Execution version

**PROJECT FACILITY FOR
RIACHO DOS MACHADOS GOLD MINE PROJECT**

PROJECT FACILITY AGREEMENT

Between

**MINERAÇÃO RIACHO DOS MACHADOS LTDA.,
as Borrower**

and

**ORE-LEAVE CAPITAL (BRAZIL) LIMITED,
OLV COÖPERATIE U.A.,
OLC HOLDINGS BV and
CARPATHIAN GOLD INC.,
as Guarantors**

and

**MACQUARIE BANK LIMITED,
as Administrative Agent**

and

**MACQUARIE BANK LIMITED,
as Collateral Agent**

and

The Lenders

and

The Hedge Providers

Dated: January 11, 2013

Table of Contents

PROJECT FACILITY AGREEMENT

THIS AGREEMENT is made as of January 11, 2013.

BETWEEN:

MINERAÇÃO RIACHO DOS MACHADOS LTDA., a corporation organized and subsisting under the laws of Brazil

(the "**Borrower**")

AND:

ORE-LEAVE CAPITAL (BRAZIL) LIMITED, a corporation organized and subsisting under the laws of Barbados, **OLV COÖPERATIE U.A.**, a holding co-operative organized and subsisting under the laws of the Netherlands, **OLC HOLDINGS BV**, a limited liability corporation organized and subsisting under the laws of the Netherlands, and **CARPATHIAN GOLD INC.**, a corporation organized and subsisting under the laws of Canada

(collectively, the "**Guarantors**" and each, a "**Guarantor**")

AND:

MACQUARIE BANK LIMITED, in its capacity as administrative agent for the Lenders and Hedge Providers

(the "**Agent**")

AND:

MACQUARIE BANK LIMITED, in its capacity as collateral agent for the Creditors

(the "**Collateral Agent**")

AND:

The financial institutions listed in Schedule A, Part I as Lenders

(the "**Lenders**")

AND:

The financial institutions listed in Schedule A, Part II as Hedge Providers

(the "**Hedge Providers**")

WHEREAS the Borrower has requested the Project Facility to finance in part the construction and operation of a gold mine at Riacho dos Machados in the northern region of Minas Gerais State, Brazil, and the Lenders have agreed to provide the Project Facility to the Borrower in the form of a pre-export financing on the terms and conditions herein set forth;

AND WHEREAS the Borrower has requested that the Hedge Providers provide the Initial Hedging Program and other Hedging Arrangements from time to time in connection with the Project;

AND WHEREAS the Lenders and the Hedge Providers wish the Agent to act on their behalf with regard to certain matters associated with the Project Facility and the Hedging Arrangements;

AND WHEREAS the Agent, the Lenders and the Hedge Providers wish the Collateral Agent to act on their behalf with regard to certain matters associated with the Project Facility and the Hedging Arrangements, including as collateral agent under the Security;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements herein contained the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Account Bank**" means the bank or banks approved by the Agent to establish and maintain the Project Accounts;

"**Accounting Principles**" means, in relation to any Person at any time and as applicable:

(a) accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants as in effect on the date hereof, applied on a basis consistent with the most recent audited financial statements of such Person and its consolidated Subsidiaries (except for changes approved by the auditors of such Person); or

(b) international financial reporting standards, approved by the International Accounting Standards Board ("**IASB**") or any successor, adopted by such Person, as at the date on which any calculation or determination is required to be made, in accordance with the international financial reporting standards and, where the IASB includes a recommendation concerning the treatment of any accounting matter, such recommendation shall be regarded as the only international financial reporting standards;

"**Additional Amount**" has the meaning set out in Section 14.02(3);

"**Adjustment Time**" means the time of occurrence of the last event necessary (including the delivery of a demand for payment) to ensure that all Secured Obligations are thereafter due and payable;

"**Advance**" means an advance of funds as a pre-export payment ("*recebimento antecipado de exportação*") made by the Lenders or by any one or more of them to the Borrower under this Agreement;

"**Affected Advance**" has the meaning set out in Section 14.03;

"**Affiliate**" or "**affiliate**" means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person; and, for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" or "under common control with") means the power to direct or cause the direction of the management and policies of any Person, whether through the ownership of shares or other economic interests, the holding of voting rights or contractual rights or otherwise;

"**Agent's Branch**" means the main branch of the Agent in Sydney, Australia or such other branch as the Agent may from time to time designate by notice to the Borrower and the Lenders;

"**Agreement**" means this project facility agreement (including the Schedules hereto) and all amendments made hereto in accordance with the provisions hereof;

"**Annual Corporate Budget**" has the meaning set forth in Section 10.01(5)(d);

"**Annual Project Budget**" has the meaning set forth in Section 10.01(5)(e);

"**Applicable Laws**" or "**applicable law**" means, in relation to any Person, transaction or event:

(a) all applicable provisions of laws, statutes, rules and regulations from time to time in effect of any Official Body; and

(b) all Permits to which the Person is a party or by which it or its property is bound or having application to the transaction or event;

"**Applicable Margin**" means:

(a) for Tranche 1, (i) prior to the Project Completion Date, [*agreement redacted – proprietary structure*] per annum, and (ii) on and following the Project Completion Date, [*agreement redacted – proprietary structure*] per annum (the "**Tranche 1 Applicable Margin**"); and

(b) for Tranche 2, (i) prior to the Project Completion Date, [*agreement redacted – proprietary structure*] per annum, and (ii) on and following the Project Completion Date, [*agreement redacted – proprietary structure*] per annum (the "**Tranche 2 Applicable Margin**");

"**Authorized Officer**" means:

(a) in respect of a Loan Party, any director or attorney, the president, chief financial officer or company secretary, or any person from time to time authorized by directors' resolution (a certified copy of which is delivered to the Agent) or nominated by the Loan Party by a written notice to the Agent, as an authorized officer to sign notices or documents on its behalf in connection with any of the Finance Documents, such certified copy or notice to be accompanied by specimen signatures of those persons so appointed; and

(b) in respect of any third party, a director, a secretary or an officer whose title contains the word "director", "manager" or "executive", or any person performing the functions of any of them, or any person from time to time nominated as an Authorized Officer by such third party;

"**Availability Period**" means, if the applicable Conditions Precedent to the first Drawdown under the Project Facility have been satisfied and such first Drawdown has been requested and made by no later than January 31, 2013 (or any later date agreed to by the Lenders in writing in their sole discretion), the period commencing on the date all applicable Conditions Precedent have been satisfied (or waived in writing by the Lenders) and expiring on June 30, 2013, or on such earlier date on which the Commitments may be terminated pursuant to the terms of this Agreement; provided, that:

(a) if the last day of the Availability Period is not a Banking Day, the Availability Period shall end on the immediately preceding Banking Day;

(b) amounts will only be available under Tranche 1 once Tranche 2 has been fully drawn; and

(c) if the applicable Conditions Precedent to the first Drawdown under the Project Facility have not been satisfied or such first Drawdown has not been requested and made on or before January 31, 2013 (or any later date agreed to by the Lenders in writing in their sole discretion), there shall be no Availability Period hereunder and the Commitments of the Lenders shall be immediately and irrevocably cancelled;

"**Available Funding**" means the available and undrawn Commitments, if any, and the uncommitted credit balance, if any, in the Proceeds Accounts (that is, the aggregate of the amounts standing to the credit of the Proceeds Accounts, which, as at the date of determination, have not been allocated, designated or set aside for the payment of any Project Costs, other than the Costs to Complete as at such date);

"**Bankable Feasibility Study**" means the bankable feasibility study for the Project prepared by Tecnomin Projetos e Consultoria Ltda., NCL Brasil Ltda., Golder Associates Brasil Consultoria Services Ltd., M2 Environmental and Consulting Services Ltd., Lawrence Consulting Ltd. and John A Wells Metallurgical Consultant dated May 20, 2011 (effective date of April 6, 2011) as amended November 15, 2011, which includes (but is not limited to), the sampling, ore reserves, mine design, metallurgical testwork, process design, equipment selection, expenditure schedule, capital costs and operating costs, together with any updates to such study that are agreed to in writing by the Majority Creditors;

"**Bankable Ore Reserve Model**" means the filed NI 43 101 compliant, revised reserve estimation model incorporating all new drill hole data acquired in the 2010 drilling program for the Project, which is to be used in the LOMP and Annual Project Budget and is to be satisfactory to the Majority Creditors, as the same may be amended in accordance with Section 10.03(17)(b);

"**Banking Day**" means:

(a) for the purpose of determining the London Gold Price, a day on which the London bullion or metal dealers (as the case may be) are trading and banks are generally open for business in London, England, Sydney, Australia and Toronto, Ontario;

(b) for the purpose of determining when any payment is to be made, a day on which banks and foreign exchange markets are open for business in the place where the payment is to be made; and

(c) for any other purpose, a day on which banks are generally open for business in Toronto, Ontario, Sydney, Australia and São Paulo, SP, Brazil, but does not in any event include a Saturday or a Sunday;

"**Board of Directors**" means the administrators of the Borrower as per the registered and consolidated charter of the Borrower;

"**Borrower**" means Mineração Riacho dos Machados Ltda., a limited liability quota company incorporated pursuant to the laws of Brazil;

"**Brazilian Real**" "**BRL**" and "**R$**" mean the lawful money of the Federative Republic of Brazil;

"**Calculation Date**" means:

(a) March 31, June 30, September 30 and December 31 each year; and

(b) such other date on or about which the Financial Covenants are to be calculated as required by the Lenders from time to time under Section 10.04;

"**Canadian Dollars**" and "**Cdn.$**" mean the lawful money of Canada;

"**Capital Expenditures**" means all improvements and additions to fixed or capital assets, including land, property improvements, buildings and equipment, which, in accordance with Accounting Principles, are capitalized on the balance sheet of the Relevant Persons;

"**Cash Flow Available For Debt Service**" or "**CFADS**" means (as the case may be):

(a) in relation to a future period, revenue for such period from Project Production (as estimated or projected in the LOMP and adopting the Price Determination), including both hedge and spot gold sales, less:

(i) operating costs of the Project;

(ii) developing and sustaining Capital Expenditures for the Project;

(iii) any government and third party royalties in respect of Project Production;

(iv) Taxes in relation to the Project;

(v) any head office and discretionary expenditure, and

for such period, in each case as estimated or projected for such period in the LOMP and/or the Annual Project Budget and approved by the Majority Creditors (sometimes referred to as the "**CFADS (Forecast)**"); and

