seller Entities shall not grant, create, incur, assume, suffer or permit to exist any Encumbrance on the Collateral, other than Permitted Encumbrances.

(c) The Seller Entities (other than BG Parent) shall not enter into or permit to exist any Indebtedness, other than Permitted Indebtedness.

(d) Until the Phase 2 Commencement of Commercial Production is achieved, the Seller Entities (other than the Seller) shall not make any Distributions (including by way of set off) to the Seller (other than Distributions necessary to satisfy tax planning obligations) or to any Affiliate of the Seller that is not a Seller Entity. Distributions for the purposes of tax planning may include the use of, including but not limited to, repayment of intercompany debt, prepayment export facilities and dividend distributions among the Seller Entities to maximize efficient use of funds to execute the Initial Budget.

**8.4 Processing/Commingling/Stockpiling**

(a) All Minerals shall be processed through the Processing Plant in a manner consistent with the Mine Plan. The Seller Entities shall not sell unprocessed Minerals from the Stream Area without the consent of the Purchaser, acting reasonably.

(b) The Seller Entities shall ensure that Other Minerals are not processed through the Processing Plant unless the Seller Entities enter into a commingling agreement with the Purchaser on terms satisfactory to the Purchaser, acting reasonably, provided that such commingling agreement shall ensure that there is no negative impact to the amount or timing of Graphite Products to be sold and Delivered to the Purchaser under this Agreement in any period.

**8.5 Offtake Agreements and Spot Sales**

(a) The Seller Entities shall ensure that, **[Redacted – commercially sensitive information]**, all Minerals are sold or delivered by the Seller Entities to an Offtaker pursuant to an Offtake Agreement.

(b) The Seller Entities shall ensure that all Offtake Agreements entered into by a Seller Entity will be with arm's-length third parties on commercially reasonable arm's length terms and conditions for Offtake Agreements for graphite products similar in make-up and quality to the Graphite Products and shall include industry standard reporting and payment settlement protocols and provisions that require the delivery of Offtaker Settlement Sheets and appropriate and separate sampling and assaying so that the Seller and the applicable Offtaker can determine the grade and content of Graphite Products in each delivery to an Offtaker. Each Offtake Agreement shall treat the Purchaser's Share of Production on the same terms as Graphite Products being sold on behalf of the Seller Entities.

(c) The Seller Entities shall ensure that the Seller delivers all Graphite Product to each Offtaker, in such quantity, description and amounts and at such times and places as required under and in accordance with each Offtake Agreement.

(d) The Seller Entities shall ensure that the Seller provides the Purchaser with a final signed copy of each Offtake Agreement within five (5) Business Days after the execution thereof (other than Spot Sale Invoices which shall be provided with the report supporting the applicable Quarterly Stream Revenue Payment provided pursuant to Section 2.4(g)).

(e) The Seller Entities shall ensure that the Seller takes all commercially reasonable steps to enforce its rights and remedies under each Offtake Agreement with respect to any material breaches of the terms thereof relating to the timing and amount of Offtaker Settlements to be made thereunder. The Seller Entities shall ensure that the Seller shall notify the Purchaser in writing when any dispute in respect of a material matter arising out of or in connection with any such Offtake Agreement is commenced and shall provide the Purchaser with timely updates of the status of any such dispute and the final decision and award of the court or arbitration panel with respect to such dispute, as the case may be.

**8.6 Insurance**

(a) The Seller Entities shall maintain at all times with reputable third party insurance companies, insurance in good standing with respect to the Project Assets and the Mining Activities against such casualties, losses and contingencies and of such types and in such amounts as is customary in the case of similar operations.

(b) The Seller Entities will ensure that each shipment of Graphite Products from the Properties is adequately insured in such amounts and with such coverage as is customary in the mining industry, until the time that risk of loss and damage for any applicable Graphite Product is transferred to the Offtaker.

(c) Where a Seller Entity has received payment under an insurance policy in respect of loss or damage to Graphite Products before the risk of loss or damage is transferred to an Offtaker (in the case of Graphite Products which are being marketed and sold by the Seller as agent for the Purchaser) or to the Purchaser (in the case of Graphite Products which are being physically delivered to the Purchaser hereunder), the Seller shall pay the Purchaser 80% of the Designated Percentage of the Net Proceeds received by the Seller Entities in respect of the lost or damaged Graphite Products and the Uncredited Balance, if any, shall be adjusted accordingly.

(d) Where a Seller Entity receives payment under any insurance policy (other than a payment in respect of loss or damage to Graphite Products) in respect of the Project as a result of an event that does or is reasonably likely to prevent or materially reduce the amount of Graphite Products to be Delivered from the Project in any twelve (12)-month period, the Net Proceeds of such payment shall be dealt with as follows: If within 12 months after the occurrence of such event the Seller Entities determine to rebuild or repair the Project or any part thereof damaged as a result of such event, then the Net Proceeds of such payment if any, after deducting any amount used to rebuild or repair the Project or any part thereof damaged as a result of such event, shall be allocated between the Seller and the Purchaser in proportion to their respective interests. The Purchaser's interest in such Net Proceeds (after making any deduction permitted above) shall be in proportion to the fraction equal to (A) the NPV of the Remaining Stream, to (B) the NPV of the Project. If the Seller Entities make the determination to rebuild or repair, they shall undertake such rebuilding or repair diligently on an ongoing basis from the date of such determination. If there is no such determination by the Seller Entities within the said twelve (12) month period, then the Net Proceeds of such payment shall be allocated between the Seller and the Purchaser in proportion to the fraction equal to (C) the NPV of the Remaining Stream, to (D) the NPV of the Project.

**8.7 Confidentiality**

(a) Each Party (a "**Receiving Party**") agrees that it shall maintain as confidential and shall not disclose, and shall cause its Affiliates, employees, officers, directors, advisors and representatives to maintain as confidential and not to disclose, the terms contained in the Transaction Documents and all information (whether written, oral or in electronic format) received or reviewed by it as a result of or in connection with the Transaction Documents, including any draft or final technical reports provided under Section 7.5(b), **[Redacted – commercially sensitive information]** or any Offtake Agreement provided under Section 8.5(e) (collectively, the "**Confidential Information**"), provided that a Receiving Party may disclose Confidential Information in the following circumstances:

(i) to its auditor, legal counsel, lenders, underwriters and investment bankers and technical consultants and to *bona fide* Persons, (including, in the case of the Purchaser, any IPO Entity and its Affiliates) with which it is considering or intends to enter into a transaction (or with respect to the IPO Entity, where such IPO Entity is proposing to effect a transaction involving the offering of its shares for sale in a public offering) for which such Confidential Information would reasonably be relevant including without limitation, with respect to a Stream Equivalent Agreement and negotiations with respect thereto (and to lenders, underwriters, advisors and representatives of any such Person), provided that such Persons are advised of the confidential nature of the Confidential Information, the Receiving Party obtains from such Persons (other than professionals who are bound by a duty of confidentiality) in favour of the disclosing Party, a confidentiality agreement, providing for maintaining the confidentiality of such Confidential Information and which limits their use of the Confidential Information to those purposes necessary for such Persons to perform the services for which they were, or are proposed to be, retained by the Receiving Party or to consider or effect the applicable transaction, as applicable;

(ii) subject to Sections 8.7(c) and 15.8, where that disclosure is: (A) necessary to comply with Applicable Laws, court order or regulatory request (including as a result of securities laws which may apply to the Purchaser (including any Affiliate of the Purchaser that is an IPO Entity) or a Seller Entity being, seeking to become or becoming a "public company"); or (B) in connection with the public offering of the shares of the IPO Entity or such Seller Entity or any of its Affiliates provided that such disclosure is limited to only that Confidential Information as is customarily disclosed in connection with the public offering of the common shares of a company and, where applicable, that the Receiving Party will have availed itself of the full benefits of any laws, rules, regulations or contractual rights as to disclosure on a confidential basis to which it may be entitled;

(iii) for the purposes of the preparation and conduct of any arbitration, expert or court proceeding commenced under Section 13.4;

(iv) where such information is already available to the public other than by a breach of the confidentiality terms of this Agreement or is known by the Receiving Party prior to the entry into of this Agreement or obtained independently of this Agreement and the disclosure of such information would not breach any other confidentiality obligations;

(v) with the written consent of the disclosing Party not to be unreasonably withheld, conditioned or delayed, it being understood and agreed that once such consent is obtained, a disclosure of the same Confidential Information does not require a further consent; or

(vi) to its Affiliates and those of its Affiliates' directors, officers, employees, advisors and representatives who need to have knowledge of the Confidential Information.

(b) Each Party shall ensure that its Affiliates and its and its Affiliates' employees, directors, officers, advisors and representatives and those Persons listed in Section 8.7(a)(i) are made aware of this Section 8.7 and comply with the provisions of this Section 8.7. Each Party shall be liable to the other Party for any improper use or disclosure of such terms or information by such Persons and any other breach of any other confidential agreement entered into pursuant to Section 8.7(a)(i).

(c) No Party shall file this Agreement publicly without reasonable prior consultation with the other Party, provided that such reasonable prior consultation shall not prohibit a Party from filing this Agreement publicly redacted only to the extent such Party reasonably considers it permitted pursuant to Applicable Laws. The Parties shall consult with each other with respect to any proposed redactions to this Agreement in compliance with Applicable Laws before it is filed.

(d) The Seller shall ensure that each Seller Entity abides by the provisions of this Section 8.7.

**8.8 Guarantee and Security**

(a) To secure the due and punctual payment and performance of all Obligations, the Seller shall deliver or cause to be delivered to the Purchaser on or before the Phase 1 Closing Date, in form and substance reasonably satisfactory to the Purchaser, acting reasonably, together with all supporting documentation as may be requested by the Purchaser or its counsel, acting reasonably:

(i) in the case of each Seller Entity (other than the Seller and BG Parent), a guarantee in favour of the Purchaser guaranteeing the due payment and performance by the Seller of all present and future Obligations of the Seller under the Transaction Documents and an indemnity from and against all losses, damages liabilities, costs and expenses arising from a breach of such obligations in the form and substance satisfactory to the Purchaser, acting reasonably (the "**Seller Entities Guarantees**");

(ii) in the case of BG Parent, a limited recourse guarantee in favour of the Purchaser guaranteeing the due payment and performance by the Seller of all present and future Obligations of the Seller under the Transaction Documents and an indemnity from and against all losses, damages liabilities, costs and expenses arising from a breach of such obligations in form and substance satisfactory to the Purchaser, acting reasonably, provided that, BG Parent's liability under such limited recourse guarantee is limited to the extent such liability is required to permit Purchaser to realize on the Collateral charged by the Security Documents to which BG Parent is a party;

(iii) a Deferment Agreement and a Pledge of Intercompany Debt, each in accordance with Section 8.11 and in form and substance satisfactory to the Purchaser, acting reasonably, with respect to any Related Party Indebtedness existing as of the Phase 1 Closing Date; and

(iv) each of the security documents, as described as the 'Phase 1 Security Documents' on Schedule E attached hereto, in form and substance satisfactory to the Purchaser, acting reasonably;

(the documents in this Section 8.8(a) being collectively the "**Phase 1 Security Documents**" and individually, a "**Phase 1 Security Document**").

(b) To secure the due and punctual payment and performance of all Obligations, the Seller shall deliver or cause to be delivered to the Purchaser, as soon as reasonably practicable (and in any event within 45 days) following the acquisition by a Seller Entity of Property Interests in which a security interest may be granted under Brazilian Applicable Law, together with all supporting documentation as may be requested by the Purchaser or its counsel, acting reasonably:

(i) each of the security documents applicable to such Property Interests, executed and provided by the applicable Seller Entity, as described as the 'Real Property Security Documents' on Schedule E attached hereto, in form and substance satisfactory to the Purchaser, acting reasonably (the "**Real Property Security Documents**"); and

(ii) a favourable legal opinion, subject to reasonable assumptions and qualifications, in form, substance and detail satisfactory to the Purchaser, acting reasonably, addressed to the Purchaser from reputable external counsel, as to: (A) the corporate power and authority of the applicable Seller Entity to execute, deliver and perform the applicable Real Property Security

Documents to which it is a party; (B) the authorization, execution and delivery of the applicable Real Property Security Documents and the enforceability of the applicable Real Property Security Documents against such Seller Entity to the extent it is a party; (C) the execution, delivery and performance of the Real Property Security Documents to which such Seller Entity is a party is not conflicting with, breaching or resulting in a default under (I) the constating documents of such Seller Entity, and (II) any Applicable Laws to which such Seller Entity is subject; (D) the filing of the applicable Real Property Security Documents for registration and/or recordation; and (E) that the applicable Real Property Security Documents create valid and enforceable security interests in favour of the Purchaser in the Property Interests charged by the Real Property Security Documents.

(c) The Seller shall, and shall cause each other Seller Entity to, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the Purchaser all such agreements, documents, instruments, filings, and registrations as may from time to time be requested by the Purchaser, acting reasonably, to ensure that the Purchaser holds at all times valid, enforceable, perfected first priority Encumbrances (subject to Permitted Encumbrances) from the Seller Entities or third parties meeting the requirements of this Section 8.8, in each case within a reasonable time after the request therefor by the Purchaser, and in each case, in form and substance satisfactory to the Purchaser, acting reasonably.

(d) The Seller shall not, and the Seller shall not permit any other Seller Entity to, change its legal or operating name or the location of its chief executive office, except with at least ten (10) days' prior written notice to the Purchaser.

(e) The Seller shall promptly notify the Purchaser of the acquisition by any Seller Entity of any Properties, whether owned or leased.

(f) Each Seller Entity covenants and agrees that it shall not and shall cause its Affiliates to not contest in any manner the effectiveness, validity, binding nature or enforceability of this Agreement or any of the Security Documents.

(g) The Security shall not merge in any other security. No judgment obtained by or on behalf of the Purchaser shall in any way affect any of the provisions of this Agreement, the other Transaction Documents, or the Security. For greater certainty, no judgment obtained by or on behalf of the Purchaser shall in any way affect the obligation of the Seller to deliver Graphite Products or to pay other amounts at the rates, times and in the manner provided in this Agreement.

(h) The Security shall be effective and the undertakings in this Agreement and the other Transaction Documents with respect thereto shall be continuing, whether the monies hereby or thereby secured, or any part thereof, shall be advanced before or after or at the same time as the creation of any such Security or before or after or upon the date of execution of this Agreement. The Security shall not be affected by any payments under this Agreement or any of the other Transaction Documents (save and except that the Obligations shall be reduced by the amount of any such payments) and shall constitute continuing security to and in favour of the Purchaser for the Obligations of the applicable Seller Entity under such Seller Entity's Guarantee provided hereunder from time to time.

(i) If any Collateral is disposed of as permitted by this Agreement or is otherwise released from the Security at the direction or with the consent of the Purchaser, at the request, cost and expense of the Seller (on satisfaction, or on being assured of concurrent satisfaction, of any condition to or obligation imposed with respect to such disposition), the Purchaser shall discharge such Collateral from the Security.

(j) BG Parent shall cause each Person that becomes a Seller Entity after the date hereof (by way of acquisition or otherwise) to, as soon as reasonably practicable after such Person becoming a Seller Entity (and in any event, within 45 days of such date), deliver to the Purchaser:

(i) each of the following guarantee and security documents (the "**Additional Seller Entity Security Documents**" and, collectively with the Phase 1 Security Documents and the Real Property Security Documents, the "**Security Documents**"):

(A) a guarantee in substantially the same form as the Seller Entities Guarantees;

(B) to the extent such Person holds any issued and outstanding shares in BGM Cayman, an equitable share mortgage with respect to all of such issued and outstanding shares, in substantially the same form as the Equitable Share Mortgage;

(C) to the extent such Person holds any issued and outstanding shares in the Seller, a share pledge with respect to all of such issued and outstanding shares, in substantially the same form as the Seller Share Pledge;

(D) to the extent such Person holds any issued and outstanding shares in any other Seller Entity incorporated in Brazil, a share pledge with respect to all of such issued and outstanding shares, in substantially the same form as the Brazilian Share Pledge;

(E) if applicable, a Deferment Agreement and a Pledge of Intercompany Debt, each in accordance with Section 8.11 and in form and substance satisfactory to the Purchaser, acting reasonably, with respect to any Related Party Indebtedness existing as of the date such Person becomes a Seller Entity; and

(F) to the extent such Person holds any Property Interests in which a security interest may be granted under Brazilian Applicable Law, each of the security documents applicable to such Property Interests, executed and provided by the applicable Seller Entity, in substantially the same form as the Real Property Security Documents (as applicable); and

(ii) a favourable legal opinion, subject to reasonable assumptions and qualifications, in form, substance and detail satisfactory to the Purchaser, acting reasonably, addressed to the Purchaser from reputable external counsel, as to: (A) the corporate power and authority of the Seller Entity to execute, deliver and perform the applicable Additional Seller Entity Security Documents to which it is a party; (B) the authorization, execution and delivery of the applicable Additional Seller Entity Security Documents and the enforceability of the applicable Additional Seller Entity Security Documents against such Seller Entity to the extent it is a party; (C) the execution, delivery and performance of the Additional Seller Entity Security Documents to which such Seller Entity is a party is not conflicting with, breaching or resulting in a default under (I) the constating documents of such Seller Entity, and (II) any Applicable Laws to which such Seller Entity is subject; (D) the filing of the applicable Additional Seller Entity Security Documents for registration and/or recordation; and (E) that the applicable Additional Seller Entity Security Documents create valid and enforceable security interests in favour of the Purchaser in the assets charged thereby.

(k) With respect to any Security Document which has been filed for registration or recordation as required by this Agreement, but for which registration or recordation has not been completed or obtained, the applicable Seller Entity agrees to use its commercially reasonable efforts to attempt to cause the applicable registration or recordation of such Security Document as promptly as possible.

## 8.9 Proper Practices

(a) Each of the Seller Entities agrees that it will comply in all material respects with (i) Anti-Bribery Laws, and (ii) Money Laundering Laws, in connection with its dealings relating to this Agreement and the Project. No proceeds of the Deposit will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

(b) If they have not already done so, the Seller Entities shall adopt and implement within sixty (60) days of executing this Agreement policies and procedures designed to prevent them and others acting on their behalf from engaging in any activity, practice or conduct that would violate or reasonably could be deemed to violate any of the Anti-Bribery Laws or Money Laundering Laws and ensures their compliance with the laws and regulations prohibiting or restricting their dealing with Restricted Persons. Such policies and procedures shall be consistent with the guidance that has been provided by Governmental Authorities in each of the countries in which the Seller Entities are doing or seek at any time in the future to do business.

## 8.10 Expropriation

(a) Notwithstanding any other provision of this Agreement, upon the occurrence of an Expropriation Event:

(i) all obligations of the Parties under this Agreement with respect to the portion of the Properties to which the Expropriation Event pertains (such affected portion being the "**Affected Property**") shall be suspended, including the Seller's Delivery obligations under Section 2.2 with respect to any Graphite Products mined, produced, extracted or otherwise recovered from any such Affected Property; provided, however, that all obligations of the Parties under this Agreement with respect to any portion of the Properties other than the Affected Property shall not be suspended;

(ii) in the event that the Expropriation Event subsequently ceases to exist, all obligations of the Parties under this Agreement suspended pursuant to this Section 8.10 shall automatically recommence; provided that the Seller's obligation to Deliver Graphite Products to the Purchaser shall recommence only with effect from the time such Expropriation Event ceases to exist and with respect to Graphite Products sold and delivered to an Offtaker, as the case may be, from the time such Expropriation Event ceases to exist;

(iii) without limiting the generality of this Section 8.10(a):

(A) any loss of ownership or control over any Affected Property as a result of an Expropriation Event shall not be a Transfer for any purpose under this Agreement; and

(B) any portion of the Properties that becomes an Affected Property as a result of an Expropriation Event shall (until the Expropriation Event ceases) not be part of the Project for any purpose under this Agreement.

(b) In the event that any Seller Entity receives, directly or indirectly, any payment, distributions or other valuable compensation as a consequence of or in respect of any Expropriation Event (the "**Compensation**"), the Net Proceeds in respect of such Compensation shall be allocated between the Seller and the Purchaser in proportion to their respective interests, being the fraction equal to (i) the NPV of the Remaining Stream to (ii) the NPV of the Project. For the avoidance of doubt, the NPV of the Remaining Stream and the NPV of the Project (and all components thereof set forth in this Agreement) shall be calculated using a common set of assumptions as applicable, including the same Mine Plan, which shall be the Mine Plan in effect immediately prior to the Expropriation Event.

(c) Following any Expropriation Event, the Seller Entities shall use their best efforts to obtain the maximum amount of Compensation with respect to the Expropriation Event. Prior to commencing any claim for Compensation, the Seller Entities shall consult with the Purchaser regarding its intentions (but the Seller shall not be bound by the Purchaser's suggestions), and after commencing any such claim, the Seller Entities shall keep the Purchaser reasonably informed about the claim. The Seller Entities acknowledge and agree that they have no right to make a claim for any compensation for any Losses suffered by the Purchaser in connection with any Expropriation Event. Further, the Seller Entities shall provide the Purchaser with all reasonable cooperation requested by the Purchaser in connection with any claims which the Purchaser may make relating to such Expropriation Event solely in its capacity as a secured creditor.

(d) If any Seller Entity is required to repay all or any of the Compensation received by it for an Expropriation Event pursuant to any Applicable Laws in order to re-establish such Seller Entity's ownership interest in the Affected Property, then the Seller shall give written notice to the Purchaser of such requirement, together with the proposed mine plan and such other information the Purchaser may reasonably request in order to determine whether to exercise its option set forth in the following sentence. The Purchaser shall have the option, exercisable within forty-five (45) days of the receipt of such notice and information, to (i) repay to the Seller a pro rata portion (determined based on the fraction used to calculate the portion of the Compensation allocable to the Purchaser under Section 8.10(b)) of such Compensation required to be repaid, or (ii) elect to terminate this Agreement.

**8.11 Deferment of Related Party Claims**

From and after the Phase 1 Closing Date, each Seller Entity shall ensure that prior to incurring any Related Party Indebtedness or other similar obligations in favour of an Affiliate, (a) such Seller Entity shall procure a written agreement with such Affiliate, in favour of the Purchaser, which provides that (i) unless a Triggering Event has occurred and is continuing, such Affiliate shall be entitled to receive payment from such Seller Entity and (ii) upon the occurrence of a Triggering Event and as long as such is continuing, such Affiliate shall not be entitled to receive payment from such Seller Entity with respect to such Related Party Indebtedness and similar obligations unless and until the Triggering Event has been rectified or waived or is no longer in force or effect or alternatively, this Agreement has been terminated and the Purchaser has received full payment of all obligations owing under this Agreement; provided that if such Affiliate receives any such payment in violation of this Section 8.11, it shall pay such amount over to the Purchaser for a portion of the Purchaser's claim against the Seller Entity (such agreement being a "**Deferment Agreement**"), or (b) the Purchaser otherwise agrees in writing to waive such deferment. In this regard, the Purchaser may waive deferment in respect of any one or more Seller Entities and may waive deferment on a per related party claim basis. The Deferment Agreement shall further provide that, in any proceeding, such Affiliate shall, to the extent permitted by Applicable Laws, exercise all voting or other analogous rights as directed by the Purchaser (x) to the extent required for this Agreement to survive such proceeding and continue to be performed by the Person who owns the Project or, failing which, (y) with the intention that the Purchaser receives the full amount of its claim in priority to any claims of such Affiliate. In addition, each Seller Entity shall ensure that prior to incurring any Related Party Indebtedness from an Affiliate, such Seller Entity shall also procure a written agreement with such Affiliate, in favour of the Purchaser, pursuant to which such Affiliate grants in favour of the Purchaser a security interest in such Related Party Indebtedness (such agreement being a "**Pledge of Intercompany Debt**"). Each of the Deferment Agreement and the Pledge of Intercompany Debt shall be in form and substance satisfactory to the Purchaser, acting reasonably. For greater certainty, the Deferment Agreement and the Pledge of Intercompany Debt may be combined into one agreement if acceptable under applicable law as determined by the Purchaser.

**8.12 Intercreditor and Subordination Agreements**

(a) If any Seller Entity wishes to grant an Encumbrance in, to, or over any Collateral as collateral security for the payment and performance of any Senior Indebtedness, then the Purchaser agrees to enter into a subordination agreement with the lender(s) of any such Senior Indebtedness (such agreement to be in form and substance satisfactory to the Purchaser, acting reasonably, and negotiated in good faith and using commercially reasonable efforts) on terms and conditions reasonably standard and customary for a subordination agreement between a senior lender and a secured, subordinate metals streamer, to subordinate and postpone the Obligations to such Senior Indebtedness and the Security to the Encumbrance(s) securing such Senior Indebtedness (any such subordination agreement, a "**Senior Indebtedness Subordination Agreement**").

(b) Following the Additional Indebtedness Threshold Date, if any Seller Entity wishes to grant an Encumbrance in, to, or over any Collateral as collateral security for the payment and performance of any Project Finance Indebtedness, then Purchaser agrees to enter into an intercreditor agreement with the lender(s) of any such Project Finance Indebtedness and the relevant Seller Entity (such agreement to be in form and substance satisfactory to the Purchaser, acting reasonably, and negotiated in good faith and using commercially reasonable efforts) on terms and conditions reasonably standard and customary for an intercreditor agreement between a Project Finance Indebtedness creditor and a secured, subordinate metals streamer, to subordinate and postpone the Obligations to such Project Finance Indebtedness and the Security to the Encumbrance(s) securing such Project Finance Indebtedness (any such intercreditor agreement, a "**Project Finance Intercreditor Agreement**").

(c) Following the Additional Indebtedness Threshold Date, if any Seller Entity wishes to grant an Encumbrance in, to, or over any Collateral as collateral security for the payment and performance of any Additional Indebtedness, then Purchaser agrees to enter into a subordination agreement with the lender(s) of any such Additional Indebtedness and the relevant Seller Entity (such agreement to be in form and substance satisfactory to the Purchaser, acting reasonably, and negotiated in good faith and using commercially reasonable efforts) on terms and conditions reasonably standard and customary for a subordination agreement between a senior lender and a secured, subordinate metals streamer, to subordinate and postpone the Obligations to such Additional Indebtedness and the Security to the Encumbrance(s) securing such Additional Indebtedness (any such subordination agreement, an "**Additional Indebtedness Subordination Agreement**").

### 8.13 Minimum Cash Balance

(a) **[Redacted – commercially sensitive information].**

(b) **[Redacted – commercially sensitive information].**

(c) **[Redacted – commercially sensitive information].**

## ARTICLE 9
## TRANSFERS

### 9.1 Internal Reorganizations

The Seller Entities shall not undertake, nor participate in, an Internal Reorganization unless:

(a) the Seller has provided written notification to the Purchaser of such Internal Reorganization at least twenty (20) days prior to the proposed date of any Internal Reorganization, together with sufficient information (including if appropriate a form of legal opinion subject to reasonable assumptions and qualifications from external counsel in the relevant jurisdiction(s)) to permit the Purchaser to confirm compliance with the provisions of this Section 9.1;

(b) the resulting, surviving or transferee entity (the "**Successor**") is not a Restricted Person and it assumes in favour of the Purchaser and is bound by all the terms and conditions of this Agreement and any Transaction Document applicable to the Seller Entities (as applicable), or enters into an amendment and restatement of this Agreement, in either case, pursuant to an agreement in form and substance satisfactory to the Purchaser acting reasonably, and enforceable by the Purchaser, whereby the obligations of the Seller Entity (as applicable) would be assumed by such Successor;

(c) the Successor executes and delivers such additional Security Documents as may be reasonably required by the Purchaser, in form and substance satisfactory to the Purchaser;

(d) the Project Assets shall remain wholly owned by the Seller Entities or their Successors;

(e) no material consent (including those which if not obtained would constitute a breach of Applicable Law) for such Internal Reorganization is required from any Governmental Authority that has not already been obtained prior to the effectiveness of, and in connection with, such Internal Reorganization;

(f) immediately prior to the Internal Reorganization, there is no Seller Entity Event of Default that has occurred and is continuing or an event or circumstance which, with notice or the passage of time would give rise to a Seller Entity Event of Default and immediately after the Internal Reorganization, there shall not be a Seller Entity Event of Default or an event or circumstance which, with notice or the passage of time, would give rise to a Seller Entity Event of Default (or its equivalent), in each case under this Agreement, or under the amended and restated Agreement, if applicable; and

(g) such Internal Reorganization will not, or is not reasonably expected to, (i) result in a breach of Section 8.3(b), (ii) give rise to a Material Adverse Effect (where, in the definition of "Material Adverse Effect", the reference to "Seller Entity" shall be read with appropriate adjustments for the purposes of this Section 9.1(g)), or (iii) cause the Purchaser to become liable or potentially liable for any increase in Tax that is not a Covered Tax, provided that with respect to any non-material non-Covered Taxes, the Successor and other Seller Entities shall be permitted to satisfy this Section 9.1(g) by providing an indemnity to the Purchaser in form and substance satisfactory to the Purchaser, acting reasonably, and enforceable by the Purchaser, for the full amount of such Taxes.

**9.2 Prohibited Transfers**

Except as set out in Section 9.3 or as otherwise permitted under the terms of this Agreement, the Seller Entities shall ensure that the Seller Entities do not undertake a Restricted Transfer.

**9.3 Permitted Restricted Transfers**

Section 9.2 shall not prohibit a Restricted Transfer, if:

Permitted Dispositions

(a) such Restricted Transfer is a Permitted Disposition.

Other Restricted Transfers

(b) in the case of a Restricted Transfer other than a Permitted Disposition:

(i) the Seller Entities shall have provided the Purchaser with at least thirty (30) days prior written notice of the proposed Restricted Transfer;

(ii) the Seller Entities Transfer all, but not less than all of the Project Assets to the same transferee and such transferee has no material liabilities other than Permitted Indebtedness;

(iii) the Seller Entities Transfer and assign all rights and obligations under this Agreement to the same transferee, and the Seller assigns all of its rights and obligations under this Agreement and the Transaction Documents to an other entity that wholly owns such transferee (so as to maintain the same corporate structure, namely that such transferee shall be a wholly owned Subsidiary of the Seller) concurrently with any such Restricted Transfer, and such transferee and other entity assumes in favour of the Purchaser all of the Seller Entities' obligations under this Agreement and the Transaction Documents which correspond to them pursuant to an agreement in form and substance satisfactory to the Purchaser, acting reasonably (and which agreement shall include a waiver of sovereign immunity in the form of Section 13.5 hereof), and enforceable by the Purchaser;

(iv) such transferee and other entity is an Approved Purchaser and each of such transferee and such other entity complies with the conditions set forth in Section 3.5 as such section pertains to such transferee and other entity with appropriate modifications;

(v) no material consent (including those which, if not obtained, will constitute a breach of Applicable Law) for such Restricted Transfer is required from any Governmental Authority that has not already been obtained prior to the effectiveness of, and in connection with, such Restricted Transfer;

(vi) immediately prior to the Restricted Transfer, there is no Seller Entity Event of Default that has occurred and is continuing or an event or circumstance which, with notice or the passage of time would give rise to a Seller Entity Event of Default and immediately after such Restricted Transfer, there shall not be a Seller Entity Event of Default or an event or circumstance which, with notice or the passage of time, would give rise to a Seller Entity Event of Default (or its equivalent) in each case with respect to such transferee or such Affiliate; and

(vii) such Restricted Transfer will not, or is not reasonably expected to (A) give rise to a Material Adverse Effect (where, in the definition of "Material Adverse Effect", the reference to a "Seller Entity" and/or the "Seller" be read with appropriate adjustments for the purposes of this Section 9.3(b)(vii)), (B) result in a breach of Section 8.3(b), or (C) cause the Purchaser to become liable for any increase in Tax that is not a Covered Tax, provided that with respect to any non-material non-Covered Taxes, the Seller Entities shall be permitted to satisfy this Section 9.3(b)(vii) by providing an indemnity to the Purchaser from the Seller Entities, the transferee or other credit-worthy entity, in form and substance satisfactory to the Purchaser, acting reasonably, and enforceable by the Purchaser, for the full amount of such Taxes

<u>With Consent</u>

(c) in any other case, the Purchaser provides its prior written consent to the Restricted Transfer, which may be withheld in the Purchaser's sole discretion.