(b) in relation to a prior period, actual revenue received for such period from Project Production, including both hedge and spot gold sales, less:

(i) operating costs of the Project;

(ii) developing and sustaining Capital Expenditures for the Project;

(iii) any government and third party royalties in respect of Project Production;

(iv) Taxes in relation to the Project; and

(v) any head office and discretionary expenditure,

actually paid or prepaid by the Borrower for such period (sometimes referred to as the "**CFADS (Historical)**");

"**Change of Control**" means the occurrence of any event pursuant to which any Person that is not a Loan Party (or any group of such Persons acting in concert) acquires control of the Borrower or any other Loan Party. For purposes of this definition, "control" means, with respect to any Person:

(a) the power (whether by way of ownership of Equity Securities, proxy, contract, agency or otherwise) to (i) cast, or control the casting of, more than 25% of votes eligible to be cast at a duly called general meeting of that Person's shareholders, quotaholders, members, partners or governing body, as applicable, (ii) appoint or remove a majority of the members of the governing body of that Person, or (iii) give directions with respect to the operating and financial policies of that Person with which the directors, managers and officers of that Person are obliged to comply; or

(b) beneficially owning or holding more than 25% of the issued Equity Securities of that Person (excluding from the denominator of that calculation any Equity Securities that carry no right to participate beyond a specified amount in a distribution of either profits or capital),

and "**acting in concert**" means, a group of Persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition of Equity Securities in another Person by any of them, either directly or indirectly, to obtain or consolidate control over such other Person;

"**Closing Date**" means the date upon which this Agreement has been executed and delivered by all parties hereto and each of the Conditions Precedent to the first Drawdown under the Project Facility have been satisfied or waived by the Lenders, provided that such date shall not be later than January 31, 2013;

"**Collateral**" means all property in which the Collateral Agent on behalf of the Creditors holds a Lien to secure any of the Secured Obligations;

"**Collateral Agency Agreement**" has the meaning set forth in Section 11.01(a);

"**Commitment**" means the commitment by each Lender to provide the amount of US Dollars set forth opposite its name in Part I of Schedule A annexed hereto, subject to any reduction in accordance with the provisions hereof and "**Commitments**" means the aggregate of such commitments;

"**Commitment Fees**" has the meaning set out in Section 5.03(a);

"**Compliance Certificate**" means a certificate of the Borrower signed on its behalf by an Authorized Officer, substantially in the form annexed hereto as Schedule F, to be given by the Borrower to the Agent and the Creditors pursuant hereto;

"**Conditions Precedent**" means the conditions precedent set forth in Section 3.01;

"**Construction Agreement**" means the agreement dated May 9, 2012 between the Borrower and the Project Engineer concerning the Project and provides for the management of construction and design consultation in relation to the Project;

"**COPAM**" means the State Council of the Environment (*Conselho Estadual de Política Ambiental*) of Minas Gerais State, the deliberative body of the State Secretariat of Environment and Sustainable Development (*Secretaria de Estado de Meio Ambiente e Desenvolvimento Sustentável*) of Minas Gerais State;

"**Costs to Complete**" means an estimate contained in each Drawdown Notice and Monthly Report, prepared by the Borrower and approved by the Agent based on the Bankable Feasibility Study, the LOMP and such reports as the Agent may have requested from any Independent Consultants, of the aggregate of the following:

(a) the remaining Project Costs which will be required to achieve Engineering Completion;

(b) the estimated operating costs for the Project;

(c) the estimated working capital costs for the Project;

(d) the estimated interest and fees payable by the Borrower (including interest and fees payable in connection with the Project Facility),

in each case, to be made, paid, deducted, provided or incurred on and after the date of determination and up to the date that Engineering Completion is expected to be achieved, less:

(e) proceeds of Project Production estimated to be received on and after the date of determination and up to the date that Engineering Completion is expected to be achieved;

"**CPN**" means Carpathian Gold Inc., a corporation organized and subsisting under the laws of Canada;

"**CPN Shares**" means common shares in the capital of CPN;

"**Creditors**" means, collectively, as the context admits, each of the Lenders, the Hedge Providers, the Agent, in its capacity as administrative agent of the Lenders and Hedge Providers, and the Collateral Agent, in its capacity as collateral agent in respect of the Security;

"**Current Ratio**" means, at any particular time, the ratio of:

(a) the amounts which would, in accordance with Accounting Principles, be classified on the consolidated balance sheet of CPN at such time as current assets, including (for greater certainty) the aggregate of the cash balances in the Proceeds Accounts and the Operating Account at such time, but excluding (i) unrealized gains under Hedging Arrangements, and (ii) the credit balance of the Debt Service Reserve Account; to

(b) the amounts which would, in accordance with Accounting Principles, be classified on the consolidated balance sheet of CPN at such time as current liabilities, excluding liabilities in respect of (i) principal payments under the Project Facility, (ii) unrealized losses under Hedging Arrangements, and (iii) deferred revenue for the purposes of accounting in connection with the GP;

"**Debt to EBITDA Ratio**" means, at any time, with respect to the Loan Parties and all other Affiliates on a consolidated basis, the ratio of (a) Indebtedness at such time, to (b) EBITDA for the four most recently completed fiscal quarters; provided that, for the purpose of determining EBITDA for the first three full fiscal quarters following the Project Completion Date:

(i) for the first full fiscal quarter following the Project Completion Date, EBITDA will be calculated as the EBITDA for such fiscal quarter times four;

(ii) for the second full fiscal quarter following the Project Completion Date, EBITDA will be calculated as the EBITDA for such fiscal quarter and the preceding fiscal quarter, times two; and

(iii) for the third full fiscal quarter following the Project Completion Date, EBITDA will be calculated as EBITDA for such fiscal quarter and the two preceding fiscal quarters, times four-thirds;

"**Debt Service Coverage Ratio**" (or "**DSCR**") means, for a Fiscal Quarter, one of the following ratios, as applicable:

(a) if on a forward-looking basis (as detailed in the LOMP and adopting the Price Determination), the CFADS (Forecast) for each of the Fiscal Quarters immediately following the Calculation Date, divided by the scheduled debt service (principal, interest and fees) for the Project Facility for each such Fiscal Quarter (sometimes referred to as the "**DSCR (Forecast)**"); and

(b) if on an historical basis, the CFADS (Historical) for each Fiscal Quarter up to and including the Fiscal Quarter ending on the Calculation Date, divided by the aggregate of the debt service (principal, interest and fees) paid or payable in respect of the Project Facility for each such Fiscal Quarter (sometimes referred to as the **"DSCR (Historical)**");

"**Debt Service Reserve Account**" or "**DSRA**" has the meaning set forth in Section 12.01(4);

"**Debt Service Reserve Requirement**" means, at any time, an amount equal to the next three (3) months' interest and principal payments under the Project Facility;

"**Depreciation Expense**" means, for any period with respect to any Person, depreciation, amortization, depletion and other like reductions to income of such Person for such period not involving any outlay of cash;

"**Discount Rate**" means at any time, the sum of:

(a) the Reference Rate for a 90 day Interest Period; and

(b) the weighted average of the Tranche 1 Applicable Margin and the Tranche 2 Applicable Margin, based on the amounts actually drawn and outstanding under each tranche relative to the total Principal Outstanding;

"**DNPM**" means Departamento Nacional de Produção Mineral of the Federative Republic of Brazil;

"**Drawdown**" means the making of an Advance hereunder;

"**Drawdown Date**" means, in relation to any particular Drawdown, the date, determined in accordance with the provisions of this Agreement, on which a Drawdown is made by the Borrower pursuant to the provisions hereof and which shall be a Banking Day;

"**Drawdown Notice**" means a notice substantially in the form annexed hereto as Schedule C to be given to the Agent by the Borrower pursuant to Section 2.05;

"**Earthworks Agreement**" means the service agreements entered into between the Borrower and Engefort Obras Industriais Terraplanagem e Pavimentação Ltda. dated 15 May 2012, as amended 26 September 2012, and dated 12 November 2012, in each case, relating to land removal, grading, drainage, construction of the tailings dam and civil engineering works for the Project;

"**EBITDA**" means, with respect to any Person for any period, the Net Income of such Person for such period plus, without duplication and to the extent reflected as a charge in the statement of net income included in the financial statements of such Person:

(a) all amounts deducted in the calculation thereof in respect of Depreciation Expense, and current and deferred taxes, net losses of subsidiaries and any other losses incurred in respect of investments that are accounted for on an equity basis;

(b) all losses (including actual and unrealized losses) on Hedging Arrangements;

(c) Interest Expense; and

(d) any extraordinary, non-recurring or unusual expenses or losses (including, whether or not otherwise includable as a separate item in such statement of net income, losses on sales outside of the ordinary course of business or on sale leaseback transactions);

<u>less</u>, without duplication and to the extent reflected as a credit in such statement of net income,

(e) any reduction of deferred taxes;

(f) amounts included in the calculation thereof in respect of net profits of subsidiaries and any other profits in respect of investments that are accounted for on an equity basis;

(g) all gains (including actual and unrealized gains) on Hedging Arrangements; and

(h) any extraordinary, non-recurring or unusual income or gains (including, whether or not otherwise includable as a separate item in such statement of net income, gains on sales outside of the ordinary course of business or on sale lease back transactions);

"**Eligible Financial Institution**" means any financial institution that is not a tax resident of a Low Cost Jurisdiction;

"**Engineering Completion**" means and shall have occurred when the conditions set forth in Part I of Schedule L have been met to the satisfaction of the Agent;

"**Engineering Completion Certificate**" means a certificate (together with all attachments thereto) duly executed in one or more counterparts by the Independent Engineer and an Authorized Officer of the Borrower (and confirmed by the Agent as having been completed in a manner which is responsive to the terms thereof), in a form and substance satisfactory to the Agent;

"**Environmental Claims**" means any and all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations, inspections or other similar proceedings relating in any way to any Environmental Laws or to any permit issued under any such Environmental Laws including, without limitation:

(a) any claim by an Official Body for enforcement, clean-up, removal, response, remedial or other actions or damages pursuant to any Environmental Laws; and

(b) any claim by a Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive or other relief resulting from or relating to Hazardous Materials, including any Release thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment;

"**Environmental Laws**" means all Applicable Laws with respect to the environment or environmental or public health and safety matters contained in statutes, regulations, rules, ordinances, orders, judgments, approvals, notices, permits or policies, guidelines or directives having the force of law relating to the Project Tenements, the Project and the intended uses thereof, including all Applicable Laws pertaining to the reporting, licensing, permitting, transportation, storage, disposal, investigation or remediation of Releases, or threatened Releases, of Hazardous Materials into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of Hazardous Materials, including (as applicable) the applicable requirements of mining law of any applicable jurisdiction, the following Applicable Laws and their respective regulations, official standards and interpretations:

(a) Federal Law No. 4771/1965;

(b) Federal Law No. 6938/1981;

(c) Federal Law No. 9433/1997;

(d) Federal Law No. 9985/2000;

(e) Federal Law No. 12305/2010;

(f) Federal Decree No. 97632/1989;

(g) Federal Decree No. 4340/2002;

(h) Federal Decree No. 7404/2010;

(i) Resolution No. 1/1986 issued by the National Council of the Environment - CONAMA;

(j) CONAMA Resolution No. 237/1997;

(k) CONAMA Resolution No. 357/2002;

(l) CONAMA Resolution No. 303/2002;

(m) State Law (Minas Gerais) No. 14309/2002; and

(n) Normative Ruling No. 74/2004, issued by the State Council of Environmental Policy – COPAM;

"**Environmental Management Plan**" means the environmental management plan entitled "Plano de Controle Ambiental - PCA" prepared by or on behalf of the Borrower, filed with SUPRAM-NM on August 24, 2010 for the construction, operational and closure phases of the Project;

"**Equipment Purchase Agreement**" means the equipment purchase agreement dated for reference August 19, 2011 between the Borrower, Sotreq C.V. and Sotreq S.A. for the supply of mining and related mechanical equipment to the Project;

"**Equity Contributions**" means any proceeds received after the date hereof by the Borrower from the issue and sale from treasury of its quotas and/or warrants and/or options to purchase its quotas or proceeds from such other form of financing as is acceptable to the Lenders;

"**Equity Gap**" means, at any time, the difference between the Costs to Complete and the Available Funding;

"**Equity Securities**" means, with respect to any Person, (i) shares of capital stock of (or other ownership or profit interests in) such Person, (ii) warrants, options or other rights for the purchase or other acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, (iii) securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or other acquisition from such Person of such shares (or such other interests), and (iv) other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), in each case, whether voting or non-voting, and whether or not such shares, warrants, options, rights or other interests are authorized or otherwise existing on any date of determination;

"**Equivalent Amount**" means, on any date, (i) the equivalent amount in Brazilian Reais or US Dollars, as the case maybe, after giving effect to a conversion of a specified amount of Brazilian Reais to US Dollars or of US Dollars to Brazilian Reais, as the case may be, or (ii) the equivalent amount in any other currency, after giving effect to a conversion of a specified amount of US Dollars to such other currency, in each case, at the spot rate quoted for wholesale transactions by the Agent at the Agent's Branch at approximately noon (Sydney time) on that date in accordance with its normal practice;

"**Event of Default**" means any of the events described in Section 13.01 or referred to elsewhere in any Finance Document as an Event of Default under this Agreement;

"**Exploration Licences**" means the exploration licences (*Autorização de Pesquisa*) within and comprising part of the Project from time to time, including, without limitation, those listed on Schedule G annexed hereto, and includes any application for an exploration licence and any filing, extension, renewal, amendment, modification, restatement, amendment and restatement and replacement of any of the same;

"**Export Proceeds Account**" means the account described in Section 12.01(1)(a);

"**Export Repayment Schedules**" means the structured export repayment schedules (to repay the pre-export payments in US Dollars from the proceeds of exports of Product) for the Project Facility set out in Schedule B hereto, as such structured export repayment schedules may be revised (if applicable) by the Lenders from time to time upon any change to the LOMP (given that the initial export repayment schedules are based on projected production of Product under the initial LOMP);

"**Final Maturity Date**" means March 31, 2017, being the last Repayment Date;

"**Finance Documents**" means, collectively:

(a) this Agreement;

(b) Drawdown Notices and Rollover Notices;

(c) all promissory notes evidencing any of the Secured Obligations;

(d) all Hedging Arrangements between the Borrower and the Hedge Providers;

(e) the Security, including for certainty, the Tripartite Agreements;

(f) the Collateral Agency and Intercreditor Agreement;

(g) any document or agreement entered into or provided under or in connection with any of the foregoing;

(h) any undertaking by or to a party or its lawyers under or in relation to any of the foregoing; and

(i) any other document which the Collateral Agent and the Borrower or the Agent and the Borrower agree is a Finance Document;

"**Financial Assistance**" means, with respect to any Person and without duplication, any loan, guarantee, indemnity, assurance, acceptance or extension of credit, loan purchase, share purchase, equity or capital contribution or investment, or any other form of direct or indirect financial assistance or support of any other Person or any obligation (contingent or otherwise) primarily for the purpose of enabling another Person to (i) incur or pay any Indebtedness, (ii) comply with agreements relating thereto, or (iii) otherwise assure or protect creditors of the other Person against loss in respect of Indebtedness of the other Person, and includes any guarantee of or indemnity in respect of the Indebtedness of another Person and any absolute or contingent obligation to (directly or indirectly):

(a) advance or supply funds for the payment or purchase of any Indebtedness of any other Person;

(b) purchase, sell or lease (as lessee or lessor) any property, assets, goods, services, materials or supplies primarily for the purpose of enabling any Person to make payment of Indebtedness or to assure the holder thereof against loss;

(c) guarantee, indemnify, hold harmless or otherwise become liable to any creditor of any other Person from, for or against any losses, liabilities or damages in respect of Indebtedness;

(d) make a payment to another for goods, property or services regardless of the non-delivery or non-furnishing thereof to the Borrower or any Subsidiary thereof; or

(e) make an advance, loan or other extension of credit to or to make any subscription for equity, equity or capital contribution, or investment in or to maintain the capital, working capital, solvency or general financial condition of another Person;

and, in each case, the amount of any Financial Assistance is the amount of any loan or direct or indirect financial assistance or support, without duplication, given, or all Indebtedness of the obligor to which the Financial Assistance relates, unless the Financial Assistance is limited to a determinable amount, in which case the amount of the Financial Assistance is the determinable amount;

"**Financial Completion**" means and shall have occurred when the conditions set forth in Part II of Schedule L have been met to the satisfaction of the Agent;

"**Financial Covenants**" means, collectively, the covenants set forth in Section 10.04;

"**Fiscal Quarter**" means the three month period ending on December 31, 2012, each succeeding three month period ending March 31, June 30, September 30 and December 31 of each Fiscal Year, and the period ending on the Final Maturity Date which commenced on the day immediately following the last day of the preceding Fiscal Quarter; provided that, where used in the context of a Calculation Date which does not coincide with the end of any such three month period, it means the three month period ended that immediately precedes such Calculation Date;

"**Fiscal Year**" means the fiscal year of the Borrower or CPN, as the case may be, which commences on January 1 and ends on December 31 of each year;

"**Force Majeure**" means any of the following events which prevents or materially impairs the construction or operation of the Project: acts of God, earthquakes, tidal waves, hurricanes, landslides, windstorms, severe weather conditions, floods, explosions, fires, vandalism, wars (whether declared or not), armed conflicts (whether internal or international), riots, insurrections, rebellions, civil commotions, sabotage, blockades, embargoes, epidemics, strikes or other labour disruptions, or any other event or cause, whether similar or dissimilar to the foregoing, beyond the control of the Loan Parties and which the Loan Parties could not reasonably have protected themselves against taking all steps;

"**Fuel Supply Agreement**" means (a) the fuel supply agreement to be entered into between the Borrower and Ipiranga Produtos de Petróleo S/A with respect to the provision of diesel fuels to the Project and (b) any other fuel supply agreement with a term greater than 12 months with respect to the provision of diesel or gasoline fuels to the Project which may be entered into by any of the Loan Parties, with a counterparty and which must be in a form and substance, in each case, acceptable to the Majority Creditors;

"**General Security Agreement**" means the security agreement to be granted by each Loan Party, other than CPN and the Borrower, in favour of the Collateral Agent for the benefit of the Creditors, in form and substance satisfactory to the Collateral Agent;

"**Gold Call Options**" means the American style call options granted by CPN to MBL on or about the date of this Agreement as consideration for MBL's commitment to underwrite the Project Loan Facility, [*agreement redacted – proprietary structure*];

"**GP**" means the gold purchase arrangements established pursuant to the GPA and the SPA;

"GPA" means the purchase agreement dated as of May 4, 2010 among CPN, as guarantor, the Borrower, as seller, and MBL, as purchaser, with respect to the purchase of a percentage of the Project Production (defined as "Payable Au" under such agreement) by MBL from the Borrower from the Project, as amended and restated pursuant to a Second Amending Agreement made between the Borrower, MBL and CPN dated October 25, 2012;

"**GP Security**" means the guarantees and security that secures the obligations under the GPA and the SPA, including, without limitation, the following:

(a) the guarantee and indemnity granted by CPN in favour of MBL with respect to, inter alia, the GPA and the SPA;

(b) the guarantee and indemnity granted by OLC Brazil in favour of MBL with respect to, inter alia, the GPA and the SPA;

(c) the guarantee and indemnity granted by OLV Co-op in favour of MBL with respect to, inter alia, the GPA and the SPA;

(d) the guarantee and indemnity granted by OLC Holdings in favour of MBL with respect to, inter alia, the GPA and the SPA;

(e) the pledge granted by the Borrower in favour of MBL to secure its obligations under, inter alia, the GPA and the SPA with respect to the pledge of the Project Tenements that are Mining Rights;

(f) the mortgage granted by the Borrower in favour of MBL to secure its obligations under, inter alia, the GPA and the SPA with respect to the mortgage of the Lands owned by the Borrower in relation to the Project; and

(g) such other security to be granted by the Borrower so as to ensure that the obligations of the Borrower under the GPA and the SPA are secured by security on the assets of the Borrower that is equivalent to the Security granted by the Borrower securing the Secured Obligations hereunder;

provided that the parties intend for the GP Security to be subject in all respects to the terms and conditions of the Collateral Agency Agreement;

"**GPA Upfront Payment**" means the aggregate US$15,000,000 "upfront payment" to be paid by MBL to the Borrower pursuant to the GPA, which has been paid in full by MBL to the Borrower as at the date hereof;