## 9.4 Abandonment

Subject to this Section 9.4, the Seller Entities may abandon, surrender, relinquish or let lapse or expire any of the Properties or Additional Property Rights, including by way of ceasing to maintain, or maintain in good standing (through the non-payment of rents or non-performance of exploration, exploitation or maintenance obligations or otherwise), Permits or the validity of mineral claims, leases or exploration licenses or other mineral concessions (an "**Abandonment**", and "**Abandon**" shall have a corresponding meaning). Where a Seller Entity proposes an Abandonment (a) in respect of any material portion of the Properties (the "**Abandonment Property**"), such Seller Entity shall first have determined, acting in a commercially reasonable manner, that it is not economical to mine Graphite Products from the Abandonment Property, (b) in respect of any Additional Property Rights, such Seller Entity shall first have determined, acting in a commercially reasonable manner, that the Abandonment will not be prejudicial to the Project, and (c) the Seller shall first give notice of such intention to the Purchaser at least forty-five (45) days in advance of the proposed date of Abandonment. If, not later than ten (10) days before the proposed date of Abandonment of any Abandonment Property, the Seller receives from the Purchaser written notice that the Purchaser desires such Seller Entity to convey or cause the conveyance of the Abandonment Property to the Purchaser or an assignee, the Seller Entities shall use its reasonable efforts to procure that the applicable Seller Entity, for one (1) dollar, conveys or causes the conveyance of such Abandonment Property to the Purchaser (provided that the Purchaser is qualified pursuant to Applicable Law to own such Abandonment Property) on an "as is, where is basis" and at the sole cost, risk and expense of the Purchaser and shall thereafter have no further obligation to maintain the title to such Abandonment Property. If the conveyance of such Abandonment Property (i) is not to an entity that is qualified pursuant to Applicable Law to own such Abandonment Property; (ii) requires the consent of, or notice to, any Person which has not been obtained within a reasonable period of time after request has been made therefor; or (iii) would result in a breach by the Seller Entity of any Applicable Laws, then in either case such Abandonment Property will not be subject to the obligation of the Seller Entities to convey or cause the conveyance of the same to the Purchaser. If the Purchaser does not give such notice to the Seller within the prescribed period of time, the Seller may Abandon the Abandonment Property and shall thereafter have no further obligation to maintain the title to the Abandonment Property. If such Seller Entity or any of its Affiliates reacquires a direct or indirect interest in any of the ground covered by the Abandonment Property at any time within ten (10) years, the Graphite Products from such property shall be subject to this Agreement. The Seller Entities shall ensure that the Seller shall give written notice to the Purchaser within ten (10) days of any such reacquisition.

### 9.5 Transfer by Purchaser

(a) In addition to Section 9.5(b), the Purchaser may Transfer all of its rights and obligations under this Agreement to a Purchaser Affiliate, provided that: (i) if the Purchaser Affiliate ceases to be an Affiliate of the Purchaser, the applicable entity shall be deemed to have Transferred all of its rights and obligations under this Agreement to the Purchaser as of the Business Day that is immediately prior to such cessation; (ii) any such Transfer shall not cause the Seller Entities to become liable for a material increase in any Taxes applicable to the Seller Entities or for any Covered Taxes imposed on, or collected from the Purchaser or a Purchaser Affiliate; and (iii) before any Transfer of the Purchaser's rights or obligations under this Agreement pursuant to this Section 9.5(a) shall become effective or relieve the Purchaser of its obligations under this Agreement, the Purchaser shall first have delivered to the Seller Entities a written confirmation of the Purchaser Transferee acquiring the Purchaser Interest, that the Purchaser Transferee shall be bound by the terms and conditions of this Agreement with respect to the Purchaser Interest, enforceable by the Seller Entities.

(b) The Purchaser may Transfer the whole of its rights or obligations under this Agreement (or any lesser portion of its undivided beneficial interests in this Agreement, including by way of syndicate or granting of participation rights) to any Person that is not a Restricted Person **[Redacted – commercially sensitive information]** provided that (i) any such Transfer shall not cause the Seller Entities to become liable for a material increase in any Taxes applicable to the Seller Entities or for any Covered Taxes imposed on or collected from the Purchaser or a Purchaser Affiliate (unless the Purchaser or the Purchaser Transferee has provided an indemnity in respect of any such material increase in Taxes), and (ii) before any Transfer of the Purchaser's rights or obligations under this Agreement pursuant to this Section 9.5(b) shall become effective or relieve the Purchaser of its obligations under this Agreement, the Purchaser shall first have delivered to the Seller Entities a written confirmation, of the Purchaser Transferee acquiring any of the Purchaser's rights or obligations under this Agreement pursuant to this Section 9.5(b), that the Purchaser Transferee shall be bound by the terms and conditions of this Agreement with respect to the rights or obligations under this Agreement acquired by the Purchaser Transferee enforceable by the Seller Entities. **[Redacted – commercially sensitive information]**.

(c) This Section 9.5 shall not apply to the grant by the Purchaser of any security interest in its rights under this Agreement to a *bona fide* third party lender and any foreclosure sale, transfer in lieu thereof or other disposition pursuant thereto (and none of the foregoing shall be a Transfer by the Purchaser).

## ARTICLE 10
## REPRESENTATIONS AND WARRANTIES

### 10.1 Representations and Warranties of the Seller Entities

Subject to and save as disclosed in the Disclosure Letter, the Seller Entities, acknowledging that the Purchaser is entering into this Agreement and paying the Deposit in reliance thereon, hereby make the representations and warranties set forth in Schedule F to the Purchaser. Unless a representation or warranty speaks as of a specific date, in which case such representation or warranty shall only be made or provided with respect of such date, such representations and warranties shall be on and as of the date of this Agreement and shall be deemed to be repeated on and as of the Phase 1 Closing Date and the Phase 2 Closing Date.

### 10.2 Representations and Warranties of the Purchaser

The Purchaser, acknowledging that the Seller Entities are entering into this Agreement in reliance thereon, hereby makes the representations and warranties set forth in Schedule G to the Seller Entities. Unless a representation or warranty speaks as of a specific date, in which case such representation or warranty shall only be made or provided with respect of such date, such representations and warranties shall be on and as of the date of this Agreement and shall be deemed to be repeated on and as of the Phase 1 Closing Date and the Phase 2 Closing Date.

### 10.3 Survival of Representations and Warranties

The representations and warranties set forth in Schedule F and Schedule G shall survive the execution and delivery of this Agreement.

### 10.4 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the "**knowledge**" of the Seller Entities, it shall be deemed to refer to the actual knowledge of Richard Pearce and Samantha Shorter, and all knowledge which such persons would have if such persons made due enquiry into the relevant subject matter having regard to the role and responsibilities of such person.

## ARTICLE 11
## SELLER ENTITY EVENTS OF DEFAULT

### 11.1 Seller Entity Events of Default

Each of the following events or circumstances constitutes an event of default by the Seller Entities (each, a "**Seller Entity Event of Default**"):

(a) the Seller fails to make a delivery of Graphite Products to the Purchaser on the terms and conditions set forth in this Agreement, within five (5) Business Days after receipt of notice from the Purchaser notifying the Seller of such default;

(b) a Seller Entity is in default or breach of any of its covenants set forth in Sections 8.2, 8.3, 8.8, 8.10, 8.11, **[Redacted – commercially sensitive information]**, 9.1 and 9.2 of this Agreement and the relevant Seller Entity fails to remedy such breach within ten (10) calendar days after such default or breach;

(c) **[Redacted – commercially sensitive information]**;

(d) other than as provided in Sections 11.1(a), (b) or **Error! Reference source not found.**, a Seller Entity is in breach or default of any terms or conditions, or any of its covenants or obligations, set forth in this Agreement in any material respect (or in any respect, in the case of any term, condition, covenant or obligation that is qualified by materiality, including by the occurrence of a Material Adverse Effect), which breach or default is not remedied within a period of fifteen (15) calendar days following delivery by the Purchaser to the Seller of written notice of such breach or default, or such longer period of time as the Purchaser may determine in its sole discretion;

(e) a Change of Control of any Seller Entity (other than an Acceptable Change of Control) has occurred;

(f) any of the representations or warranties given by a Seller Entity is inaccurate as of the date given, in any material respects (or in any respect, in the case of representations and warranties that are qualified by materiality, including by the occurrence of a Material Adverse Effect), and is not remedied within a period of fifteen (15) calendar days following delivery by the Purchaser to the Seller of written notice of such inaccuracy, or such longer period of time as the Purchaser may determine in its sole discretion;

(g) if any of the Security shall cease to be a valid and perfected security interest and the Seller shall have failed to remedy such default within ten (10) calendar days of the Seller becoming aware of such fact or any Seller Entity denies that it has any or further obligations under any Transaction Document or challenges the validity of any provision thereof; and

(h) upon the occurrence of any Insolvency Event affecting any of the Seller Entities.

**11.2 Remedies**

(a) If a Seller Entity Event of Default occurs and is continuing, the Purchaser shall have the right, upon written notice to the Seller, at its option and in addition to and not in substitution for any other remedy which is available at law or equity, to bring an action for specific performance or to take any or all of the following actions:

(i) demand from the Seller: (A) all amounts and Deliveries due from the Seller to the Purchaser but not paid or made (provided that any such demand to the Seller in respect of Deliveries not made by the Seller shall be for the payment of damages in money arising from the Seller's failure to have made Deliveries when due), including any amounts owing as a result of the relevant breach of this Agreement; and (B) the performance of all other outstanding payment and delivery obligations of the Seller Entities;

(ii) exercise any of the rights and remedies available to it with respect to the Security Documents and the Seller Entities Guarantee; and

(iii) terminate this Agreement by written notice to the Seller Entities and, without limiting Section 11.2(a)(i), demand from the Seller damages for all Losses suffered or incurred as a result the occurrence of such Seller Entity Event of Default and termination including the greater of (A) the Target Return Amount, and (B) the value (without any discount for the time value of money other than expressly provided below) of the Graphite Products that would have been Delivered by the Seller to the Purchaser, hereunder and all other amounts that would have become payable to the Purchaser hereunder, but for the occurrence of such Seller Entity Event of Default. Such value shall be based on an assumption that the Project Assets are owned and operated by a person that has the financial, operational and technical capability of a prudent owner and operator, and otherwise consistent with the NPV Criteria (using an 8% discount rate and published Selected Commodity Analyst consensus annual future commodity prices for Graphite Products). Upon demand from the Purchaser, the Seller shall promptly pay all such amounts to the Purchaser; and any determination of such Losses shall take account of all obligations that would, but for the occurrence of such Seller Entity Event of Default and termination, have been required to be performed by the Parties under this Agreement during the Term. Notwithstanding the foregoing, this remedy shall not be exercisable in the case of a Seller Entity Event of Default in Section **Error! Reference source not found.**, 11.1(d) or 11.1(f) unless such Seller Entity Event of Default (excluding references to materiality or Material Adverse Effect in the applicable representations and warranties or covenants in Section 11.1(d) or Section 11.1(f)) results in a Material Adverse Effect.

(b) The Parties hereby acknowledge and agree that: (i) the Purchaser will be damaged by a Seller Entity Event of Default, (ii) it would be impracticable or extremely difficult to fix the actual damages resulting from a Seller Entity Event of Default, (iii) any sums payable in accordance with Section 11.2(a) with respect to a Seller Entity Event of Default are in the nature of liquidated damages, not a penalty, and are fair and reasonable, and (iv) the amount payable in accordance with Section 11.2(a) or with respect to a Seller Entity Event of Default represents a reasonable estimate of fair compensation for the losses that may reasonably be anticipated from such Seller Entity Event of Default in full and final satisfaction of all amounts owed in respect of such Seller Entity Event of Default.

(c) For greater certainty, if the Purchaser does not exercise its right under Section 11.2(a)(iii), the obligations of the Seller Entities hereunder shall continue in full force and effect.

(d) The obligations of a Seller Entity under this Agreement cannot be modified, amended, released, discharged, novated, impaired, prejudiced or affected by (i) the occurrence of an Insolvency Event affecting any other Seller Entity or any repudiation of the obligations of such Seller Entity permitted as a result of such Insolvency Event, or (ii) an arrangement or compromise with any other Seller Entity. The Purchaser will not be required to commence or exhaust its remedies or exercise its rights against any Seller Entity before exercising its rights or remedies against any other Seller Entity, and each Seller Entity irrevocably waives acceptance hereof, presentment, demand, protest and any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against a Seller Entity or any other Person.

# ARTICLE 12
# PURCHASER EVENTS OF DEFAULT

## 12.1 Purchaser Events of Default

Each of the following events or circumstances constitutes an event of default by the Purchaser (each, a "**Purchaser Event of Default**"):

(a) the Purchaser is in default or breach of any of its covenants set forth in Section 9.5 of this Agreement, and the Purchaser fails to remedy such breach within fifteen (15) calendar days after such default or breach;

(b) the Purchaser is in breach or default of any terms or conditions, or any of its covenants or obligations, set forth in this Agreement in any material respect (or in any respect, in the case of terms, conditions, covenants or obligations that are qualified by materiality, including by the occurrence of a material adverse effect) (other than a breach or default of the covenants or obligations referenced in Section 9.5), and such breach or default is not remedied within a period of twenty (20) calendar days following delivery by the Seller to the Purchaser of written notice of such breach or default, or such longer period of time as the Seller may determine in its sole discretion; or

(c) any of the representations or warranties given by the Purchaser is inaccurate in any material respect (or in any respect, in the case of representations and warranties that are qualified by materiality, including by the occurrence of a material adverse effect) as of the date given, and such inaccuracy is not remedied within a period of twenty (20) calendar days following delivery by the Seller to the Purchaser of written notice of such inaccuracy, or such longer period of time as the Seller may determine in its sole discretion.

## 12.2 Remedies

(a) If a Purchaser Event of Default has occurred and is continuing, the Seller Entities shall have the rights and remedies available at law or in equity to recover their Losses arising out of a Purchaser Event of Default, provided that in no circumstances shall the Seller Entities have the right to terminate this Agreement, except as provided in Section 12.2(b).

(b) Subject to this Section 12.2(b), in the event that the Purchaser is in breach or default of its obligations under Section 3.1(a), the Seller shall have the right, at its option, upon written notice to the Purchaser to terminate this Agreement if such breach or default is not remedied within twenty (20) calendar days of receipt of such written notice by the Purchaser. In the event that the Seller terminates the Agreement in accordance with this Section 12.2(b), the Seller Entities agree that they shall have no right to commence proceedings against the Purchaser or any right to damages or other compensation in respect of such breach or default by the Purchaser. For greater certainty, a *bona fide* dispute between the Parties as to whether the conditions in Section 3.6 have been satisfied will not constitute a breach or default of the Purchaser's obligations under Section 3.1(a) for the purposes of this Section 12.2(b).

## ARTICLE 13
## ADDITIONAL PAYMENT TERMS; DISPUTES AND ARBITRATION

### 13.1 Payments

All payments of funds due by one Party to another under this Agreement shall be made in U.S. Dollars and shall be made by wire transfer in immediately available funds to the bank account or accounts designated by the receiving Party in writing from time to time at least three (3) Business Days (unless specified otherwise elsewhere) prior to the date of payment. No payment of funds due by one Party to another Party under this Agreement shall be adjusted for any change of foreign currency controls or currency repatriation requirements by any Governmental Authority, or any other action or event caused by any Governmental Authority.

### 13.2 Currency Indemnity

(a) U.S. Dollars is the sole currency of payment for all sums payable by one Party to another under this Agreement, including damages. If, for the purpose of obtaining judgment or enforcement of a judgment in any court, it is necessary to convert a sum due hereunder into another currency, each Party agrees, to the fullest extent that they may effectively do so, that the rate of exchange used will be that at which, in accordance with normal banking procedures, such Party could purchase U.S. Dollars with such other currency in New York City, New York on the day two (2) Business Days preceding the day on which the final judgment is given.

(b) Any amount received or recovered in a currency other than U.S. Dollars (whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of a Party or otherwise, or in accordance with a requirement of Applicable Law) by any Party in respect of any sum expressed to be payable to the other Party will only constitute a discharge of that Party to the extent of the U.S. Dollar amount which the recipient Party is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that U.S. Dollar amount is less than the U.S. Dollar amount expressed to be due, the Party owing the sum shall indemnify the recipient Party against any loss sustained by it as a result, and if the amount of U.S. Dollars so purchased is greater than the sum originally due to such recipient Party, such recipient Party will be deemed to have agreed to repay such excess. In any event, the Party owing the sum shall indemnify the recipient Party against the cost of making any such purchase.