"**Guarantee**" means any agreement by which any Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes liable upon, the obligation of any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person or otherwise assures any creditor of such other Person against loss, and shall include, without limitation, any contingent liability under any letter of credit or similar document or instrument. The amount of any guarantee shall be calculated for all purposes herein at the maximum amount of credit available to the guaranteed entity in respect of the obligation covered by the guarantee, whether or not such credit is utilized in the maximum amount available;

"**Guarantors**" means CPN, OLC Brazil, OLV Co-op, and OLC Holdings; provided that CPN shall cease to be a Guarantor in accordance with the provisions of Section 11.03 upon, and in respect of the period following, Project Completion;

"**Hazardous Materials**" means any (i) radioactive material, (ii) explosive, (iii) substance that, if added to any water, would degrade or alter or form part of a process of degradation or alteration of the quality of that water to the extent that it will adversely affect its use by any individual or by any animal, fish or plant, (iv) solid, liquid, gas or odour or combination of any of them that, if emitted into the air, would create or contribute to the creation of a condition of the air that endangers the health, safety or welfare of individual persons or the health of animal life, interferes with normal enjoyment of life or property or causes damage to plant life or to property, (v) petroleum or petroleum product, (vi) toxic substance or other contaminant, including cyanide, (vii) substance, sound, vibration, ray, change in temperature, or radiation, in each case, declared to be hazardous or toxic under any Applicable Law now or hereafter enacted or promulgated by any Official Body having jurisdiction over any of the Loan Parties or their respective properties, assets or interests, including any substance, sound, vibration, ray, change in temperature or radiation which would be considered a hazardous substance under any Environmental Law to which the relevant Loan Party is subject, and (viii) other substance which is or may become hazardous, dangerous or toxic to individual persons or property;

"**Hedging Arrangement**" means any agreement, option or arrangement designed to protect a Person against fluctuations in:

(a) interest rates;

(b) currency exchange rates; or

(c) precious metals or commodity prices, and for greater certainty shall include any rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange forward transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross currency rate swap transaction, currency option, credit derivative or any other similar transaction or agreement evidencing such transaction (including any option with respect to any of these transactions), any transaction referred to in clause (a) or (b) of the definition of "Specified Transaction" contained in section 14 of the 2002 ISDA Master Agreement published by International Swaps and Derivatives Association, Inc., and any combination of any of the aforesaid transactions, in each case whether entered into before, contemporaneously with or after this Agreement, and whether or not designated on its face as giving rise to Hedging Obligations as herein defined, and (for greater certainty) including the Initial Hedging Program, and each long form confirmation and ISDA master agreement (including the schedules to it and all confirmations of all transactions governed by it), entered into between the Borrower and a Hedge Provider;

"**Hedging Obligations**" means, in respect of Hedging Arrangements between the Borrower and the Hedge Providers, the aggregate (without duplication) at the relevant time, whether or not due at such time, of:

(a) the net marked-to-market obligations of the Borrower under all Hedging Arrangements; and

(b) the net amount owing or deliverable by the Borrower to each Hedge Provider under all Hedging Arrangements,

in each case, as calculated by each Hedge Provider;

"**Indebtedness**" means, with respect to any Person, indebtedness of such Person and its Subsidiaries which would, in accordance with Accounting Principles, be classified upon a consolidated balance sheet (and the notes thereto) of such Person as liabilities (absolute or contingent) of such Person and its Subsidiaries and, whether or not so classified, shall include (without duplication):

(a) indebtedness of such Person and its Subsidiaries for borrowed money;

(b) obligations of such Person and its Subsidiaries arising pursuant or in relation to (i) bankers' acceptances (including payment and reimbursement obligations in respect thereof), or (ii) letters of credit and letters of guarantee supporting obligations which would otherwise constitute Indebtedness within the meaning of this definition or indemnities issued in connection therewith;

(c) obligations of such Person and its Subsidiaries with respect to drawings under all other letters of credit and letters of guarantee;

(d) obligations of such Person and its Subsidiaries under Guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the indebtedness or other obligations of any other Person which would otherwise constitute Indebtedness within the meaning of this definition and all Financial Assistance including endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business);

(e) all indebtedness of such Person and its Subsidiaries representing the deferred purchase price of any property to the extent that such indebtedness is or remains unpaid after the expiry of the customary time period for payment, and (ii) all obligations of such Person and its Subsidiaries created or arising under any conditional sales agreement (or other title retention agreement) or capital lease;

(f) the amount for which any shares in the capital of any such Person that is a body corporate (including any securities, instruments or contractual rights capable of being converted into, exchanged or exercised for any such shares, including options, warrants, conversion or exchange privileges or similar rights) may be redeemed if the holders of such shares are entitled at such time to require such Person to redeem such shares, or if such Person is otherwise obligated at such time to redeem such shares, in each case whether on notice or otherwise;

(g) the Hedging Obligations of such Person under any Hedging Arrangement; and

(h) the amount of any continuing investment or collateralization in connection with a factoring or securitization of receivables or any other asset (regardless of the form of such continuing investment or collateralization, factoring or securitization, and including any capital contribution, but not including the proceeds received for any asset that is the subject of such factoring or securitization) or other form of credit enhancement or recourse made or required to be made in connection with such factoring or securitization and regardless of the form of such recourse arising under such factoring or securitization;

but shall exclude each of the following, determined (as required) in accordance with Accounting Principles:

(i) accrued interest not yet due and payable;

(ii) taxes payable and future taxes; and

(iii) such other similar liabilities as may be agreed by the Lenders from time to time;

"**Indemnified Taxes**" includes any Taxes imposed, levied or otherwise charged by any government authority, including interest, additions to Tax or penalties applicable thereto, but excludes (a) Taxes imposed on any Creditor's income, and franchise or similar Taxes imposed on it, by any jurisdiction or political subdivision where it is organized, conducts business or maintains its lending office, and (b) Taxes that would not have been imposed but for a connection (other than a connection arising solely as a result of the transactions contemplated by this Agreement or any other Finance Document) between any Creditor and the jurisdiction imposing the Tax;

"**Independent Consultant**" means any independent or other expert appointed by the Creditors to advise and report to the Agent and the other Creditors on such matters as they may require in connection with the Finance Documents, the Borrower, its business or operations, the Project Documents, the Required Insurance, the Mineral Rights or the Project;

"**Independent Engineer**" means such Independent Consultant as is retained by the Creditors with the consent of the Borrower, such consent not to be unreasonably withheld or delayed; provided that such consent shall not be required (i) with respect to the Independent Consultant retained to consider Engineering Completion, or (ii) at any time when an Event of Default or Potential Event of Default shall have occurred and be subsisting;

"**Initial Au Hedging Program**" means the initial gold production Hedging Arrangements between the Borrower and the Hedge Providers comprised of the unmargined hedging of a minimum of [*agreement redacted – proprietary structure*] of gold production over the first five (5) years of production from the Project, based on the LOMP, by way of forward sale contracts with a minimum forward price at least equal to [*agreement redacted – proprietary structure*], and involving hedging or other price participating or downside protection hedging structures satisfactory to the Lenders, and as agreed by the Hedge Providers and the Borrower;

"**Initial BRL Hedging Program**" means the initial currency Hedging Arrangements between the Borrower and the Hedge Providers in respect of:

(a) not less than [*agreement redacted – proprietary structure*] of operating costs for the Project hedged at or above the rate of exchange for US $/BRL agreed between the Borrower and the Hedge Providers; and

(b) not less than [*agreement redacted – proprietary structure*]of capital costs for the Project, or such other amount in BRL equal to Capital Expenditures as set out in the Annual Project Budget, hedged at or above the rate of exchange for US $/BRL agreed between the Borrower and the Hedge Providers;

provided that such initial currency Hedging Arrangements will have a settlement profile that matches the LOMP, and in each case, will involve hedging or other price participating or downside protection hedging structures satisfactory to the Lenders, and as agreed by the Hedge Providers and the Borrower;

"**Initial Hedging Programs**" means, collectively, the Initial Au Hedging Program and the Initial BRL Hedging Program;

"**Insurable Property**" means such of the Collateral which is of an insurable nature;

"**Intellectual Property**" means any and all intellectual and industrial property, whether recorded or not and regardless of form or method of recording (and including all documents, records, maps, plans, photographs, drawings, reports, computer tapes and disks and other physical means for the storage or recall of all or any part thereof), including all works in which copyright subsists or may subsist (such as computer software), data bases (whether or not protected by copyright), designs, documentation, manuals, specifications, industrial designs, trade secrets, confidential information, ideas, concepts, know-how, trade marks, service marks, trade names, domain names, discoveries, inventions, formulae, recipes, product formulations, processes and processing methods, technology and techniques, improvements and modifications, integrated circuit topographies and mask works (and including, for certainty, mining, processing and engineering and other drawings, computer data bases and software technology, results of drilling programs, assays and all other technical, geological, production and commercial information, feasibility, metallurgical and other studies, safety information, mining, survey and engineering data, designs and specifications), and "**Intellectual Property Rights**" includes all intellectual and industrial and other proprietary rights in any Intellectual Property;

"**Interest Expense**" means, with respect to any Person for any period, without duplication, the aggregate amount of interest and other financing charges expensed by such Person on account of such period with respect to Indebtedness, including interest, discount financing fees, commissions, discounts, the interest or time value of money component of costs related to factoring or securitizing receivables or monetizing inventory and other fees and charges payable with respect to letters of credit, letters of guarantee and bankers' acceptance financing, standby fees, the interest component of capital leases and net payments (if any) pursuant to interest rate Hedging Arrangements, but excluding any amount, such as amortization of debt discount and expenses, that would qualify as Depreciation Expense and the amount reflected in Net Income for such period in respect of gains (or losses) attributable to translation of Indebtedness from one currency to another currency, all as determined on a consolidated basis in accordance with applicable Accounting Principles;

"**Interest Payment Date**" means, with respect to each Advance, the last day of each applicable Interest Period and, if any Interest Period is longer than 90 days, the last Banking Day of each 90 day period during such Interest Period;

"**Interest Period**" means, with respect to each Advance, the period selected by the Borrower and being of 30, 60, 90 or 180 days duration, or such other period as may be agreed by the Lenders subject to availability to all of the Lenders, commencing on the Drawdown Date, or the applicable Rollover Date, as the case may be; provided that in any case the last day of each Interest Period shall be also the first day of the next Interest Period and further provided that the last day of each Interest Period shall be a Banking Day and if the last day of an Interest Period selected by the Borrower is not a Banking Day the Borrower shall be deemed to have selected an Interest Period the last day of which is the Banking Day next following the last day of the Interest Period otherwise selected unless such next following Banking Day falls in the next calendar month in which event the Borrower shall be deemed to have selected an Interest Period the last day of which is the last Banking Day of the current calendar month and further provided that the last Interest Period hereunder shall expire on or prior to the Final Maturity Date;

"**Investment**" means all loans, advances, capital contributions and transfers of assets, and all purchases and other acquisitions for consideration of cash or evidences of indebtedness, capital stock or other securities;

"**ISDA Master Agreement**" has the meaning set out in Section 3.01(1)(e);

"**Judgment Conversion Date**" has the meaning set out in Section 17.06(1);

"**Lands**" means, with respect to the Project, all right, title or interest of the Borrower or any of its affiliates in real property, including without limitation, all right, title or interest in the real property described in the table and map attached as Schedule H to this Agreement, as well as and including, all surface rights, easements, tenements, rights of use, rights of access, rights of way and leasehold interests, in each case, comprising or relating to the Project, and all buildings, erections, structures, improvements and fixtures thereon, together with any interest therein hereinafter acquired by the Borrower or any of its affiliates;

"**Lands Access Agreements**" means:

(a) Purchase and Sale of Rural Property Agreement between the Borrower, Ataíde Pereira dos Santos and Odilia Gomes Rodrigues, dated 15 September 2010, regarding the transfer of title and possession of the rural property of Córrego Mumbuca, registered under N. 7.126, book 02, page 01 of the Real Estate Register of Porteirinha, State of Minas Gerais;

(b) Public Deed of Assignment and Transfer of Inheritance Rights between the Borrower, Madalena Pereira da Silva and others, dated 25 May 2010, regarding possession rights over a rural property located in the site of Ouro Fino, Municipality of Riacho dos Machados, State of Minas Gerais, as described in the Sale Deed of Unoccupied Government Lands granted to Ramiro José Pereira and registered at page 33, book 603, of the Board of Land Heritage of the Public Rural Foundation of the State of Minas Gerais – "RURALMINAS";

(c) Public Deed of Assignment and Transfer of Inheritance Rights between the Borrower, Francisca Silva and others dated 25 May 2010, regarding possession rights over a rural property located in the site of Ouro Fino, in the Municipality of Riacho dos Machados, State of Minas Gerais, as described in the Sale Deed of Unoccupied Government Lands granted to João Pereira da Silva and registered at page 43, book 791, of the Board of Land Heritage of RURALMINAS;

(d) Public Deed of Assignment and Transfer of Inheritance Rights, between the Borrower, Madalena Pereira da Silva and others, dated 25 May 2010, regarding possession rights over a rural property located in the site of Ouro Fino, in the Municipality of Riacho dos Machados, State of Minas Gerais, as described in the Sale Deed of Unoccupied Government Lands granted to José Pereira da Silva and registered at page 18, book 587, of the Board of Land Heritage of RURALMINAS;

(e) Public Deed of Assignment and Transfer of Inheritance Rights, between the Borrower, Luzia Alves da Silva and others, dated 25 May 2010, regarding possession rights over a rural property located in the site of Ouro Fino, in the Municipality of Riacho dos Machados, State of Minas Gerais, as described in the Sale Deed of Unoccupied Government Lands granted to Antônio Gomes Silva and registered at page 67, book 589, of the Board of Land Heritage of RURALMINAS;and

(f) Public Deed of Assignment and Transfer of Possession Rights between the Borrower, Luzia Francisca Silva Soares and Antonio Soares Barbosa, dated 25 May 2010, regarding the possession of a rural property located in the site of Ouro Fino, Municipality of Riacho dos Machados, State of Minas Gerais.

"**LBMA**" means the London Bullion Market Association (or any successor association or body);

"**Lenders' Counsel**" means (i) in Canada, the firm of Blake, Cassels & Graydon LLP, (ii) in Brazil, the firm of Pinheiro Neto Advogados, (iii) in the Netherlands, the firm of Clifford Chance LLP or, in each case, such other firm of legal counsel as the Agent may from time to time designate;

"**LI**" means the Installation Licence (*Licença de Instalação*) with respect to the Project issued by COPAM on November 21, 2011 to permit the Borrower to commence construction of the Project;

"**Licences**" means, collectively, the LP, the LI and the LO, and includes any extensions, renewals, amendments, modifications, restatements, amendment and restatements and replacements of any of the same;

"**Lien**" means a mortgage, security interest, pledge, deed of trust, encumbrance, lien, fiduciary property (*propriedade fiduciária*), option, royalty (including Net Smelter Royalties), tax lien, statutory lien, mechanics' lien, materialmen's lien or charge or encumbrance of any kind (including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of or agreement to give any fixed or floating charge over property in the applicable jurisdiction);

"**Life of Mine**" means the period over which the LOMP has been prepared, as amended from time to time in accordance with the Finance Documents;

"**LO**" means the Operations Licence (*Licença de Operação*) with respect to the Project to be issued by COPAM and/or SUPRAM-NM to permit the Borrower to commence operations thereat;

"**Loan Life Coverage Ratio**" (or "**LLCR**") means (adopting the Price Determination) (a) the net present value (using the Discount Rate as at the applicable Calculation Date) of the CFADS (Forecast) over the remaining term of the Project Facility on a forward looking basis (as detailed in the LOMP) at the relevant Calculation Date, divided by (b) the Principal Outstanding (excluding, for this purpose, any principal outstanding under Tranche 2 in excess of US$10,000,000), <u>less</u> any positive balance in the DSRA up to a maximum amount equal to the aggregate principal repayments payable on the next Repayment Date;

"**Loan Parties**" means, collectively, the Borrower and Guarantors, and will continue to include CPN after it is no longer a Guarantor pursuant to the terms hereof;

"**LOMP**" means the base case, life of mine plan and cash flow accepted as such by the Creditors pursuant to Section 3.01(1)(o), as the same may be amended or updated with the prior written approval of, or as required by the Agent upon the instructions of, the Majority Creditors in accordance with Section 10.01(7)(b);

"**London Gold Fixing**" means a gold price fixing meeting among the members for the time being of the LBMA;

"**London Gold Price**" means, on any day, the fixing price per ounce of gold (in US $) as announced at the afternoon London Gold Fixing for such day and which appears on the relevant Reuters Screen Page on such day (which on the date hereof is Reuters Screen Page GOFO); provided that:

(a) if the afternoon London Gold Fixing shall not have occurred for that day, the London Gold Price for such day shall be the fixing price per ounce (in US $) as announced at the morning London Gold Fixing for such day; or

(b) if the morning London Gold Fixing shall not have occurred for such day, the London Gold Price for such day shall be the publicly quoted price per ounce (in US $) on such other accessible international gold market (allowing for physical delivery of such gold) as may be reasonably selected by the Agent; or

(c) in the event the Agent shall have been unable to select any other such international gold market, then the London Gold Price for such day shall mean such price as the Agent, acting upon the instructions of the Majority Creditors, shall reasonably determine,

provided further that, in the event that such day is not a Banking Day, then the London Gold Price shall be the London Gold Price on the immediately preceding Banking Day;

"**Low Cost Jurisdiction**" means a tax jurisdiction that does not tax income or has a maximum income tax rate lower than 20%;

"**LP**" means the Preliminary Licence (*Licença Prévia*) with respect to the Project issued by COPAM on June 2, 2010 to permit the Borrower to carry out the necessary detailed planning and environmental studies relating thereto;

"**Majority Lenders**" means, at any given time, the Lenders to which at least [*agreement redacted – proprietary structure*] in the aggregate of all Advances are outstanding or, if the Project Facility has not been drawn down, the Lenders the Commitments of which are in the aggregate at least [*agreement redacted – proprietary structure*] of the Project Facility, [*agreement redacted – proprietary structure*] of all the Lenders at any given time;

"**Majority Creditors**" means, at any given time, the Creditors to which at least [*agreement redacted – proprietary structure*] in the aggregate of all Advances and Hedging Obligations are outstanding or, if the Project Facility has not been drawn down, the Creditors the Commitments of which, and/or the Hedging Obligations to which, as the case may be, are at least [*agreement redacted – proprietary structure*] in the aggregate of the sum of all Commitments under the Project Facility and all Hedging Obligations at such time, [*agreement redacted – proprietary structure*] of all the Lenders and all outstanding Hedging Obligations at any given time;

"**Material Adverse Event**" means an event (including a series of related or unrelated events) which, in the opinion of the Majority Creditors, has, or could be expected to have, a material adverse effect on:

(a) the business, assets, liabilities (contingent or otherwise), operations, results of operations, property, condition (financial or otherwise), ownership or board membership of any of the Loan Parties;

(b) the ability of the Loan Parties to perform their obligations (including the Secured Obligations);

(c) the viability (whether technical, environmental or economic), ongoing operations or value of the Project;

(d) the rights and remedies of the Creditors under any Finance Document, any Project Document, or any related document, instrument or agreement;

(e) the value of the Collateral taken as a whole, the Collateral Agent's Liens on the Collateral or the perfection or priority of the Liens provided for in the Security; or

(f) Permits relating to the Project;

"**Maximum Permitted Equity Gap**" means, subject to Section 10.01(26), [*agreement redacted – proprietary structure*];

"**MBL**" means Macquarie Bank Limited, ABN 46 008 583 542;

"**MB Royalty**" has the meaning set out in paragraph (k) of the definition of Permitted Liens in this Section 1.01;

"**Metals Account**" means the account described in Section 12.01(2);

"**Metso Agreement**" means the agreements entered into between the Borrower and Metso Brasil Indústria e Comércio Ltda. dated 15 June 2012 and 27 September 2012 relating to the installation and ramp up of the mill and the supply of conveyor belts and other ancillary equipment for the processing plant at the Project;

"**Mineral Rights**" means, with respect to the Project:

(a) the Mining Concession;

(b) the Exploration Licences;

(c) all other mineral licences, tenures, tenements and other material interests in the Project, including all exploration permits, exploitation concessions and any gaps or fractions between such permits or concessions relating to the Project, whether constituted or in the process of being constituted, and held by or for the benefit of the Borrower or its affiliates, and any other permits or concessions or rights thereto (including any future right) located within the areas covered by the aforesaid permits or concessions and owned directly or indirectly by the Borrower or its affiliates or otherwise for the benefit thereof;