(c) The indemnities contained in this Section 13.2, to the extent permitted by law: (i) constitute a separate and independent obligation from the other obligations of the Parties under this Agreement, (ii) shall give rise to a separate and independent cause of action, (iii) shall apply irrespective of any indulgence granted by one Party to another from time to time, (iv) shall continue in full force and effect notwithstanding any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Agreement and (v) shall survive termination of this Agreement.

### 13.3 Overdue Payments

Any delivery of Graphite Products or payment not made by the Seller or the Purchaser, as the case may be, on or by any applicable delivery or payment date referred to in this Agreement shall incur interest from the due date until such delivery or payment is paid or made in full at a per annum rate equal to **[Redacted – commercially sensitive information]**, calculated and compounded monthly in arrears.

### 13.4 Disputes

Any dispute, controversy or claim arising out of or relating to this Agreement or the breach, termination or invalidity thereof which has not been resolved by the Parties within the time frames specified herein (or where no time frames are specified, within twenty (20) days of the delivery of written notice by either Party of such dispute, controversy or claim to the other Party), including the determination of the scope or applicability of this Agreement to arbitrate, shall be settled by binding arbitration governed by the rules for arbitration set out in Schedule H. The determination of an arbitrator shall be final and binding upon the Parties and the costs of such arbitration shall be as determined by the arbitrator, subject to Schedule H. Judgment on the award may be entered in any court having jurisdiction. The Parties covenant and agree that they shall conduct all aspects of such arbitration having regard at all times to expediting the final resolution of such arbitration. This Section 13.4 shall not preclude the Parties from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction. This provision is intended to apply to and bind any transferee of, or successor to, a Parties' rights hereunder, whether by way of a permitted transfer hereunder, expropriation or otherwise, and given that the rights of each Party are subject to and predicated on the effectiveness of this Section 13.4, each and every transferee of, or successor to, a Parties' rights hereunder, whether by way of a permitted transfer hereunder, expropriation or otherwise is also bound by this Section 13.4.

### 13.5 Waiver of Sovereign Immunity

To the extent that a Seller Entity (or any transferee of or successor to its rights hereunder, whether by way of a permitted transfer hereunder, expropriation or otherwise) may now or in the future be entitled to sovereign immunity or claim such in any jurisdiction for itself or its assets immunity from suit, execution, attachment (whether before the issue of an award or judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets or revenues such immunity (whether or not claimed), each Seller Entity hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the full extent permitted by Applicable Law, and given that the rights of each Seller Entity hereunder are subject to and predicated on such waiver being granted and effective, each and every transferee of or successor to a Seller Entities' rights hereunder, whether by way of a permitted transfer hereunder, expropriation or otherwise, also agrees not to claim and hereby irrevocably waives such immunity to the full extent permitted by Applicable Law.

## ARTICLE 14
## TAXES

### 14.1 Taxes

(a) Except to the extent required by Applicable Law, all Deliveries of Graphite Products by the Seller and all payments and transfers of property of any kind under this Agreement by a Seller Entity hereunder shall be made or paid to Purchaser without any deduction, withholding, charge or levy for or on account of any Taxes. In the event Withholding Taxes are required to be deducted, withheld, charged or levied on any Delivery, payment, or transfer of property of any kind under this Agreement by a Seller Entity, the Seller shall make, in addition to such Delivery, payment or transfer, such additional delivery, payment or transfer as is necessary to ensure that the net amount received by such Purchaser (net of any such Withholding Taxes, including any Withholding Taxes required to be deducted, withheld, charged, levied, collected or imposed on any such additional amount) equals the full amount that the Purchaser would have received had no such deduction, withholding, charge, levy, collection or imposition been required. The relevant Seller Entity shall make and pay to the appropriate Governmental Authority any such withholdings, deductions, charges or levies in the full amount required to be withheld, deducted, charged or levied and paid by them under any Applicable Law, and shall provide reasonable documentation of such withholding, deduction, charge or levy and payment to the Purchaser.

(b) If any Covered Taxes are imposed on or collected from the Purchaser, the Seller Entities shall cause the Seller, promptly following written notice thereof by the Purchaser (such notice to provide reasonable documentation evidencing such imposition or collection), to make additional Deliveries of Graphite Products hereunder as is necessary so that the Purchaser is in the same position as if no such Covered Taxes were imposed on or collected from the Purchaser. Such additional Deliveries shall not reduce the Uncredited Balance and, for the avoidance of doubt, shall be subject to the provisions of this Section 14.1 for any additional Covered Taxes on such Deliveries.

(c) Notwithstanding the foregoing, a Party shall not be required to provide any gross-up or additional amounts pursuant to Sections 14.1(a) and 14.1(b) to the extent such requirement arises because of (i) a Transfer of this Agreement by the other Party to a transferee, or (ii) a continuance or migration, consolidation, amalgamation, merger, reorganization, Change of Control or similar corporate event that results in a change to the other Party's tax residency or domicile.

(d) The Purchaser and the Seller shall use reasonable commercial efforts to seek a refund of any Taxes contemplated in Sections 14.1(a) and 14.1(b) and required to be paid by them. If the Purchaser or the Seller (i) receives a refund of any such Taxes, and (ii) have received an additional payment or amount from the other Party pursuant to Sections 14.1(a) or 14.1(b) in respect of such Taxes, the Purchaser or the Seller, as the case may be, shall promptly remit to the other Party an amount equal to such refund (up to an amount equal to any such Taxes actually paid by the Purchaser or the Seller, as the case may be), together with any interest paid to the Purchaser or the Seller, as the case may be, net of any reasonable expenses associated with the obtaining of such refund.

(e) Each of the Seller and the Purchaser shall file, at its own expense, all returns and other documentation required by applicable Law to be filed by it in connection with any Taxes in respect of which it has paid additional amounts pursuant to this section.

(f) For the avoidance of doubt, neither the Seller nor the Purchaser shall have any liability under this Section 14.1 for any Excluded Taxes that are applicable to it.

### 14.2 Changes in Tax Laws

(a) If, as a result of a change in, a revision in, implementation of or amendment to any law or the interpretation of any law by the relevant tax authorities or courts having competent jurisdiction (a "**Change in Law**"), the Seller is required to deduct, withhold, charge or levy a material amount of Taxes on deliveries of Graphite Product to the Purchaser, which Taxes are materially in excess of the Taxes which would have been deducted, withheld, charged or levied on such deliveries prior to the Change in Law, the Seller and the Purchaser agree, that upon the request of the Seller, that they shall negotiate in good faith with each other to amend this Agreement so that the Seller and its Affiliates are no longer adversely affected by any such Change in Law; provided that any such amendment shall not have an adverse impact on the Seller, on the one hand, or the Purchaser on the other hand.

(b) If, as a result of a Change in Law, the Purchaser becomes liable for a material amount of Taxes (other than Excluded Taxes) on payments made under this Agreement to the Seller, which Taxes are materially in excess of the Taxes (other than Excluded Taxes) that the Purchaser would have been liable for on such payments prior to the Change in Law, the Seller and the Purchaser agree, that upon the request of the Purchaser, that they shall negotiate in good faith with each other to amend this Agreement so that the Purchaser and its Affiliates are no longer adversely affected by any such Change in Law; provided that any such amendment shall not have an adverse impact on the Seller, on the one hand, or the Purchaser on the other hand. For greater certainty, this Section 14.2(b) shall not apply where a Change in Law solely affects any Excluded Taxes that are applicable to the Purchaser.

## ARTICLE 15
## GENERAL

### 15.1 Hedging

Any determination of Losses hereunder shall not take into account hedging by any Person.

### 15.2 Further Assurances

Each Party shall execute all such further instruments and documents and do all such further actions as may be necessary to effectuate the documents and transactions contemplated in this Agreement, in each case at the cost and expense of the Party requesting such further instrument, document or action, unless expressly indicated otherwise.

### 15.3 Survival

Termination of this Agreement after the Phase 1 Closing Date shall be without prejudice to any rights of a Party with respect to breaches that occurred or obligations which were required to be performed prior to, or as a result of, such termination. In addition, the rights and obligations of the Parties pertaining to Graphite Products Delivered (or required to be Delivered) prior to the date of termination shall survive until such rights are satisfied and such obligations are fully performed, even if such rights or obligations are not required to be satisfied or performed prior to the date of such termination (including the payment for, Delivery of and set off against such Graphite Products, any representations and warranties relating to such Graphite Products, delivery of reports relating to such Deliveries, and maintenance of and access to the books and records as provided for in Section 7.5(a) (but only for a period of seven (7) years from the date of termination in respect of such Deliveries) in respect of such Deliveries). Further, the rights and obligations of a Party in respect of payment obligations owing on or after such termination where the event giving rise to the payment obligation occurred prior to the date of such termination (including, in respect of Losses or damages referred to in Section 8.6(d) which occurred prior to the date of such termination) shall survive. Without limiting any other provision of this Agreement which contemplates survival following termination, the following provisions shall survive termination of this Agreement: Section 2.8 (Expenses), Sections 5.1 (Term), Section 8.7 (Confidentiality), Section 8.10 (Expropriation) in relation to an Expropriation Event that occurred prior to the date of termination, Section 10.3 (Survival of Representations and Warranties), Section 11.2 (Remedies), Section 12.2 (Remedies), Section 13.4 (Disputes), Section 13.5 (Waiver of Sovereign Immunity), Article 14 (Taxes), Article 15 (General), Schedule H (Dispute Resolution), and such other provisions of this Agreement as are required to give effect to any of the foregoing provisions. Notwithstanding the termination of this Agreement, the Seller shall comply with its obligations relating to Delivery of Graphite Products to the Purchaser with respect to any Parcels for which there has been an Offtaker Delivery prior to such termination but for which the Final Invoice is issued before or after the termination as well as the corresponding obligation of the Purchaser to make payment in respect thereof.

### 15.4 No Joint Venture

Nothing herein shall be construed to create, expressly or by implication, a joint venture, mining partnership, commercial partnership, agency relationship, fiduciary relationship, or other partnership relationship between the Purchaser and any Seller Entities.

### 15.5 Purchase and Sale; Not a Debt Instrument

The Parties acknowledge and agree that this Agreement and the purchase and sale transactions contemplated herein are, and are intended to be, transactions for the purchase and sale of Graphite

Products. Nothing in this Agreement shall be construed to create, expressly or by implication, a debt instrument between the Parties under any Applicable Laws. None of the foregoing shall derogate from the rights of the Purchaser under this Agreement with respect to the Seller Entities or any other Person, including to demand payments and enforce its remedies.

### 15.6 Governing Law

This Agreement shall be governed by and construed under the laws of the Province of Ontario and the federal laws of Canada applicable therein (without regard to its laws relating to any conflicts of laws). The United Nations Vienna Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

### 15.7 Notices

Unless otherwise specifically provided in this Agreement, any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered by hand to an officer or other responsible employee of the addressee or transmitted by electronic communication, addressed to:

(a) If to any Seller Entity, to:

South Star Battery Metals Inc.
110 Yonge Street
Toronto ON
M5C 1T1

Attention: **[Redacted – personal information]**
E-mail: **[Redacted – personal information]**

with copies to (which shall not constitute notice):

Cassels Brock & Blackwell LLP
Suite 2100, Scotia Plaza, 40 King St. W.
Toronto, ON M5H 3C2 Canada

Attention: Cathy Mercer / Jennifer Wasylyk
E-mail: cmercer@cassels.com / jwasylyk@cassels.com

(b) If to the Purchaser, to:

Sprott Private Resource Streaming and Royalty (B) Corp.
200 Bay Street, Suite 2600
Toronto, ON
M5J 2J1

Attention: **[Redacted – personal information]**
E-mail: **[Redacted – personal information]**

with copies to (which shall not constitute notice):

Torys LLP
79 Wellington Street West
30th Floor
Box 270, TD South Tower
Toronto, Ontario
M5K 1N2

Attention: Braden Jebson
E-mail: bjebson@torys.com

Any notice or other communication given in accordance with this Section, if delivered by hand as aforesaid, shall be deemed to have been validly and effectively given on the date of such delivery if such date is a Business Day and such delivery is received before 4:00 p.m. at the place of delivery; otherwise, it shall be deemed to be validly and effectively given on the next Business Day following the date of delivery. Any notice of communication which is transmitted by electronic mail as aforesaid shall be deemed to have been validly and effectively given on the date of transmission if such date is a Business Day and such transmission was received before 4:00 p.m. at the place of receipt; otherwise, it shall be deemed to have been validly and effectively given on the next Business Day following such date of transmission.

**15.8 Press Releases**

The Parties shall jointly plan and coordinate, and shall cause their respective Affiliates to jointly plan and coordinate, any public notices, press releases, and any other publicity concerning the entering into of this Agreement, and none of the Parties or its Affiliates shall act in this regard without reasonable prior consultation with the other Parties, unless such disclosure is required to meet timely disclosure obligations of such Parties or their Affiliates under Applicable Laws in circumstances where prior consultation with other Parties is not practicable, and a copy of such disclosure shall be provided to the other Parties at such time as it is made publicly available.

**15.9 Amendments**

This Agreement may not be changed, amended or modified in any manner, except pursuant to an instrument in writing signed on behalf of each of the Parties.

**15.10 Beneficiaries**

This Agreement is for the sole benefit of the Parties and, except as expressly contemplated herein, nothing herein is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature or kind whatsoever under or by reason of this Agreement.

**15.11 Entire Agreement**

This Agreement and the Transaction Documents together constitute the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the Parties with respect thereto. There are no representations, warranties, terms, conditions, opinions, advice, assertions of fact, matters, undertakings or collateral agreements, express, implied or statutory, by or between the Parties (or by any of their respective employees, directors, officers, representatives or agents) other than as expressly set forth in this Agreement and the Transaction Documents.

### 15.12 Waivers

Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

### 15.13 Assignment

(a) This Agreement shall enure for the benefit of and shall be binding on and enforceable by the Parties and their respective successors and permitted assigns.

(b) Subject to Section 9.5 and Section 15.13(d), the Purchaser shall be entitled at any time and from time to time following the payment of the Phase 1 Deposit on the Phase 1 Closing Date, to Transfer, including by way of syndication or granting of participation rights, any of its rights and obligations under this Agreement, without the consent of any of the Seller Entities.

(c) Except as provided in this Agreement, but subject to Section 15.13(d), none of the Seller Entities shall Transfer, in whole or in part, any of its rights or obligations under this Agreement, without the prior written consent of the Purchaser.

(d) This Agreement may not be assigned in whole or in part to any Restricted Person.

### 15.14 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated herein is not affected in any manner materially adverse to any Party.

### 15.15 Counterparts

This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopy or electronic scan shall be effective as delivery of a manually executed counterpart of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the day and year first written above

**SPROTT PRIVATE RESOURCE STREAMING AND ROYALTY (B) CORP.**

Per: "*Michael Harrison*"

Name: Michael Harrison

Title: Chief Executive Officer

**SOUTH STAR GRAPHITE CANADA CORP.**

Per: "*Richard Pearce*"

Name: Richard Pearce

Title: Director

**SOUTH STAR BATTERY METALS CORP.**

Per: "*Richard Pearce*"

Name: Richard Pearce

Title: President and CEO

**BRASIL GRAPHITE CORP.**

Per: "*Richard Pearce*"

Name: Richard Pearce

Title: Director

**BRASIL GRAPHITE MINERAÇÃO LTDA.**

Per: "*Richard Pearce*"

Name: Richard Pearce

Title: Director

**SCHEDULE A**
**MINE PLAN**

**[Redacted – commercially sensitive information]**

## SCHEDULE B
## PERMITS AND OTHER RIGHTS SCHEDULE

**[Redacted – commercially sensitive information]**

**SCHEDULE C**
**STREAM AREA**

**[Redacted – commercially sensitive information]**

## SCHEDULE D

## QUARTERLY STREAM REVENUE PAYMENT EXAMPLES

**[Redacted – commercially sensitive information]**

## SCHEDULE E

## SECURITY DOCUMENTS

**[Redacted – commercially sensitive information]**

# SCHEDULE F

# SELLER ENTITY REPRESENTATIONS AND WARRANTIES

**Seller Entities' Representations and Warranties**

Subject to and save as disclosed in the Disclosure Letter, each of the Seller Entities hereby represents and warrants, jointly and severally, to the Purchaser in respect of each Seller Entity as follows:

*Corporate Organization and Authority*

1. Each Seller Entity is a corporation or company, as applicable, duly incorporated and validly existing under the laws of its jurisdiction of incorporation, is up-to-date in respect of all filings required under the laws of such jurisdiction and has not been discontinued or dissolved under such laws. In particular, the Seller is incorporated and a resident in the Province of British Columbia, BG Parent is incorporated and a resident in the Province of British Columbia, BG Cayman is incorporated and with a registered office in the Cayman Islands, and BGM is incorporated and is a resident in Brazil.