(d) all registered and non-registered concessions and other rights held by or contracted to the Borrower or its affiliates to remove or divert from its natural source and to use water granted by any Persons to the Borrower or its affiliates in respect of or in connection with the Project, and all rights and approvals related thereto, such as rights and approvals to access water and to locate equipment and other hydrological works necessary to access and transport water in respect of or in connection with the Project;

(e) any present or future renewal, extension, modification, substitution, amalgamation or variation of any of the above (whether extending over the same or a greater or lesser area);

(f) any present or future application for or interest in any of the above, which confers or which, when granted, will confer the same or similar rights; and

(g) any other present or future interest held by or on behalf of the Borrower or any of its affiliates in minerals, ores and mines, whether on or under land, necessary for the Borrower to develop and operate the Project;

"**Minimum Account Balance**" means a minimum aggregate balance in the Proceeds Accounts and the Operating Account equivalent to [*agreement redacted – proprietary structure*] as set out in the then current Annual Project Budget;

"**Mining Concession**" means:

(a) the mining concession (*Concessão de Lavra*) identified on Schedule G annexed hereto as being within and comprising part of the Project, as issued by the DNPM and held by the Borrower for the conduct of mining operations at the Project; and

(b) any future mining concession(s) (*Concessão de Lavra*) relating to or comprising part of the Project, as may be issued by the DNPM or other relevant Official Body and held by the Borrower or any of its affiliates for the conduct of mining operations at the Project, including any future mining concession issued with respect to the surface area or land that is the subject of any Exploration Licence, and, in each case, includes any application for a mining concession, and any extension, renewal, expansion, amendment, modification, restatement, amendment and restatement and replacement of any of the same;

"**Mining Laws**" means the collection of rules that establish the rights, obligations and proceedings relating to the acquisition, exploitation and uses of mineral substances in Brazil, including:

(a) the Brazilian Federal Constitution of 1998;

(b) Constitutional Amendment Nr. 6 dated 16 August 1995;

(c) Brazilian Mining Code issued by Decree-Law Nr. 227 dated 28 February 1967, as amended;

(d) Decree Nr. 62,934 dated 2 July 1968;

(e) Federal Law Nr. 9,314 dated 14 November 1996, as amended;

(f) Federal Decree 97,507 dated 13 February 1989, as amended; and

(g) as well as all decrees, ordinances and rulings issued from time to time by the Ministry of Mines and Energy or by the DNPM relating to mining activities in Brazil, including the exploitation, licensing, assignment, trade, export and import of minerals;

"**Net Export Proceeds**" means, in respect of a particular Fiscal Quarter, the actual revenues from Project Production during such Fiscal Quarter, less payments during such Fiscal Quarter of the nature contemplated by Sections 12.01(8)(a) through (e), inclusive;

"**Net Income**" means, with respect to any Person for any period, the net revenue of such Person for such period on a consolidated basis, less all expenses and other charges not otherwise deducted in computing such net revenue for such period, determined in accordance with applicable Accounting Principles, but excluding extraordinary items as determined in accordance with such Accounting Principles, earnings resulting from any reappraisal, revaluation or other write-up of assets and gains arising from the repurchase of any equity security of such Person or any subsidiary;

"**Net Smelter Royalty**" means a production royalty based on a percentage of net smelter returns from production mined, recovered and removed from the Project Tenements, where the net smelter return is determined as the proceeds of sale received by the Borrower for sales of all such production (or deemed proceeds for retained production or production sold or transferred to affiliates) less the Borrower's costs of sales, transportation, processing and extraction;

"**NI 43-101**" means National Instrument 43-101 (*Standards of Disclosure for Mineral Projects*) issued by the Canadian Securities Administrators (including its Companion Policy 43-101 CP and Form 43-101F1 Technical Report);

"**Non-Funding Lender**" has the meaning set out in Section 16.02(2);

"**Officer's Certificate**" means a certificate signed by any one of the President, the Vice-President, or the Chief Financial Officer of the Borrower;

"**Official Body**" means any government (including any federal, provincial, state, territorial, municipal or local government) or political subdivision or any agency, authority, bureau, regulatory or administrative authority, central bank, monetary authority, commission, department or instrumentality thereof, the registry of titles and deeds (*Cartório de Registro de Títulos e Documentos*), the real estate registry (*Cartório de Registro de Imóveis*), the DNPM, COPAM (and SUPRAM-NM), the Toronto Stock Exchange or any other public securities exchange, or any court, tribunal, judicial entity, or arbitrator, whether foreign or domestic, having jurisdiction with respect to a specified Person, property, transaction, event or matter;

"**Offshore Buyer**" has the meaning set forth in Section 7.01(1);

"**OLC Brazil**" means Ore-Leave Capital (Brazil) Limited, a corporation organized and subsisting under the laws of Barbados;

"**OLC Holdings**" means OLC Holdings BV, a limited liability corporation organized and subsisting under the laws of the Netherlands;

"**OLV Co-op**" means OLV Coöperatie U.A., a holding co-operative organized and subsisting under the laws of the Netherlands;

"**Operating Account**" has the meaning set forth in Section 12.01(3);

"**Other Taxes**" has the meaning set forth in Section 5.02(2);

"**ounce**" means a troy ounce;

"**Outside Completion Date**" means June 30, 2013, or such later date as may be agreed to in writing by the Agent acting upon the instructions of the Majority Creditors;

"**Permits**" means:

(a) the Licences; and

(b) any other permit, licence, approval, consent, order, right, certificate, judgment, writ, injunction, award, determination, direction, decree, authorization, authorization under the Registration as Exporter, franchise, privilege, grant, waiver, exemption and other similar concession or by law, rule or regulation (whether or not having the force of law) of, by or from any Official Body, including, without limitation, those set out in Schedule I; provided that, where such permit, licence, approval, consent, order, right, certificate, judgment, writ, injunction, award, determination, direction, decree, authorization, franchise, privilege, grant, waiver, exemption and other similar concession or by law, rule or regulation does not have the force of law, it shall comprise a Permit only to the extent that a prudent owner of an asset or operator of a business similar to that owned or operated by the relevant Person would consider it necessary or advisable to comply with same;

"**Permitted Disposition**" means a sale, disposition or parting of possession by any of the Loan Parties of the following:

(a) Project Production which is sold or disposed of for fair value on arm's length commercial terms in the ordinary course of business;

(b) Project Production delivered to MBL in accordance with the GPA or the SPA;

(c) assets which have become worn-out, obsolete or redundant, provided that the fair value of all such assets, together with the fair value of assets disposed pursuant to paragraph (e) below, does not exceed [*agreement redacted – proprietary structure*] in aggregate (or the Equivalent Amount in any other currency) in any rolling 12-month period;

(d) assets which are to be contemporaneously replaced by assets of comparable or superior value, type and quality that perform substantially similar functions, provided that the fair value of such assets which are to be so replaced does not exceed [*agreement redacted – proprietary structure*] in aggregate (or the Equivalent Amount in any other currency) in any rolling 12-month period and the proceeds of disposal are used to acquire such replacement assets; or

(e) other assets or property having an aggregate fair value, together with assets disposed pursuant to paragraph (c) above, not exceeding [*agreement redacted – proprietary structure*] in aggregate (or the Equivalent Amount in any other currency) in any rolling 12-month period,

in each case, provided that the proceeds of such sale, disposition or parting of possession are deposited into the relevant Proceeds Account in accordance with Section 12.01(7), pending any further dealing in accordance with the terms of this Agreement;

"**Permitted Indebtedness**" means any of the following:

(a) Indebtedness under this Agreement;

(b) Indebtedness under the GPA and the SPA;

(c) Indebtedness comprised of amounts owing to trade creditors and accruals in the ordinary course of business, in each case, on terms of payment up to, and outstanding less than, 90 days; provided that the aggregate of such Indebtedness for the Loan Parties, collectively, shall not exceed US [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency), subject to applicable holdbacks where amounts payable are in dispute or services performed or goods delivered are the subject of a dispute on grounds satisfactory to the Majority Creditors;

(d) Indebtedness comprised of amounts owing to trade creditors and accruals in the ordinary course of business, in each case, on terms of payment greater than 90 days; provided that the aggregate of such Indebtedness for the Loan Parties, collectively, shall not exceed [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency), excluding amounts in respect of Permitted Liens and subject to applicable holdbacks where amounts payable are in dispute or services performed or goods delivered are the subject of a dispute on grounds satisfactory to the Majority Creditors;

(e) the Initial Hedging Program and other Hedging Arrangements with the Hedge Providers, to the extent permitted under Section 10.01(16);

(f) subject to Section 10.01(11), any Subordinated Intercompany Debt, provided that the proceeds thereof are used by the borrower of such Indebtedness to fund the Project; and

(g) Indebtedness under capital leases and Purchase Money Liens entered into in the ordinary course of business; provided that the aggregate of such Indebtedness for the Loan Parties, collectively, does not exceed [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency) at any time and from time to time;

"**Permitted Liens**" means (i) in respect of the Borrower, as set out below in paragraphs (a) through (o), inclusive, and (ii) in respect of each Loan Party other than the Borrower, as set out below in paragraphs (a), (b), (c) and (f):

(a) the Liens set out in Schedule J with respect to such Loan Party;

(b) the Liens created by or arising under the Finance Documents;

(c) the lien for taxes and assessments not at the time overdue and liens securing workers' compensation assessments and the lien for specified taxes and assessments, which are overdue but the validity of which is being contested at the time in good faith by appropriate proceedings and for which adequate reserves in accordance with Accounting Principles shall have been set aside;

(d) cash or governmental obligations deposited in the ordinary course of business in connection with contracts, bids or tenders, surety or appeal bonds or costs of litigation (when required by law);

(e) liens or claims incidental to current construction, mechanics', warehousemen's, carriers' and other similar liens arising in the ordinary course of business which relate to obligations not at the time overdue;

(f) statutory liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;

(g) security given in the ordinary course of business to a public utility or any Official Body when required by such utility or Official Body in connection with the operations of the Borrower;

(h) easements, rights of way and servitudes which in the opinion of Lenders' Counsel will not in the aggregate materially impair the use of the land concerned for the purpose for which it is held or used by the Borrower;

(i) a banker's lien arising by operation of law or practice over money deposited with a banker in the ordinary course of its business;

(j) the Liens of the GP Security, the particulars of which are described in Schedule J; subject always to the Collateral Agency Agreement entered into as contemplated in Section 11.03(3);

(k) in respect of Project Production, (i) the Net Smelter Royalty of 1% payable to Mineração Brilhante Ltda. (the "**MB Royalty**") and (ii) the GP;

(l) title defects or irregularities which in the opinion of Lenders' Counsel in the aggregate will not materially impair the use of the Project for the purposes for which it is held by the Borrower or materially affect the Security;

(m) all rights reserved to or vested in any Official Body by the terms of any Mineral Rights held by the Borrower or to require annual or other periodic payments as a condition of the continuance thereof or to distrain against or to obtain a lien on any property or assets of the Borrower in the event of failure to make such annual or other periodic payments;

(n) Liens in respect of Permitted Indebtedness referred to in paragraph (g) of the definition thereof; and

(o) such other Liens as are required for the operation of the Project and approved in writing by the Collateral Agent;

"**Person**" means an individual, corporation, partnership, trust, other legal entity, unincorporated association or a government or political subdivision (including territorial representatives) thereof;

"**Pledge of Accounts Receivable**" means the pledge of book debts and accounts receivable granted by the Borrower in favour of the Collateral Agent for the benefit of the Creditors, in form and substance satisfactory to the Collateral Agent;

"**Potential Event of Default**" means an event which, with the giving of notice, lapse of time, fulfilment of any condition or any combination of the foregoing, would give rise to an Event of Default;

"**Power Supply Agreement**" means any power supply agreement with respect to the provision of electricity to the Project which may be entered into by any of the Loan Parties, with a counterparty having a term of greater than 12 months and which will be in form and substance, in each case, acceptable to the Majority Creditors;

"**Power Supply Infrastructure Agreements**" means (a) the agreement dated 19 March 2012 between the Borrower and Proel Engenharia Ltda., for the design of the power substations related to the Project, and

(b) the agreement dated 27 February 2012 between the Borrower and PGV Services, for the construction of a transmission line for the supply of electricity to the Project;

"**Pre-strip Contract Operator**" means Afonso Mineraçäo e Logistica or any other pre-strip operator of the Project appointed by the Borrower with the prior approval of all the Lenders;

"**Pre-Strip Mining Agreement**" means an agreement dated 5 September 2012 between the Borrower and the Pre-strip Contract Operator providing for the mining of waste material at the Project;

"**Price Determination**" means, [*agreement redacted – proprietary structure*];

"**Principal Outstanding**" means, at the relevant time, the aggregate principal amount of all outstanding Advances under the Project Facility;

"**Proceeds Accounts**" means the Export Proceeds Account and the USD Proceeds Account;

"**Product**" means, without limitation, all ore, minerals, concentrate, dore bar and refined metals produced by or derived from the Project;

"**Project**" means the project to develop and construct the Riacho dos Machados gold mine located near the town of Riacho dos Machados in the northern region of Minas Gerais State, Brazil in such form as it may take from time to time and to bring it into production in accordance with the LOMP and the Bankable Feasibility Study, and includes the Project Assets;

"**Project Accounts**" means the Proceeds Accounts, the Metals Account, the Operating Account, and the Debt Service Reserve Account;

"**Project Agreements**" has the meaning set forth in paragraph (b) of the definition of Project Documents;

"**Project Area**" means the surface and sub-surface areas comprised of the Mineral Rights and the Lands, including each location where the Borrower has a right of access to or entry upon for the purposes of the Project, or where (in accordance with the Project Documents or otherwise) any Project Assets are or are intended to be constructed, located or maintained;

"**Project Assets**" means all property and interests in property of any kind now or in the future owned, held or acquired by the Borrower or any other Loan Party in connection with the Project, including:

(a) all right, title and interest of the Borrower in and pursuant to the Project Documents;

(b) the Project Tenements;

(c) all Permits;

(d) all mines, buildings, improvements, structures, systems, fixtures, plant, machinery, tools and other personal property at any time acquired, leased or held and used or intended for use in connection with or incidental to the mining or extraction of the applicable Product and all associated facilities and infrastructure;

(e) all treatment facilities;

(f) all storage facilities;

(g) all raw materials and work in progress;

(h) transport systems, conveyor systems, pipelines, change rooms, messing facilities, first aid centres, residential buildings, offices and workshops;

(i) all stockpiling and loading systems, power generating facilities and transmission lines, water supply plants and distribution systems and environmental control and monitoring apparatus;

(j) all accommodation and community facilities (on site or off site);

(k) all Required Insurance;

(l) all gold and other minerals (in whatever form) located in or upon the Mineral Rights;

(m) all Product, Project Production, inventories and ore reserves and resources of the Project;

(n) the Project Accounts;

(o) all accounts, receipts and monies (whether of capital or income, and including insurance proceeds and proceeds of expropriation or eminent domain) derived or otherwise received by the Borrower or any Guarantor from or in connection with the Project or the sale of Project Production; and

(p) all Intellectual Property Rights applicable to the Project;

"**Project Costs**" means, for any period, the aggregate of all Capital Expenditures and other costs pursuant to an Annual Project Budget scheduled to be or actually paid or incurred (as the case may be) by or on behalf of the Loan Parties during such period for or in respect of designing, constructing, developing, equipping, installing and completing the Project and rendering the Project operational in accordance with the LOMP;

"**Project Completion**" means and shall have occurred upon the occurrence of both Engineering Completion and Financial Completion in accordance with this Agreement;

"**Project Completion Date**" means the date which is the last day of the month in which Project Completion occurs;

"**Project Documents**" means the following instruments, contracts and agreements which are now existing or are entered into in the future, with any Official Body or any other Person:

(a) each Permit which is issued to or held by or on behalf or for the benefit of the Borrower in connection with the construction, development, operation, completion or management of the Project or the production, transportation or sale of Product therefrom, or by or on behalf or for the benefit of the Borrower in connection with the Borrower's business or premises; and

(b) each material instrument, contract, agreement or other document executed from time to time by or on behalf or for the benefit of the Borrower with respect to the Permits, the construction, development, operation, completion or management of the Project or the production, transportation, refining or sale of Product therefrom (the "**Project Agreements**") including, without limitation those set out in Schedule I;

"**Project Engineer**" means CRA Minérios e Metais Ltda., an affiliate of Conestoga-Rovers and Associates, or any other engineering firm appointed by the Borrower for the procurement and management of the construction of the Project on terms satisfactory to the Creditors;

"**Project Facility**" means the non-revolving pre-export credit facility (*recebimento antecipado de exportação*) in the maximum principal amount of up to US$90,000,000, to be made available to the

Borrower by the Lenders in two tranches (Tranche 1 and Tranche 2) in accordance with the provisions hereof, subject to any reduction or cancellation in accordance with the provisions hereof;

"**Project Life Coverage Ratio**" or "**PLCR**" means (adopting the Price Determination) (a) the net present value (using the Discount Rate as at the applicable Calculation Date) of CFADS (Forecast) for the remaining Life of Mine on a forward looking basis (as detailed in the LOMP) at the relevant Calculation Date, divided by (b) the Principal Outstanding (excluding for this purpose, any principal outstanding under Tranche 2 in excess of US$10,000,000), less any positive balance in the DSRA up to a maximum amount equal to the aggregate principal repayments payable on the next Repayment Date;

"**Project Production**" means all saleable Products in whatever form produced from the Project;

"**Project Ratios**" means the Project ratios described in Section 10.04(1);

"**Project Tenements**" means, collectively:

(a) the Mineral Rights; and

(b) the Lands;

"**Proven and Probable Reserves**" means, at any date, "Proven Mineral Reserves" and "Probable Mineral Reserves" of gold at the Project, as determined and calculated in accordance with the standards set forth in NI 43-101; and the terms "**Proven Mineral Reserves**" and "**Probable Mineral Reserves**" as used in this definition shall have the meanings incorporated by reference in NI 43-101);

"**Purchase Money Lien**" means a Lien created or assumed by the Borrower securing Indebtedness incurred to finance the unpaid acquisition price (including any installation costs or costs of construction) of property provided that (i) such Lien is created substantially concurrently with the acquisition of such property, (ii) such Lien does not at any time encumber any property other than the property and the proceeds thereof financed or refinanced (to the extent the principal amount is not increased) by such Indebtedness, (iii) the amount of Indebtedness secured thereby is not increased subsequent to such acquisition, and (iv) the principal amount of Indebtedness secured by any such Lien at no time exceeds 100% of the original purchase price of such property at the time it was acquired, and any Lien replacing any such Lien;

"**Quarter End**" means March 31, June 30, September 30 and December 31 of each year;

"**Rateable Portion**" as regards any Lender means, with regard to any amount of money, the product obtained by multiplying that amount by the quotient obtained by dividing (i) the Commitment of that Lender at that time by (ii) the aggregate of all Commitments of all Lenders at that time;

"**Rateable Share**" and "**Rateably**" means, at any date of determination, the proportion that the amount in US Dollars of the Secured Obligations outstanding to any Creditor bears to the aggregate amount in US Dollars of all Secured Obligations, as determined by the Agent as at the Adjustment Time;

"**Reference Rate**" means, in relation to an Interest Period, a rate per annum equal to the rate which is quoted as the US $ LIBOR rate shown at approximately 11:00 am (London time) on Reuters' Screen LIBOR01 page (or any replacement page therefor) on the day which is two Banking Days before such Interest Period, for a term equal to or approximately equal to the duration of the Interest Period (or, if such Interest Period is subject to marginal adjustment, for a term equal to the duration of the Interest Period prior to such adjustment); provided that, if no such rate is quoted, such rate shall be:

(a) the arithmetic mean (rounded upward to the nearest three decimal places) of the offered rates advised to the Agent at approximately 11:00 a.m. (London time) for deposits in US $ for a term equal to or approximately equal to the duration of the Interest Period (or, if such Interest Period is subject to marginal adjustment, for a term equal to the duration of the Interest Period prior to such adjustment) by any four major banks active in US $ in the London interbank market and selected by the Agent (provided that, if fewer than four quotations are received, the Agent may rely on the quotations so received if not less than two); or

(b) if fewer than two quotations are received from the banks in London in accordance with paragraph (a) above, the arithmetic mean (rounded upward to the nearest three decimal places) of the offered rates advised to the Agent at approximately 11:00 a.m. (New York time) for deposits in US $ for a term equal to or approximately equal to the duration of the Interest Period (or, if that Interest Period is subject to marginal adjustment, for a term equal to the duration of the Interest Period prior to such adjustment) by a major bank or banks in New York, New York selected by the Agent,

provided that the Reference Rate will never be less than zero (0%) percent per annum;

"**Refined Gold**" means gold constituting good delivery to, and complying with the specifications of the London Bullion Market Association with an assayed fineness of not less than 0.995 fine;

"**Refinery**" means the refining facility or facilities designated for such purpose in a Refining Agreement;

"**Refining Agreement**" means any agreement relating to the refining of Project Production into Refined Gold which may be entered into by any of the Loan Parties, which will be in form and substance acceptable to the Creditors;

"**Registration as Exporter** (*Registro de Exportador*)" has the meaning given to it in Rule (*Portaria*) No. 35, dated 24 November 2006 issued by the Foreign Commerce Secretariat (*Secretaria de Comércio Exterior – SECEX*) of the Industry and Foreign Commerce Ministry (*Ministério do Desenvolvimento, Indústria e Comércio Exterior – MDIC*).