2. Each Seller Entity is qualified, and has made any material filings or registrations required by Applicable Laws and Regulatory Approvals, to maintain its corporate existence, to own, lease, operate or dispose of its property and assets and to carry out its business as currently conducted and as currently anticipated to be conducted and all such filings and registrations are enforceable against third parties under Applicable Laws and Regulatory Approvals.

3. Each Seller Entity has the requisite corporate or company power, capacity and authority to: (i) own, lease, operate or dispose of its property and assets and conduct its business as currently conducted and (ii) enter into this Agreement and the other Transaction Documents to which it is a party, to perform its obligations hereunder and thereunder and complete the transactions contemplated hereby and thereby.

4. The execution and delivery of this Agreement and the other Transaction Documents by each Seller Entity party thereto and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate or company action on the part of such Seller Entity, and this Agreement and the other Transaction Documents to which each Seller Entity is a party have been duly and validly executed and delivered by such Seller Entity, and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with the terms thereof, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Applicable Laws affecting creditors' rights generally and subject to the qualification that equitable remedies, injunctive relief and/or specific performance may be granted in the discretion of a court of competent jurisdiction.

5. The authorized, issued and outstanding Capital Stock of each of BGM and BG Cayman is set forth in Section (5) of the Disclosure Letter. All of the shares listed in Sections (5) of the Disclosure Letter, are validly issued and are fully paid and non-assessable other than as set forth therein. BG Parent owns legally and

beneficially all of the Capital Stock in the Seller free and clear of any Encumbrances, other than as set out in (5) of the Disclosure Letter. The Seller owns legally and beneficially all of the Capital Stock in BG Cayman free and clear of any Encumbrances, other than as set out in (5) of the Disclosure Letter. BG Cayman owns legally and beneficially all of the Capital Stock in BGM, free and clear of any Encumbrances. No Person has, as of the date of this Agreement any written or oral agreement or option, warrant, right of first refusal, pre-emptive right or right, privilege, title or interest or any right (including a right of conversion of Indebtedness) that is or will become an agreement, option, warrant, right of first refusal, pre-emptive right or right, privilege title or interest, in or to all or any part of the Capital Stock of the Seller, BGM or BG Cayman or which may otherwise obligate BGM or BG Cayman to issue Capital Stock, and no rights, privileges, warrants, or options to acquire, or instruments convertible into or exchangeable for, any security in the Capital Stock of the Seller Entities or which may otherwise obligate the Seller, BGM or BG Cayman to issue Capital Stock are outstanding. The Seller Entities are not party to any agreement, nor are the Seller Entities aware of any agreement, which in any manner affects the voting control of any of the securities of BGM or BG Cayman. All Related Party Indebtedness of any such Seller Entity is set forth in Section (5) of the Disclosure Letter.

6. Each Seller Entity is entering into and performing its obligations under this Agreement and each of the other Transaction Documents to which it is a party on its own account and not as trustee or a nominee of any other Person.

7. No Seller Entity has suffered an Insolvency Event or a Seller Entity Event of Default and is not now aware of any circumstance which, with notice or the passage of time, or both, would give rise to an Insolvency Event or a Seller Entity Event of Default with respect to it.

8. No Seller Entity owes any Indebtedness other than Permitted Indebtedness.

9. The principal place of business and chief executive office of each Seller Entity as of the date hereof is set out in Section (9) of the Disclosure Letter. The corporate or company records and minute books of each Seller Entity (i) have been maintained in accordance with all Applicable Laws in all material respects and are complete, up to date and accurate in all material respects and (ii) respectively contain full, true and correct copies of its constating documents and copies of all minutes of all meetings and all written resolutions of its directors, committees of directors and shareholders, and all such meetings were duly called and properly held and all written resolutions were properly adopted under Applicable Laws and the constating documents and no such meeting has been held for which minutes or written resolutions have not been prepared and are not contained in such minute books.

10. Each Seller Entity’s financial books and records and accounts in all material respects: (i) have been maintained in accordance with good business practices on a basis consistent with prior years (subject to change in accounting policies permitted

or required by IFRS) and in accordance with Applicable Laws, (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and acquisitions and dispositions of assets of each Seller Entity, and (iii) accurately and fairly reflect the basis for the financial statements of each Seller Entity. BG Parent maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions by any Seller Entity are executed in accordance with management's general or specific authorization, and (ii) transactions by any Seller Entity are recorded as necessary to permit preparation of financial statements in conformity with IFRS and there are no significant deficiencies or material weaknesses in the design or operation of the internal accounting controls of the Seller Entities which could reasonably be expected to adversely affect the ability of a Seller Entity to record, process, summarize and report financial data.

11. BG Parent's unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2021, including the notes thereto (collectively, the "**Current Financial Statements**"), have been prepared in accordance with IFRS, subject in the case of the unaudited condensed consolidated interim financial statements to normal year-end adjustments and any absence of notes. The Current Financial Statements fairly present in all material respects the financial condition and results of operations of BG Parent and its Subsidiaries, on a consolidated basis, as at the respective dates specified therein and for the periods then ended. BG Parent has not effected any material change in its accounting methods, principles or practices since the date of the Current Financial Statements. BG Parent does not intend to correct or restate, nor, to the knowledge of BG Parent, is there any basis for any correction or restatement of, any aspect of the Current Financial Statements. Each Seller Entity is neither a party to, nor has a commitment to become a party to, any off balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of BG Parent or any of its Subsidiaries with unconsolidated entities. Manning Elliott LLP, Chartered Professional Accountants is the current auditor of BG Parent and is "independent" of BG Parent within the meaning of applicable professional rules and standards.

12. Since December 31, 2021 or with respect to the Seller, since its date of incorporation, each of the Seller Entities:

(i) has conducted its business only in the ordinary course of business and in compliance with Applicable Laws and no Material Adverse Effect has occurred;

(ii) has not disposed of any assets except as would be permitted by this Agreement; and

(iii) has not incurred any Indebtedness, except for Permitted Indebtedness, which is not shown or reflected in the most recent interim financial statement of such Seller Entity provided to the Purchaser.

13. The Disclosure Letter sets out, as of the date of this Agreement, a full and complete list of all Permitted Encumbrances on the Project Assets, Additional Property Rights or inventory and receivables relating to the Project in respect of any obligation or liability of greater than $100,000 in each case.-As of the date of this Agreement, each Seller Entity has not incurred, and is not subject to obligations or liabilities totaling in the aggregate more than $100,000 (excluding Permitted Indebtedness).

*Tax Matters*

14. (a) Taxes:

(i) All material Taxes due and payable by the Seller Entities or any of their Subsidiaries (whether or not shown due on any Tax returns and whether or not assessed (or reassessed) by the appropriate Governmental Authority) have been timely paid. All assessments and reassessments received by the Seller Entities or any of their Subsidiaries in respect of Taxes have been paid.

(ii) All Tax returns required by Applicable Law to be filed by or with respect to the Seller Entities or any of their Subsidiaries have been properly prepared and timely filed and all such Tax returns (including information provided therewith or with respect thereto) are true, complete and correct in all material respects, and no material fact or facts have been omitted therefrom which would make any such Tax returns misleading.

(iii) Adequate provision has been made by BG Parent in the Current Financial Statements for all Taxes for any period for which Tax returns are not yet required to be filed, or for which Taxes are not yet due or payable, up to the date of the Current Financial Statements.

(b) Since the date of the Current Financial Statements, none of the Seller Entities or any of their Subsidiaries has incurred any liability, whether actual or contingent, for Taxes or engaged in any transaction or event that would result in any liability, whether actual or contingent, for Taxes, which would, individually or in the aggregate, result in a Material Adverse Effect.

(c) No audit or other proceeding by any Governmental Authority is pending or, to the knowledge of BG Parent, threatened with respect to any Taxes due from or with respect to the Seller Entities or any of their Subsidiaries, and no Governmental Authority has given written notice of any intention to assert any deficiency or claim for additional Taxes against the Seller Entities or any of their Subsidiaries. There are no matters under discussion, audit or appeal or in dispute with any Governmental Authority relating to Taxes other than as described in Section (14) of the Disclosure Letter.

(d) No Governmental Authority of a jurisdiction in which the Seller Entities or any of their Subsidiaries do not file Tax returns has made any written claim that any Seller Entity or any of their Subsidiaries is or may be subject to taxation by such jurisdiction. To the knowledge of BG Parent, there is no basis for a claim that any Seller Entity or any of their Subsidiaries is subject to Tax in a jurisdiction in which any of the Seller Entities or any of their Subsidiaries do not file Tax returns. The Seller Entities and their Subsidiaries only file Tax returns in the jurisdictions in which they are incorporated or organized.

(e) Other than as set forth in Section (14) of the Disclosure Letter, there are no reassessments of Taxes for the Seller Entities or any of their Subsidiaries that have been issued and are under dispute, and none of the Seller Entities or any of their Subsidiaries has received any communication from any Governmental Authority that an assessment or reassessment is proposed in respect of any Taxes, other than an assessment or reassessment which would not result in, individually or in the aggregate, a Material Adverse Effect.

(f) There are no outstanding agreements, waivers, objections or arrangements extending the statutory period of limitations applicable to any claim for Taxes due from or with respect to the Seller Entities or any of their Subsidiaries for any taxable period, nor has any such agreement, waiver, objection or arrangement been requested. None of the Seller Entities or any of their Subsidiaries are bound by any tax sharing, allocation or indemnification or similar agreement.

(g) Other than as set forth in Section (14) of the Disclosure Letter, each of the Seller Entities and their Subsidiaries have withheld or collected any Taxes that are required by Applicable Law to be withheld or collected and have paid or remitted, on a timely basis, the full amount of any Taxes that have been withheld or collected, and are due, to the applicable Governmental Authority, other than an amount that has not been withheld or collected or paid or remitted, as the case may be, which would not result in, individually or in the aggregate, a Material Adverse Effect.

*Non-Contravention*

15. None of the execution and delivery of this Agreement or the other Transaction Documents, the exercise of the rights, or performance of the obligations hereunder or thereunder, or the completion of the transactions contemplated hereby or thereby, by each Seller Entity party thereto, will (i) require that an approval or consent be obtained or a notice be provided under or result in or constitute a breach or default under any agreement, mortgage, bond or other instrument to which it is a party or which is binding on it or its assets, (ii) violate the terms of, conflict with, constitute a default under, result in the acceleration of or allow any Person to exercise any rights under any terms, conditions or provisions of (A) its constating documents, or (B) any material contract to which it is a party or to which it is bound or by which

any of its property or assets is bound or affected, (iii) require that any approval or consent be obtained or a notice be provided under or violate any Applicable Laws, Permits or the material terms and conditions of any Other Rights, or result in any modification, revocation alteration or transfer of any Permit or Other Right, (iv) result in the creation or imposition of any Encumbrance on its property or assets other than Permitted Encumbrances or as contemplated in this Agreement or the other Transaction Documents, or (v) contravene any judgment, ruling, order, writ, injunction or decree of any Governmental Authority (whether preliminary or final).

16. No Seller Entity is in breach of or default under, and no event has occurred that, with the passage of time or notice, or both, would constitute or would reasonably be expected to constitute such a breach of or default under, any contract, agreement, mortgage, bond or other instrument to which it is a party or which is binding on it, its property or its assets, or would limit or hinder the Purchaser’s ability to enforce its rights, other than a breach or default that would not, individually or in the aggregate, have a Material Adverse Effect. To the knowledge of the Seller Entities, there is no breach or default by any counterparty thereto or inability of any counterparty thereto to perform its obligations thereunder which has, individually or in the aggregate, a Material Adverse Effect.

*Regulatory Compliance*

17. No consents, approvals or permissions are required to be obtained by, nor any filings made with any Governmental Authority by any Seller Entity in connection with the execution and delivery or the performance by it of this Agreement and the other Transaction Documents to which it is a party, or in respect of its obligations hereunder or thereunder or completion of the transactions contemplated hereby or thereby, other than (i) as set forth in Section (17) of the Disclosure Letter and (ii) those that have already been obtained, as set out in the Permit Schedule.

18. Each Seller Entity has conducted and is conducting its business in compliance with, and all current conditions of the Project and all development, construction and operations relating to the Project, including future development, construction or operation plans are in compliance in all material respects with, Applicable Laws (including Environmental Laws), Permits and Other Rights. All past operations relating to the Project conducted by the Seller Entities have not resulted, nor will current operations result, in a Material Adverse Effect. No Seller Entity has received any written or oral notice from any Governmental Authority or any other Person that alleges any non-compliance with Applicable Laws (including Environmental Laws), Permits and Other Rights, or that such Seller Entity is under investigation by any such Governmental Authority for alleged noncompliance with Applicable Laws.

19. No Seller Entity, nor, to the knowledge of the Seller Entities, any director, officer, manager, member, employee, consultant, contractor, representative or agent thereof, acting on its behalf has violated any Anti-Bribery Laws or Money Laundering Laws. No Seller Entity, nor, to the knowledge of the Seller Entities,

any director, officer, employee, consultant, representative or agent thereof acting on its behalf, has made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing Anti-Bribery Laws or Money Laundering Laws, with respect to any alleged non-compliance by any Seller Entity, or such other Persons (acting on behalf of a Seller Entity) with Anti-Bribery Laws or Money Laundering Laws. No Seller Entity has received any written notice, request, or citation from any Governmental Authority alleging non-compliance by any Seller Entity, or such other Persons (acting on behalf of a Seller Entity) with any Anti-Bribery Laws or Money Laundering Laws or notifying such Seller Entity that it is under investigation for alleged non-compliance with any Anti-Bribery Laws or Money Laundering Laws.

20. The Seller Entities and, to the knowledge of the Seller Entitles, their agents have complied at all times with Anti-Bribery Laws with respect to the Project and the development, construction or conduct of all operations or activities at the Project. The operations of the Seller Entities and the operations in relation to the Project are and have been conducted at all times in compliance with applicable financial record keeping and reporting requirements of Money Laundering Laws and no action, suit or proceeding by or before any court or Governmental Authority or any arbitrator involving the Seller Entities with respect to the Anti-Bribery Laws or Money Laundering Laws is pending or, to the knowledge of the Seller Entities, threatened.

21. No Seller Entity nor, to the knowledge of the Seller Entities, any director, officer, employee, consultant, representative or agent of the foregoing, has transacted business on behalf of any Seller Entity with any Restricted Person.

22. To the best of the knowledge of the Seller Entities, there are no pending or contemplated changes to any Applicable Laws or governmental positions that would result in, either individually or in the aggregate, a Material Adverse Effect. Notwithstanding the foregoing, it is understood and agreed that the foregoing representation and warranty is not deemed to be a statement or opinion as to the general laws of Brazil which are always in flux and are subject to political exigencies; local stakeholder, indigenous, NGO and community engagement; changes in property tenure; permitting requirements; compliance obligations; and the tax regime, to name a few items that could be impacted thereby.

*Legal Proceedings*

23. There are no actions, suits, proceedings, hearings, inquiries, investigations or claims commenced or, to the knowledge of the Seller Entities, pending, threatened or contemplated in writing, involving the Project or otherwise, and which, individually or in the aggregate, (i) would prevent or limit, restrict or impair in any material respect the ability of a Seller Entity to enter into this Agreement or the other Transaction Documents to which it is a party or perform its obligations under this Agreement or the other Transaction Documents, (ii) would be reasonably be expected to impact the ability of the Seller Entities to conduct the operation of the Project in a manner which would result in a Material Adverse Effect, or (iii) would

be reasonably expected to result in a decision, judgment, order, writ, injunction, ruling or decree against it which would result in a Material Adverse Effect.

24. No Seller Entity is a party to or subject to any judgment, ruling, order, writ, injunction or decree, involving the Project or otherwise, which prohibits, restrains, materially limits or imposes material adverse conditions on the transactions contemplated by this Agreement or the other Transaction Documents. No action or proceeding has been instituted or remains pending or, to the knowledge of the Seller Entities, has been threatened and not resolved, by or before any Governmental Authority to restrain, prohibit, limit or impose adverse conditions on such contemplated transactions (individually or together with all outstanding judgments, orders, writs, injunctions or decrees to which a Seller Entity is subject).

*Material Information*

25. All material information including any forecasts, projections, mine plans, budgets and environmental audits, assessments, studies and tests, including any environmental and social impact assessment study reports, relating to the Project and the Seller Entities, prepared on or before the date of this Agreement by or on behalf of any of the Seller Entities has been made available or delivered to the Purchaser and was prepared in good faith and on the basis of assumptions that the Seller Entities believe to be reasonable at the time of preparation, subject to any material changes of which the Seller Entities have informed the Purchaser in writing. To the knowledge of the Seller Entities, all material information including any forecasts, projections, mine plans, budgets and environmental audits, assessments, studies and tests, including any environmental and social impact assessment study reports, relating to the Project prepared by third parties that has been made available or delivered to the Purchaser by the Seller Entities on or before the date of this Agreement was does not contain materially incorrect or misleading information.

26. All material information in the control or possession of the Seller Entities relating to Project mineralization has been made available to the Purchaser on or before the date of this Agreement and to the knowledge of the Seller Entities such information has been prepared in a manner which is consistent with Good Practice Standards, the statements, assumptions and projections contained therein are fair and reasonable as and when produced and, to the knowledge of the Seller Entities, have been arrived at after reasonable inquiry by the Persons responsible therefor. The current estimated mineral reserves and estimated mineral resources relating to the Properties were compiled in accordance with Good Practice Standards, including best practices of the Canadian Institute of Mining and Metallurgy are as stated in the Mine Plan.

27. Section (27) of the Disclosure Letter sets forth a complete and accurate list of all agreements (including any amendments or supplements thereto) which are material to the Seller Entities or, the Project, true and complete copies of which were made available to the Purchaser. Each such material contract to which a Seller Entity is a

party is in full force and effect and constitutes a legal, valid and binding obligation of the respective Seller Entity and, to the knowledge of the Seller Entity, of the other parties thereto, and is enforceable against the Seller Entity and, to the knowledge of the Seller Entity, the other parties thereto, in accordance with their terms, subject only to any limitation on enforcement under Applicable Laws relating to: (A) bankruptcy, winding-up, insolvency, arrangement and other similar Applicable Laws of general application affecting the enforcement of creditors' rights; and (B) the discretion that a court may exercise in the granting of extraordinary remedies such as specific performance and injunction. None of the Seller Entities, and to the knowledge of the Seller Entities, the other parties thereto, are in breach or violation of, or in default under such material agreements, and the Seller Entities have not received or given any notice of default thereunder which remains uncured.

*Project*

28. The Mine Plan has been prepared in a manner which is consistent with Good Practice Standards, the statements, assumptions and projections contained therein are fair and reasonable as and when produced and, to the knowledge of the Seller Entities have been arrived at after reasonable inquiry, by the Persons responsible therefor. The Mine Plan is a reasonable estimate of projected expenses and schedule for the period covered thereby. The Mine Plan h is fair and reasonable as and when produced.

29. The Seller Entities have made available and provided to the Purchaser all correspondence and other communications in their possession received on or before the date of this Agreement from any Governmental Authority that pertains to the Seller Entities, the Project or the Project Assets which could reasonably be expected to affect or potentially affect the Purchaser or the transactions contemplated by this Agreement and the other Transaction Documents.

30. The Properties comprise all fee lands, mineral rights, such as exploration licences, application for exploration licences, temporary trial mining permits, application for mining concessions, mining concessions, patented and unpatented mining claims, leasehold interests and concessions, surface and access rights, and other mining and real property rights and interests forming part of the Project.

31. Except as noted in Section (32) of the Disclosure Letter, BGM is the sole recorded and beneficial owner of the Properties and BGM has good and marketable title to the mineral rights, mining titles, applications and concessions comprising the Properties, free and clear of any Encumbrances (other than Permitted Encumbrances).

32. Except as noted in Section (32) of the Disclosure Letter, the Properties have been validly granted to and registered in the name of BGM are owned by BGM and are in full force and effect and no notice to cancel or forfeit a Property has been received by or on behalf of BGM. No Person other than BGM has any right, title or interest

in, to or under the Properties or in the property and rights encompassed thereby other than pursuant to Permitted Encumbrances.

33. Except as noted in Section (33) and subject to the security interests purported to be created by or under the Guarantees or Security Documents, as of the Closing, the Seller Entities have, or are in the process and negotiations with landowners to obtain, good and valid title to (or, in the case of any leased premises, valid leasehold or license interests in) all real and personal property and all rights, tangible or intangible, currently required for the development, construction and operation of the Project substantially as contemplated by the Mine Plan and, for greater certainty, if BGM does not have good and valid title in all real and personal property as noted above, then BGM shall have in place court implemented mining servitudes to allow for access to and use in the areas required for the Phase 1 operations; and there are no Encumbrances, and adverse or competing claims, to any such properties, assets or rights other than Permitted Encumbrances. To the extent provided in the Security Documents, except as noted in Section (33), the Security Documents, when executed and delivered as contemplated hereby, will create each Security purported to be created thereby. To the extent provided in the Guarantees and Security Documents, each such security interest will be, as of the Closing Date, valid and legally binding, and will constitute, under Applicable Law, fully perfected security interests or assignments of rights, superior in right to any other liens and interests, except Permitted Encumbrances, and enforceable against the grantor of such security interests, any trustee in bankruptcy or equivalent and any attaching creditor or third party.

34. The mining titles, applications and concessions in connection with the Project included in the Properties have been validly granted to BGM are held by it and are in full force and effect as outlined in the Permits Schedule and in the title opinion. No Person other than the Seller Entities has any right, title or interest in or to the mining titles, applications and concessions in connection with the Project, other than in respect of Permitted Encumbrances, and there are no adverse or competing claims in respect thereof, except where such right, title or interest in, or adverse or competing claim would not materially impair the Seller Entities' ability to use or exploit the Project as contemplated by the Mine Plan. No Person has any written or oral agreement, option, understanding or commitment or any right or privilege capable of becoming an agreement, for the purchase, transfer or reconveyance by any of the Seller Entities of the mining titles, applications and concessions in connection with the Project or any interest therein. The Seller Entities have made all filings necessary in connection with, and paid when due and payable all fees, royalties and other amounts required to maintain the mining titles, applications and concessions in connection with the Project in good standing. The Seller Entities have not received written notice of any violation of or non-compliance with the mining titles, applications and concessions in connection with the Project or their respective obligations thereunder, and are not aware of any circumstances which by notice or lapse of time would reasonably be expected to result in a breach of the Seller Entities obligations or otherwise constitute a default by the Seller Entities thereunder. None of the execution and delivery of this Agreement or the other

Transaction Documents by the Seller Entities, the performance of its obligations hereunder or thereunder and completion of the transactions hereunder or thereunder will result in a breach of any of the provisions of the mining titles, applications and concessions in connection with the Project.

35. Other than as set out in Section (35) of the Disclosure Letter, there are no royalties payable by the Seller Entities in respect of its use or exploitation of the Properties.

36. The Permits, Other Rights and Surface Rights required for the operation of the Project, including commercial production of Minerals from the Project or other Mining Activities, whether obtained or issued by the date hereof or not, are accurately listed in the Permit Schedule in the case of Permits, the Other Rights Schedule in the case of Other Rights, and in either the Permit Schedule or the Other Rights Schedule, as applicable, in the case of Surface Rights. The Seller Entities have complied in all material respects with all conditions provided for in the Permits, Other Rights and Surface Rights. The Seller Entities have not and to the best of their knowledge, no other Person has, received notice from any Governmental Authority or any person from whom they have obtained Surface Rights, Permits or Other Rights of any non-compliance with same where such non-compliance would result in a Material Adverse Effect. The dates by which Permits, Other Rights and Surface Rights which are required, but which have not yet been obtained, are required are, to the knowledge of the Seller Entities, accurately disclosed in the most recently provided Permit Schedule and Other Rights Schedule, and such Permits, Other Rights and Surface Rights are expected to be obtained by the time they are required. True and complete copies of all Permits, Other Rights and Surface Rights which have been obtained or issued as of the date of this Agreement have been made available to the Purchaser, and no Seller Entity is in breach or default of the terms and conditions thereof. All such Permits, Other Rights and Surface Rights are in good standing, and no proceeding is pending or, to the knowledge of the Seller Entities, threatened to revoke or limit any such Permits, Other Rights and Surface Rights.

37. The process for acquiring water rights (“**Water Rights**”) is provided in the Permits Schedule.

38. The Seller Entities have not used or permitted to be used and to the knowledge of the Seller Entities, no other Person under the direction or control of the Seller Entities has used or permitted to be used, except in material compliance with all Environmental Laws, any of the Properties for any Release or to dispose, recycle, generate, manufacture, process, distribute, use, treat, store, transport or handle any Hazardous Substance. To the knowledge of the Seller Entities, there is no presence of any Hazardous Substance on, in or under any of the Properties and no Hazardous Substances will be generated from any Seller Entity’s use of such Properties (including without limitation as a result of the conduct of operations at the Project) except in compliance in all material respects with all Environmental Laws.

39. The Seller Entities are not, nor are any of the Properties, subject to any pending or, to the knowledge of the Seller Entities, threatened: (i) material claims, notice, complaint, allegation, investigation, application, order or directive that relates to environmental, natural resources, Hazardous Substances, human health or occupational safety matters or any matter covered by the Environmental Laws, and which may require or result in any work, repairs, rehabilitation, reclamation, remediation, constructions, obligations, liabilities or expenditures (and, to the knowledge of the Seller Entities there is no basis for such a claim, notice, complaint, allegation, investigation, application, order, requirement or directive), or (ii) material allegation, demand, direction, order, notice or prosecution with respect to any matter covered by the Environmental Laws, including any laws respecting Releases or the use, storage, treatment, transportation, rehabilitation, reclamation, remediation or disposition of any Hazardous Substance (including, without limitation, tailings, waste rock, sediment from erosion, wastewater and surface water fun off) from the Properties and no Seller Entity has settled any allegation of material non-compliance with Environmental Laws prior to prosecution.

40. *Removed*

41. To the knowledge of the Seller Entities, there are no present material environmental liabilities of the Seller Entities, in respect of the development, construction and operation of the Project.

42. To the knowledge of the Seller Entities, all of the services, utilities, ingress and egress roadways, means of transportation, equipment and materials or supplies necessary for the Seller Entities to develop, construct and operate the Project in accordance with Applicable Laws and the Permits, and in accordance with and as contemplated by the Initial Operating Plan are available. To the knowledge of the Seller Entities, the employees, agents and representatives of the Seller Entities have had and will have free and unrestricted access to the Project and have not been prevented or restrained from exercising their rights of access in any manner which would result in, either individually or in the aggregate, a Material Adverse Effect.

43. Subject only to the rights of any Governmental Authority and except for Permitted Encumbrances, and or as otherwise set out in Section 43 of the Disclosure Letter, no Person is entitled to or holds any material rent, option, back-in right, earn-in right, right of first refusal, royalty, stream, participation, production or similar interests, or other payment in the nature of rent or royalty, on or for the Project, including any Minerals.

44. To the knowledge of the Seller Entities, there are no (i) Expropriation Events and, there is no such Expropriation Event pending or, to the knowledge of the Seller Entities, threatened against or affecting all or any part of the Project.

45. To the knowledge of the Seller Entities, no indigenous or community groups (and no Persons on their behalf) have asserted any interest or rights or commenced or threatened any claims or proceedings affecting the Project or any Seller Entity.

46. Save and except as set forth in Section (46) of the Disclosure Letter, to the knowledge of the Seller Entities, any relocation or resettlement of any persons, communities or settlements, including any indigenous persons, communities or settlements, in connection with the development, construction or operation of the Project has been conducted in material compliance with all Applicable Laws, Regulatory Approvals, Permits and any resettlement action plans.

*Other*

47. Save and except as set out in Section (47) of the Disclosure Letter, none of the Seller Entities is conducting, permitting or suffering to be conducted, transactions with any Affiliate other than transactions entered into in the ordinary course of business on terms no less favourable to the applicable entity than as would be obtainable in a comparable transaction with Persons at arm's length with such entity. As of the date hereof, neither of the Seller Entities has made any loans or advances to or for the benefit of any shareholder, director, officer or Affiliate of the Seller Entities.

48. Each Seller Entity is in material compliance with all Applicable Laws and collective bargaining agreements respecting employment, wages, hours of work and occupational health and safety and employment practices.

49. There are no strikes, slowdowns, work stoppages, applications or petitions for union certification, unfair labour practice claims, or other material labour actions or disputes pending or in effect or, to the knowledge of the Seller Entities, threatened in respect of the Seller Entities or the Project.

50. Other than as set out in Section (50) of the Disclosure Letter, none of the Seller Entities is party to or liable for an Employee Benefit Plan. For purposes of this Section (50), "**Employee Benefit Plan**" means any employee benefit plan, program, policy or arrangement sponsored, maintained or contributed to by a Seller Entity or any of their respective Affiliates or with respect to which a Seller Entity or any of their respective Affiliates has any liability or obligation. No material liability exists with respect to any Employee Benefit Plan that has been terminated.

51. The Seller Entities have in place, with reputable third party insurance companies, insurance policies in good standing with respect to the Project and the operations conducted on and in respect thereof against such casualties, losses and contingencies and of such types and in such amounts as is customary in the case of similar operations and in accordance with any requirements of any Governmental Authority and this Agreement. All such policies are in full force and effect and no event has occurred which, with notice or lapse of time or both, would constitute a breach, default, or permit termination, modification or exclusion under any such policy. None of the Seller Entities are in default with respect to any of the provisions contained in such policies, nor has a Seller Entity failed to give any notice or to present any claim under any such insurance policy in a due and timely fashion.

There is no material claim pending under any such policies as to which coverage has been questioned, denied or disputed.

52. No Seller Entity is party to any contract that would give rise to a valid claim against the Purchaser for a brokerage commission, finder's fee or like payment in connection with the transactions contemplated by this Agreement or the other Transaction Documents.

# SCHEDULE G

# PURCHASER REPRESENTATIONS AND WARRANTIES

***Purchaser Representations and Warranties***

The Purchaser hereby represents and warrants to the Seller as follows:

1. It is a corporation duly incorporated and validly existing under the laws of the Province of Ontario, is up-to-date in respect of all filings required under the laws of such jurisdiction and has not been discontinued or dissolved under such laws. The Purchaser is a resident of Canada for tax purposes.

2. All requisite corporate acts and proceedings have been done and taken by it with respect to entering into this Agreement and the other Transaction Documents to which it is a party and performing its obligations hereunder and thereunder and complete the transactions contemplated hereby and thereby.

3. It has the requisite corporate power, capacity and authority to enter into this Agreement and the other Transaction Documents to which it is a party and to perform its obligations hereunder and thereunder and complete the transactions contemplated hereby and thereby.

4. The entering into of this Agreement and the exercise of its rights and performance of obligations hereunder by the Purchaser do not and will not (i) conflict with or result in a default under any agreement, mortgage, bond or other instrument to which it is a party or which is binding on its assets, (ii) violate the terms of, conflict with, constitute a default under, result in the acceleration of or allow any Person to exercise any rights under any terms, conditions or provisions of (A) its constating documents or (B) any material contract to which it is a party or to which it is bound by or by which any of its property or assets is bound or affected, or (iii) conflict with or violate any Applicable Laws, in each case other than a conflict, default or violation that would not reasonably be expected to have a material adverse effect on the Purchaser or the performance of its obligations under this Agreement.

5. No Regulatory Approvals are required to be obtained by it in connection with the execution and delivery or the performance by it of this Agreement and the other Transaction Documents to which it is a party or the transactions contemplated hereby and thereby.

6. There are no actions, suits, proceedings, investigations or claims commenced, pending or, to the knowledge of the Purchaser, threatened or contemplated, to which the Purchaser is a party, and which, individually or in the aggregate, would prevent or limit, restrict or impair in any material respect the ability of the Purchaser to enter into this Agreement and the other Transaction Documents or perform its obligations hereunder or thereunder.

7. This Agreement and the other Transaction Documents to which the Purchaser is a party have been duly and validly executed and delivered by it and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with the terms thereof, except to the extent enforcement may be affected by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Applicable

Laws affecting creditors' rights generally and subject to the qualification that equitable remedies, injunctive relief and/or specific performance may be granted in the discretion or a court of competent jurisdiction.

8. It has not suffered an Insolvency Event and it is not now aware of any circumstance which, with notice or the passage of time, or both, would give rise to an Insolvency Event with respect to it.

9. It is entering into and performing its obligations under this Agreement and the other Transaction Documents to which it is a party on its own account and not as trustee or a nominee of any other Person.

10. None of the Purchaser and to the knowledge of the Purchaser, no director, officer, employee, consultant, representative or agent of the Purchaser, acting on the Purchaser's behalf has violated any Anti-Bribery Laws or Money Laundering Laws. The Purchaser has not and to the knowledge of the Purchaser, each director, officer, employee, consultant, representative or agent thereof acting on its behalf, has not, made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing Anti-Bribery Laws or Money Laundering Laws, with respect to any alleged non-compliance by the Purchaser or such other Persons (acting on behalf of the Purchaser) with Anti-Bribery Laws or Money Laundering Laws.

**SCHEDULE H**

**DISPUTE RESOLUTION**

Any dispute arising under or in connection with this Agreement (including, but not limited to, any matter relating to any actual or alleged breach, termination or invalidity hereof or any circumstance that, with the passage of time, is reasonably expected to constitute a breach or result in termination or invalidity or, losses arising or reasonably expected to arise therefrom) (a "**Default Dispute**") shall be determined in accordance with the dispute resolution provisions contained in Section 1 below. All Default Disputes are subject to the confidentiality provisions contained in Section 2 below.

The foregoing is without prejudice to the right in Section 13.4 of the Parties to seek provisional remedies from a court of competent jurisdiction.

**1. Arbitration for Default Disputes**

(a) Any Default Dispute shall be submitted to arbitration in accordance with the following procedure:

i. The arbitration shall be governed by the Rules of Arbitration of the International Chamber of Commerce, as may be amended from time to time (the "**ICC Rules**").

ii. The language of the arbitration shall be English.

iii. The seat and place of arbitration shall be Toronto, Ontario. Provided appropriate facilities are available, the arbitration shall be held at the facilities of Arbitration Place.

iv. The panel shall be comprised of three arbitrators, appointed in accordance with the ICC Rules (the "**ICC Tribunal**").

v. The determination of the ICC Tribunal shall be final and binding upon the parties to the dispute.

vi. The costs of such arbitration shall be as determined by the ICC Tribunal.

(b) In the event that an arbitration under this Section 1 involves more than one of the Seller Entities, the Seller Entities shall act together as one party in the procedures set out in this Section 1, unless there is a conflict of interest among the Seller Entities. The Parties agree that:

i. even if there is a conflict of interest among the Seller Entities, the Seller Entities shall jointly nominate an arbitrator pursuant to the ICC Rules. If the Seller Entities cannot agree on an arbitrator to be nominated in the timeline required by the ICC Rules, the arbitrator shall be nominated in accordance with the ICC Rules; and

ii. if there is a conflict of interest between the Seller Entities requiring that one or more of the Seller Entities act as an independent party, the Seller Entities shall each have the right to participate as separate parties to an arbitration under this Section 1, except as provided for in Section 1(b)(i).

(c) The procedure set out in Section 1(b) is a fair and adequate procedure to resolve a Default Dispute in the event that there is a conflict of interest among the Seller Entities.

**2. Confidentiality**

(a) The dispute resolution process in relation to any Default Dispute, including any settlement discussions between the Parties related to the subject matter thereof, shall be conducted on a private and confidential basis and any and all information exchanged and disclosed during the course of the dispute resolution process shall be used only for the purposes of the dispute resolution process. No party to a dispute shall communicate any information obtained or disclosed during the course of the dispute resolution process to any third party except to those experts or consultants employed or retained by, or consulted regarding the retention on behalf of, a party to a dispute in connection with the dispute resolution process and solely to the extent necessary for assisting in the dispute resolution process, and only after such persons have agreed in writing to be bound by the confidentiality conditions described herein.

(b) In the event that disclosure of any information related to the dispute resolution process is required to comply with Applicable Laws or court order that conflicts with the confidentiality conditions described herein, the disclosing party to the dispute shall: (i) promptly notify the other party or parties to the dispute of such disclosure, (ii) limit such disclosure to only that information so required to be disclosed, and (iii) shall have availed itself of the full benefits of any laws, rules, regulations or contractual rights as to disclosure on a confidential basis to which it may be entitled.

(c) Awards and reasons for decision shall also be kept confidential except: (i) as may reasonably be necessary to obtain enforcement thereof; (ii) for any party to the dispute to comply with its disclosure obligations under Applicable Laws; (iii) to permit the Parties to properly exercise their rights under this Schedule H; and (iv) to the extent that disclosure is required to allow the parties to the dispute to consult with their professional advisor.

## SCHEDULE I

## FORM OF WARRANT CERTIFICATE

**UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [●], 2022.**

**SUBJECT TO THE COMPANY'S ACCELERATED EXPIRY RIGHT, THIS WARRANT CERTIFICATE IS VOID IF NOT EXERCISED ON OR BEFORE 4:00 P.M. (VANCOUVER TIME) ON [●], 2025.**

## WARRANT CERTIFICATE

# SOUTH STAR BATTERY METALS CORP.

(Existing under the *Business Corporations Act* (British Columbia))

| | |
|---|---|
| **WARRANT CERTIFICATE NO. 2022.142-⧫** | **6,000,000** warrants entitling the holder to acquire, subject to adjustment, one common share in the capital of South Star Battery Metals Corp. for each warrant represented hereby (the "**Warrants**"). |

THIS IS TO CERTIFY THAT, FOR VALUE RECEIVED Sprott Private Resource Streaming and Royalty (Collector) LP of 200 Bay Street, Suite 2600, Toronto, ON M5J 2J1 (the "**Holder**") is entitled to acquire for each Warrant, in the manner and subject to the restrictions and adjustments set forth herein, at any time and from time to time until 4:00 p.m. (Vancouver Time) on [●], 2025 **[Note to Completion: Three years following the Phase 1 Closing Date]** (the "**Expiry Time**"), one fully paid and non-assessable common share ("**Share**") in the capital of South Star Battery Metals Corp. (the "**Company**") at an exercise price of $[●] per Share **[Note to Completion: 35% premium to the lowest price per share received in the Concurrent Equity Raise]** (the "**Exercise Price**"), subject to the Company's acceleration right and upon the terms and conditions referred to in this Warrant Certificate.

The Warrants represented by this Warrant Certificate may only be exercised at the registered and records office of the Company at Suite 1200 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T8. The Warrants are issued subject to the terms and conditions appended hereto as **Schedule "A"**.

All dollar amounts referred to herein are expressed in Canadian dollars, unless otherwise indicated.

**DATED** this ___ day of __________, 2022.

*[Signature page follows]*

IN WITNESS WHEREOF, the Company has caused this Warrant Certificate to be executed by a duly authorized officer.

**SOUTH STAR BATTERY METALS CORP.**

Per: ______________________________
Authorized Signatory

*(See terms and conditions attached hereto)*

# SCHEDULE "A"
# TERMS AND CONDITIONS

## ARTICLE 1
## INTERPRETATION

### 1.1 Definitions

In these Terms and Conditions, unless there is something in the subject matter or context inconsistent therewith:

(a) "**Accelerated Expiry Time**" has the meaning set out in Section 3.5 of this Warrant Certificate;

(b) "**Business Day**" means a day on which Canadian chartered banks are open for the transaction of regular business in the City of Vancouver, British Columbia and the City of Toronto, Ontario;

(c) "**Company**" means South Star Battery Metals Corp. unless and until a successor corporation will have become such in the manner prescribed in Article 6, and thereafter "Company" will mean such successor corporation;

(d) "**Company's Auditors**" means an independent firm of accountants duly appointed as auditors of the Company;

(e) "**Exemption**" has the meaning ascribed to such term under Section 8.2 of this Warrant Certificate;

(f) "**Exercise Price**" has the meaning ascribed to it on the face page of this Warrant Certificate;

(g) "**Expiry Time**" has the meaning ascribed to it on the face page of this Warrant Certificate;

(h) "**hereby**", "**herein**" and similar expressions refer to these Terms and Conditions as the same may be amended or modified from time to time; and the expression "Article" and "Section" followed by a number refer to the specified Article or Section of these Terms and Conditions;

(i) "**Holder**" has the meaning ascribed to it on the face page of this Warrant Certificate;

(j) "**Person**" means an individual, corporation, partnership, trustee or any unincorporated organization and words importing persons have a similar meaning;

(k) "**Shares**" means the common shares in the capital of the Company;

(l) **"Transferee"** has the meaning ascribed to such term under Section 8.1 of this Warrant Certificate;

(m) "**Warrants**" means the warrants represented by this Warrant Certificate, each Warrant entitling the Holder to acquire one Share; and

(n) "**Warrant Certificate**" means the certificate to which these Terms and Conditions are attached.

### 1.2 General

Words importing the singular number include the plural and *vice versa* and words importing the masculine gender include the feminine and neuter genders.

### 1.3 Interpretation Not Affected by Headings

The division of these terms and conditions into articles and sections, and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation thereof.

### 1.4 Applicable Law

The terms hereof and of the Warrants will be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable thereto.

### 1.5 Currency

Unless otherwise noted, all references to “$” or “dollars” are references to the lawful currency of Canada.

## ARTICLE 2
## ISSUE OF WARRANT

### 2.1 Issue of Warrants

That number of Warrants set out on the Warrant Certificate are hereby created and issued.

### 2.2 Additional Issuance of Securities

Subject to Article 4, the Company may at any time and from time to time undertake further equity or debt financing and may issue additional Shares, warrants or grant options or similar rights to purchase Shares to any person.

### 2.3 Issue in Substitution for Lost Warrants

If the Warrant Certificate becomes mutilated, lost, destroyed or stolen:

(a) the Company will issue and deliver a new Warrant Certificate, in exchange for and in place of and upon cancellation of such mutilated, lost, destroyed or stolen Warrant Certificate; and

(b) the Holder will bear the cost of the issue of a new Warrant Certificate pursuant to Section 2.3(a) and in the case of the loss, destruction or theft of the Warrant Certificate, will furnish to the Company such evidence of loss, destruction, or theft as will be satisfactory to the Company in its discretion. The Company may also require the Holder to furnish indemnity in respect of such lost, destroyed or stolen Warrant Certificate in an amount and form satisfactory to the Company in its reasonable discretion, and will pay the reasonable charges of the Company in connection therewith.

### 2.4 Warrantholder Not a Shareholder

The Warrants will not constitute the Holder a shareholder of the Company, nor entitle it to any right or interest in respect thereof except as may be expressly provided in the Warrant.

## ARTICLE 3
## EXERCISE OF THE WARRANT

### 3.1 Method of Exercise of the Warrant

The right to purchase Shares conferred by the Warrant Certificate may be exercised, prior to the Expiry Time, by the Holder surrendering it, with a duly completed and executed exercise form substantially in the form attached hereto as **Schedule “B”** and cash or a certified cheque or bank draft payable to or to the order of the

Company, for the aggregate Exercise Price in lawful money of Canada, to the registered and records office of the Company at Suite 1200 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T8.

**3.2 Effect of Exercise of the Warrant**

(a) Upon surrender and payment as aforesaid the Shares so subscribed for will be issued as fully paid and non-assessable shares and the Holder will become the Holder of record of such Shares on the date of such surrender and payment; and

(b) Within five Business Days after surrender and payment as aforesaid, the Company will forthwith cause the issuance to the Holder a certificate for the Shares purchased as aforesaid.

**3.3 Subscription for Less than Entitlement**

The Holder may subscribe for and purchase a number of Shares less than the number which it is entitled to purchase pursuant to the surrendered Warrant Certificate. In the event of any purchase of a number of Shares less than the number which can be purchased pursuant to the Warrant Certificate, the Holder will be entitled to the return of the Warrant Certificate with a notation showing the balance of the Shares which it is entitled to purchase pursuant to the Warrant Certificate which were not then purchased.

**3.4 Expiration of the Warrant**

After the Expiry Time all rights hereunder will wholly cease and terminate and the Warrant will be void and of no effect.

**3.5 Acceleration Provision**

If, over a period of ten (10) consecutive trading days between the date that is four months following the original issuance date of the Warrants, (which, for clarity, is not the date of a Warrant Certificate representing the balance of the Warrants after any partial exercise of Warrants) and the Expiry Time, the daily volume weighted average trading price of the Shares on the TSX Venture Exchange (or such other stock exchange where the majority of the trading volume occurs) exceeds $[●], **[Note to Completion: 250% of Exercise Price.]** the Company may, within 30 days of such an occurrence, give written notice (via news release) to the holders of the Warrants that the Warrants will expire at 4:00 p.m. (Vancouver time) on the 30th day following the giving of notice (the "**Accelerated Exercise Period**") unless exercised by the holders prior to such date. Upon the dissemination of such notice by the Company, the holders of the Warrants will have 30 days to exercise their Warrants. If the Company provides notice to the Holder according to this section, references in this Warrant Certificate to the "Expiry Time" will mean the "Accelerated Expiry Time". Any Warrants which remain unexercised at the end of the Accelerated Exercise Period will automatically expire at that time. Any insiders who are unable to exercise their Warrants due to any 'blackout period' being in effect during the term of their Warrants will automatically have their Accelerated Exercise Period extended by the aggregate time of the blackout period(s).

## ARTICLE 4
## ADJUSTMENTS

**4.1 Adjustments**

If at any time after the date hereof and prior to the expiry of the Warrants, and provided that any Warrants remain unexercised, there will be:

(a) a reclassification of the Shares, a change in the Shares into other shares or securities, a subdivision or consolidation of the Shares into a greater or lesser number of common shares, or any other capital reorganization,

(b) the payment of a dividend or other distribution with respect to its Shares solely in Shares; or

(c) a consolidation, amalgamation, arrangement, combination or merger of the Company with or into any other corporation other than a consolidation, amalgamation, arrangement, combination or merger which does not result in any reclassification of the outstanding Shares or a change of the Shares into other shares or securities,

(any of such events being called a "**Capital Reorganization**") any Holders who shall thereafter acquire Shares pursuant to the exercise of the Warrants shall be entitled to receive, at no additional cost, and shall accept in lieu of the number of Shares to which such Holder was theretofore entitled to acquire upon such exercise, the aggregate number of shares, other securities or other property which such Holder should have been entitled to receive as a result of such Capital Reorganization if, on the effective date or record date thereof as the case may be, the Holder had been the registered holder of the number of Shares to which such Holder was theretofore entitled to acquire upon exercise of the Warrants. In addition, upon an adjustment pursuant to this Section 4.1, the Exercise Price for each Share payable upon exercise of this Warrant shall be adjusted (calculated to the nearest $.0001) so that it shall equal the product of the Exercise Price immediately prior to such adjustment multiplied by a fraction, the numerator of which shall be the number of Shares issuable upon the exercise of this Warrant immediately prior to such adjustment, and the denominator of which shall be the number of Shares so issuable immediately thereafter. Such adjustment shall become effective immediately after the date of such event retroactive to the record date, if any, for such event. If determined appropriate by the Company acting reasonably, appropriate adjustments shall be made in the application of the provisions set forth herein with respect to the rights and interests of the Holder relative to a Capital Reorganization, to the end that the provisions set forth herein shall correspond as nearly as may be reasonably possible to the effect of the Capital Reorganization in relation to any shares, other securities or other property thereafter deliverable upon the exercise of any Warrants.

In case the Company, after the date hereof, shall take any action affecting any securities of the Company, other than as previously set out herein, which in the opinion of the directors would materially affect the rights and interests of the Holder hereunder, the number of Shares or other securities which are issuable on the exercise of the Warrants shall be adjusted in such manner, if any, and at such time as the directors, in their sole discretion, may determine to be equitable in the circumstances, provided that no such adjustment will be made unless all necessary regulatory approvals, if any, have been obtained. In the event of any question arising with respect to any adjustment provided for herein, such question shall be conclusively determined by a firm of chartered accountants appointed by the Company at its sole discretion (who may be the Company's auditors) and any such determination shall be binding upon the Company and the Holder.

No adjustment shall be made in respect of any event described herein if the Holder is entitled to participate in such event on the same terms, without amendment, as if the Holder had exercised the Warrants prior to or on the effective date or record date of such event. The adjustments provided for herein are cumulative and such adjustments shall be made successively whenever an event referred to herein shall occur, subject to the limitations provided for herein. No adjustment shall be made in the number or kind of securities which may be acquired on the exercise of a Warrant unless it would result in a change of at least one-hundredth of a Share or other security. Any adjustment which may by reason of this paragraph not be required to be made shall be carried forward and then taken into consideration in any subsequent adjustment. The Company shall take any corporate action which may be necessary in order that the Company has unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable, all the shares of such classes or other securities or may validly and legally distribute the property which the Holder is entitled to receive on the full exercise thereof in accordance with the provisions hereof.

Notwithstanding any adjustments provided for herein or otherwise, the Company shall not be required, upon the exercise of any Warrants, to issue fractional Shares or other securities in satisfaction of its obligations hereunder and, except as provided for herein, any fractions shall be eliminated. To the extent that the Holder would otherwise be entitled to acquire a fraction of a Share or other security, such right may be exercised in respect of such fraction only in combination with other rights which in the aggregate entitle the Holder to acquire a whole number of Shares or other securities. The Holder shall be entitled, upon the elimination of any fraction of a Share or other security, to be paid in cash for the fair market value for the securities so eliminated, always provided that the Company shall not be required to make any payment if for less than $10.

**4.2 Voluntary Adjustment by the Company**

Subject to requisite regulatory approval, the Company may, at its option, at any time during the term of the Warrants, reduce the then current Exercise Price to any amount deemed appropriate by the board of directors of the Company.

**4.3 Notice of Adjustment**

Whenever the number of Shares purchasable upon the exercise of each Warrant or the Exercise Price of such Shares is adjusted, as herein provided, the Company will send to the Holder, notice of such adjustment or adjustments, and if requested by the Holder, a new warrant certificate representing the Warrants following such adjustment.

**4.4 No Adjustment for Dividends**

Except as provided in Section 4.1 of this Article 4, no adjustment in respect of any dividends will be made during the term of a Warrant or upon the exercise of a Warrant.

**4.5 Preservation of Purchase Rights Upon Merger, Consolidation, etc.**

In connection with any consolidation of the Company with, or amalgamation, arrangement, merger or any other business combination of the Company with or into, another corporation or corporations (including, without limitation, pursuant to a takeover bid, tender offer or other acquisition of all or substantially all of the outstanding Shares) or in case of any sale, transfer or lease to another corporation of all or substantially all the property of the Company, the Company or such successor or purchasing corporation, as the case may be, will execute with the Holder an agreement that the Holder will have the right thereafter, upon payment of the Exercise Price in effect immediately prior to such action, to purchase upon exercise of each Warrant the kind and amount of shares and other securities and property which it would have owned or have been entitled to receive after the happening of such consolidation, amalgamation, arrangement, business combination merger, sale, transfer or lease had such Warrant been exercised immediately prior to such action, and the Holder will be bound to accept such shares and other securities and property in lieu of the Shares to which it was previously entitled; provided, however, that no adjustment in respect of dividends (other than pursuant to Section 4.1), interest or other income on or from such shares or other securities and property will be made during the term of a Warrant or upon the exercise of a Warrant. Any such agreement will provide for adjustments, which will be as nearly equivalent as may be practicable to the adjustments provided for in this Article 4. The provisions of this Section 4.5 will similarly apply to successive consolidations, mergers, amalgamations, arrangements, business combinations, sales, transfers or leases.

**4.6 Determination of Adjustments**

If any questions will at any time arise with respect to the Exercise Price, such question will be conclusively determined by the Company's Auditors, or, if they decline to so act, any other firm of chartered professional accountants, that the Company may designate and the Holder, acting reasonably, may approve, and who will have access to all appropriate records and such determination will be binding upon the Company and the holder.

## ARTICLE 5
## COVENANTS BY THE COMPANY

### 5.1 Reservation of Shares

The Company will reserve and there will remain unissued out of its authorized capital a sufficient number of Shares to satisfy the rights of acquisition provided for in the Warrant Certificate.

### 5.2 Issuance of Shares/Listing

The Company covenants and agrees that all Shares which will be so issuable upon exercise of the Warrants, upon issuance, be issued as fully paid and non-assessable and free from all liens, charges and encumbrances. The Company will use its reasonable commercial efforts to maintain the listing of its Shares on a Canadian stock exchange until the Expiry Time.

## ARTICLE 6
## MERGER AND SUCCESSORS

### 6.1 Company May Consolidate, etc. on Certain Terms

Nothing herein contained will prevent any consolidation, amalgamation, arrangement, merger or other business combination of the Company with or into any other company or companies, or a conveyance or transfer of all or substantially all the properties and estates of the Company as an entirety to any company lawfully entitled to acquire and operate same, provided, however, that the company formed by such consolidation, amalgamation, arrangement, merger or other business combination or which acquires by conveyance or transfer all or substantially all the properties and estates of the Company as an entirety will, simultaneously with such amalgamation, arrangement, merger, business combination, conveyance or transfer, assume the due and punctual performance and observance of all the covenants and conditions hereof to be performed or observed by the Company.

### 6.2 Successor Company Substituted

In case the Company, pursuant to Section 6.1 will be consolidated, amalgamated, arranged, merged or combined with or into any other company or companies or will convey or transfer all or substantially all of its properties and estates as an entirety to any other company, the successor company formed by such consolidation, amalgamation, merger, arrangement or business combination into which the Company will have been consolidated, amalgamated, arranged, merged or combined or which will have received a conveyance or transfer as aforesaid, will succeed to and be substituted for the Company hereunder and such changes in phraseology and form (but not in substance) may be made in the Warrant Certificate and herein as may be appropriate in view of such amalgamation, arrangement, merger, business combination or transfer.

## ARTICLE 7
## AMENDMENTS

### 7.1 Amendment, etc.

Other than pursuant to Article 4 hereof, this Warrant Certificate may only be amended by a written instrument signed by the Company and the Holder.

## ARTICLE 8
## TRANSFERS AND RESTRICTIONS

### 8.1 Transfer

Subject to applicable securities legislation and the rules, policies, notices and orders issued by applicable securities regulatory authorities, including the rules of the any stock exchange upon which the Shares may be listed, the Warrants evidenced hereby (or any portion thereof) may be assigned or transferred by the Warrant Holder to a third party (a "**Transferee**") provided that the Holder delivers a duly completed and executed transfer form attached hereto as **Schedule "C**" to the Company.

The rights and obligations of the parties hereunder will be binding upon and enure to the benefit of their successors and permitted assigns.

### 8.2 Legending of Certificates

The Warrants have been (and any Shares issued upon exercise of the Warrants will be) issued pursuant to an exemption (an "**Exemption**") from the registration and prospectus requirements of applicable securities law. To the extent that the Company relies on such Exemption, the securities will be subject to restrictions on resale and transferability contained in applicable securities laws.

In the event that any of the securities which may be acquired hereunder are subject to a hold period, or any other restrictions on resale and transferability, the Company may place a legend on the certificates representing the securities as may be required under applicable securities laws (and United States securities laws if applicable) or the requirements of any stock exchange or other market, or as it may otherwise deem necessary or advisable.

Any certificate of Shares issued upon exercise of this Warrant prior to [●], 2025 **[Note to Completion: 4 months plus a day following the Phase 1 Closing Date]** will bear the following legend:

> **UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [●]. [Note to Completion: 4 months plus a day following the Phase 1 Closing Date]**

and where required pursuant to the policies of the TSX Venture Exchange:

> **WITHOUT PRIOR WRITTEN APPROVAL OF TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [●]. [Note to Completion: 4 months plus a day following the Phase 1 Closing Date]**

### 8.3 U.S. Restrictions

The Warrants represented hereby and securities which may be acquired hereunder have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**") or the securities laws of any state of the United States, and the Warrants represented hereby may not be exercised, offered or sold (directly or indirectly) in the United States to, or for the account or benefit of, any U.S. Person (as defined in Rule 902(k) of Regulation S under the 1933 Act, which definition includes, but is not limited to, an individual resident in the United States and an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or company organized or incorporated under the laws of the United States) (a "**U.S. Person**") unless registered under the 1933 Act and the securities laws of all applicable U.S. states or unless an exemption from such registration requirements under the 1933 Act and applicable state securities laws is available, and the Holder has furnished an opinion of counsel of recognized standing in form and substance satisfactory to the Company and its counsel to such effect.

If the Warrants are exercised pursuant to Section 3.1 above and the Holder is (i) in the United States at the time of exercise, (ii) a U.S Person or exercising the Warrants on behalf of a U.S. Person, or (iii) executing or delivering the exercise form in the United States, then the certificates evidencing the Shares shall bear, until such time as the same is no longer required under the applicable requirements of the 1933 Act and the securities laws of all applicable states of the United States, the following legend:

> **THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"). THE HOLDER HEREOF, BY ACQUIRING SUCH SECURITIES, AGREES FOR THE BENEFIT OF SOUTH STAR BATTERY METALS CORP. (THE "COMPANY") THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY; (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT; OR (C) IN ACCORDANCE WITH ANY OTHER REGISTRATION EXEMPTION EVIDENCED BY AN OPINION OF COUNSEL OF RECOGNIZED STANDING AND REASONABLY ACCEPTABLE TO THE COMPANY AND THE TRANSFER AGENT, AVAILABLE UNDER THE SECURITIES ACT AND APPLICABLE STATE LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA OR ELSEWHERE.**
>
> **A NEW CERTIFICATE BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE "GOOD DELIVERY", MAY BE OBTAINED FROM THE COMPANY'S TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF SEC REGULATION S UNDER THE SECURITIES ACT AND APPLICABLE FOREIGN LAW.**

and any certificate representing any Shares issued in exchange therefor or in substitution thereof will bear the same legend, provided, however, that if the Company is a "foreign issuer" as that term is defined in Regulation S under the 1933 Act at the time of sale of any Shares, a new certificate bearing no legend may be obtained from the Company's transfer agent upon delivery of the certificate evidencing such securities and a duly executed declaration, in a form satisfactory to the transfer agent and the Company, to the effect that the sale of the securities is being made in compliance with Rule 904 of Regulation S under the 1933 Act.

## ARTICLE 9
## NOTICE

### 9.1 Notice

Any notice to be given hereunder to the Holder will be given in writing and either delivered, mailed by prepaid first class post to the Holder at the address indicated on the Warrant, emailed to the Holder at the address indicated in the metals purchase and sale agreement pursuant to which these Warrants were issued (if applicable) or at such other address as the Holder may hereafter designate by notice in writing. If such notice is delivered, it will be deemed to have been given at the time of delivery; if such notice is sent by mail, it will be deemed to have been given 48 hours following the date of mailing thereof; if such notice is sent by email, it will be deemed to have been given at the time of transmission. In the event of a mail strike or disruption in postal service at or prior to the time a notice is deemed to have been received by mail, such notice will be delivered.

## ARTICLE 10
## SIGNATURE AND ELECTRONIC COPIES

### 10.1 Signature and Electronic Copies

This Warrant Certificate may be signed digitally or by other electronic means, which shall be deemed to be an original and shall be deemed to have the same legal effect and validity as a certificate bearing an original signature. A signed copy of this Warrant Certificate transmitted by facsimile, email or other electronic transmission shall be deemed to have the same legal effect and validity as delivery of an originally executed copy of this Warrant Certificate, provided that if this Warrant Certificate bears a digital or electronic signature as contemplated above and the Company is delivering this Warrant Certificate by electronic transmission pursuant to this Section 10.1, then the Company represents to the Holder that the electronically transmitted Warrant Certificate is the only executed copy to be issued to the Holder by the Company. Physical possession of the original of this Warrant Certificate or any paper copy thereof shall confer no special status to the bearer thereof.

**SCHEDULE "B"**

**EXERCISE FORM**

**TO: SOUTH STAR BATTERY METALS CORP.**

Terms which are not otherwise defined herein will have the meanings ascribed to such terms in the Warrant Certificate held by the undersigned and issued by South Star Battery Metals Corp. (the "**Company**").

(1) The undersigned hereby exercises the right to acquire ___________________ Shares of the Company in accordance with and subject to the provisions of such Warrant Certificate and herewith makes payment of the purchase price in the amount of C$_______________ in full for the said number of Shares, subject to adjustment in accordance with the terms of the Warrant Certificate.

(2) The undersigned hereby represents, warrants and certifies to the Company that at the time of exercise (PLEASE CHECK [✓] ONE [ONLY] OF THE FOLLOWING):

A. ☐ The undersigned holder (i) at the time of exercise of these Warrants is not in the United States; (ii) is not a "U.S. person" as defined in Regulation S under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and is not exercising these Warrants on behalf of a "U.S. person"; and (iii) did not execute or deliver this Exercise Form in the United States.

**OR**

B. ☐ The undersigned holder (i) is an "accredited investor", as defined in Rule 501(a) under the U.S. Securities Act, who acquired the Warrants directly from the Company; (ii) is exercising the Warrants solely for its own account and not on behalf of any other person; and (iii) each of the representations and warranties made in connection with the issuance of the Warrants remains true and correct on the date of exercise of the Warrants.

**OR**

C. ☐ The undersigned holder has delivered to the Company an opinion of counsel in form and substance satisfactory to the Company (in its sole discretion) to the effect that the exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available.

The undersigned understands that unless box A above is checked, the certificate representing the Shares will bear a legend restricting transfer without registration under the U.S. Securities Act and applicable state securities laws unless an exemption from registration is available.

(3) The undersigned hereby irrevocably directs that the said Shares be issued and delivered as follows:

| **Name(s) in Full** | **Address(es)** | **Number of Shares** |
|---|---|---|
| | | |
| | | |
| | | |

Note: If further nominees are intended, please attach (and initial) a schedule giving these particulars.

If any Shares are to be issued to a person or persons other than the undersigned holder, the undersigned holder must pay all applicable transfer taxes or other government charges.

If any Warrants represented by this Warrant Certificate are not being exercised, a new Warrant Certificate will be issued and delivered with the share certificates.

**DATED** this _____ day of _______________, 20_____.

| | |
|---|---|
| Signature Guaranteed (if applicable) | (Signature of registered holder or Authorized Signatory if a corporation) |
| | If applicable, print Name and Office/Title of Signatory |
| | Print full name of registered holder as on the Warrant Certificate |
| | Print full address |

Instructions:

1. The registered Holder may exercise its right to receive Shares by completing this form and surrendering this form, the ORIGINAL Warrant Certificate representing the Warrants being exercised and the purchase price to the Company's registered and records office at Suite 1200 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T8. Cheques representing the purchase price should be made payable to the Company.

2. If the Exercise Form indicates that Shares are to be issued to a person or persons other than the registered Holder of the Warrant Certificate, the signature of such Holder of the Exercise Form must be guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

3. If the Exercise Form is signed by a trustee, exercise, administrator, curator, guardian, attorney, officer of a corporation or any person acting in a fiduciary or representative capacity, the certificate must be accompanied by evidence of authority to sign satisfactory to the Company.

4. If box (2)C above is checked, any opinion tendered must be from counsel of recognized standing in form and substance satisfactory to the Company. Holders planning to deliver an opinion of counsel in connection with the exercise of the Warrants should contact the Company in advance to determine whether any opinions tendered will be acceptable to the Company.

**SCHEDULE "C"**

**TRANSFER FORM**

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:

_______________________________________________________________________________

(Please print or typewrite name and address of assignee)

_______________________________________________________________________________

_____________Warrant(s) represented by the within certificate, and do(es) hereby irrevocably constitute and appoint

_____________________________________________________________________ the attorney of the undersigned to transfer the said Warrants maintained on the books of South Star Battery Metals Corp. with full power of substitution hereunder.

DATED this _____ day of ________________, 20_____.

| | |
|---|---|
| | ______________________________ |
| | Signature of Warrant Holder |
| ______________________________ | ______________________________ |
| Signature Guarantee | Name of Warrant Holder (please print) |

The signature of the Warrant Holder to this assignment must correspond exactly with the name of the Warrant Holder as set forth on the face of this Warrant Certificate in every particular, without alteration or enlargement or any change whatsoever, and the signature must be guaranteed by a Canadian chartered bank or by a Canadian trust company or by a medallion signature guarantee from a member of a recognized Medallion Signature Guarantee Program.

# SCHEDULE J

# ACCEPTABLE INDEPENDENT ENGINEERS

**[Redacted – commercially sensitive information]**