"**Release**" includes releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping, or permitting any of the foregoing to occur;

"**Relevant Person**" is a several reference to each Loan Party and any affiliate of a Loan Party;

"**Repayment Date**" means each date specified in the first column of the applicable Export Repayment Schedule for repayment of any part of the Principal Outstanding;

"**Repayment Notice**" means a notice substantially in the form annexed hereto as Schedule D to be given to the Agent by the Borrower pursuant to Section 7.02;

"**Required Initial Equity Contribution**" means the sum of [*agreement redacted – proprietary structure*] being the total amount of equity contributions, GPA Upfront Payments and the SPA Purchase Price which, as a condition precedent to the Drawdowns under the Project Facility, must have either been: (a) spent on Project Costs; or (b) deposited into the USD Proceeds Account;

"**Required Insurance**" means the insurances required to be taken out or maintained by, or on behalf or for the benefit of, the Loan Parties to comply with the provisions of the Finance Documents, the Project Documents and Applicable Laws;

"**Reserve Tail**" means the recoverable Proven and Probable Reserves of gold in the LOMP that remain to be mined and processed at the latest of the Final Maturity Date and the latest maturity of any Hedging Arrangement between the Borrower and any Hedge Provider, compared to the total recoverable Proven and Probable Reserves of gold (as stated in the most current board-approved LOMP that has been approved in writing by the Majority Creditors), expressed as a percentage;

"**Restricted Payment**", in respect of any Loan Party, means:

(a) any dividend or distribution (in cash, property or obligations) on any shares of any class of capital stock of, or on any other ownership interest of, such Loan Party (now or hereafter outstanding) or on any warrants, options or other rights with respect to any shares of any class of capital stock of, or other ownership interest (now or hereafter outstanding) in, such Loan Party;

(b) the application of any of such Loan Party's funds, property or assets to the purchase, redemption or other retirement of any shares of any class of capital stock of, or on any other ownership interest in, such Loan Party (now or hereafter outstanding), or any warrants, options or other rights with respect to any shares of any class of capital stock of, or other ownership interest in, such Loan Party (now or hereafter outstanding);

(c) the repayment, redemption, purchase or other defeasance or discharge of any indebtedness owing to, or making of any other payment to, any affiliate (including all Subordinated Intercompany Debt); or

(d) any deposit for any of the foregoing purposes or other discharge of any indebtedness incurred by any affiliate,

but will not, in any event, include the payment of any amount by the Borrower or any other Loan Party in respect of a repayment or refund of all or any part of any GPA Upfront Payment due and payable to MBL pursuant to and in accordance with the terms of the GPA;

"**ROF**" means *Registro de Operação Financeira*, an electronic registration identified by a number by or on behalf of the Borrower prior to the remittance of the proceeds of a Drawdown to the Operating Account, through SISBACEN, authorizing the Borrower to (a) enter into the relevant foreign exchange contract for the inflow of funds into Brazil as pre-export payments ("*recebimento antecipado de exportação*") and (b) register the Export Repayment Schedules after disbursement of those Drawdowns to allow the Borrower to proceed with the respective export repayments (to repay the pre-export payments in US Dollars), and to make payments in US Dollars with respect to interest, fees and expenses;

"**Rollover**" means a rollover of an Advance;

"**Rollover Date**" means the date of commencement of a new Interest Period applicable to an Advance;

"**Rollover Notice**" means a notice substantially in the form annexed hereto as Schedule E to be given to the Agent by the Borrower pursuant to Section 2.09;

"**Rovina Valley Project**" has the meaning set forth in Section 9.01(6);

"**Royalty**" or "**Royalties**" means all amounts payable as a share of the product or profit from property and includes without limitation the statutory royalty payable to the relevant states, municipalities, Federal District (*Compensação Financeira pela Exploração Mineral*) and to any landholders, production payments, minimum royalties, Net Smelter Royalties, overriding royalties, and royalty bonuses;

"**Sales Agreement**" means any contract, agreement or arrangement for sale, transfer or other disposal of Product, or any contract, agreement or arrangement for any agency for sale, exchange, transfer or other disposal of Product;

"**Secured Obligations**" means any and all Indebtedness, liabilities and obligations of the Loan Parties to the Creditors (in any capacity) under or by reason of:

(a) any Finance Document; or

(b) any other transaction, matter or event associated with any Finance Document (other than the GPs and related transactions),

including whether the same are liquidated or unliquidated, are present, prospective or contingent, are in existence before or come into existence upon or after the date of this Agreement, relate to the payment of money or the performance or omission of any act associated with any Finance Document or accrue as a result of any Event of Default and irrespective of (i) whether any Loan Party is liable or obligated solely, or jointly or jointly and severally with another Person therefor, (ii) the circumstances in which any Creditor comes to be owed any such Indebtedness, liability or obligation or the same comes to be secured by any Finance Document, including pursuant to any assignment of any Indebtedness, liability or obligation or of any Finance Document, or (iii) the capacity in which any Loan Party comes to owe, or any Creditor comes to be owed, any such Indebtedness, liability or obligation;

"**Security**" has the meaning set forth in Section 11.01(b);

"**Securities Laws**" means the securities legislation in each of the provinces of Canada and the rules and regulations made thereunder, the orders and policy statements of the securities commissions or other securities regulatory authorities in such jurisdictions, and the rules, regulations and policies of the TSX;

"**Securities Pledge Agreement**" means each share, unit or quota pledge agreement to be entered into between the Collateral Agent, on behalf of the Creditors, and each of CPN, OLC Brazil, OLV Co-op, and OLC Holdings, as pledgors, concerning the pledge of their respective Equity Interest of OLC Brazil, OLV Co-op, OLC Holdings and the Borrower, in form and substance satisfactory to the Collateral Agent;

"**SISBACEN**" means the *Sistema de Dados do Banco Central do Brasil – SISBACEN*, the data system of the Central Bank of Brazil;

"SPA" means the sale and purchase agreement dated as of 25 October, 2012 among CPN, as guarantor, the Borrower, as seller, and MBL, as purchaser, with respect to the purchase of the "Acquisition Right" (as defined under the SPA) by MBL from the Borrower in consideration for the payment by MBL to the Borrower of the SPA Purchase Price**;**

"**SPA Purchase Price**" means the "Purchase Price for the Acquisition Right" (as that term is defined under the SPA) payable by MBL to the Borrower under the terms of the SPA in consideration for the purchase of the "Acquisition Right" (as that term is defined under the SPA).

"**Subordinated Intercompany Debt**" means any indebtedness of any Loan Party owing to an affiliate thereof for borrowed money which is subordinate to such Loan Party's indebtedness under the Finance Documents pursuant to a subordination agreement in form and substance satisfactory to the Collateral Agent;

"**Subsidiary**" means, with respect to any Person:

(a) any corporation of which at least a majority of the outstanding shares having by the terms thereof ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time shares of any other class or classes of such corporation might have voting power by reason of the happening of any contingency, unless the contingency has occurred and then only for as long as it continues) is at the time directly, indirectly or beneficially owned or controlled by such Person or one or more of its Subsidiaries, or such Person and one or more of its Subsidiaries;

(b) any partnership of which, at the time, such Person, or one or more of its Subsidiaries, or such Person and one or more of its Subsidiaries: (i) directly, indirectly or beneficially own or control more than 50% of the income, capital, beneficial or ownership interests (however designated) thereof; and (ii) is a general partner, in the case of limited partnerships, or is a partner or has authority to bind the partnership, in all other cases; or

(c) any other Person of which at least a majority of the income, capital, beneficial or ownership interests (however designated) are at the time directly, indirectly or beneficially owned or controlled by such Person, or one or more of its Subsidiaries, or such Person and one or more of its Subsidiaries;

"**Successor Agent**" has the meaning set out in Section 16.11;

"**SUPRAM-NM**" means the Regional Superintendent of the Environment and Sustainable Development (*Superintendência Regional de Meio Ambiente e Desenvolvimento Sustentável*) of the North of Minas Gerais State;

"**Taxes**" means all present or future taxes, levies, imposts, duties, deductions, compulsory loans, withholdings, assessments, fees or other charges imposed by any Official Body (together with any interest, additions to tax or penalties, charges or fees applicable thereto), and includes all present or future stamp or documentary taxes, goods and services taxes, value added or analogous taxes, or any other excise, intangible, mortgage, recording, or property taxes, charges or similar levies arising from any payment made hereunder or under any other Finance Document or from the execution, delivery, registration or enforcement of, or otherwise with respect to, this Agreement or any other Finance Document;

"**Taxing Authorities**" means any Official Body that has the power to impose Taxes upon the Borrower or any of the Collateral;

"**Total Costs to Complete**" means at any date the Project Costs incurred to that date plus the Costs to Complete for that same date;

"**Tranche 1**" means the first tranche of the Project Facility in the amount of US $65,000,000;

"**Tranche 2**" means the second tranche of the Project Facility in the amount of US $25,000,000;

"**Tripartite Agreements**" means each of the following:

(a) the Tripartite Agreement – Construction Agreement to be entered into between the Borrower, the Collateral Agent and the Project Engineer;

(b) the Tripartite Agreement – Power Supply Agreement to be entered into between the Borrower, the Collateral Agent and the applicable counterparty thereto;

(c) the Tripartite Agreement – Fuel Supply Agreement to be entered into between the Borrower, the Collateral Agent and the relevant counterparty in respect of each Fuel Supply Agreement referred to in clause (b) of the definition thereof; and

(d) the Tripartite Agreement – Refining Agreement to be entered into between the Borrower, the Collateral Agent and the relevant counterparty in respect of each Refining Agreement;

"**TSX**" means the Toronto Stock Exchange;

"**Undrawn Commitments**" means, at the relevant time, the Commitments of all Lenders less the aggregate of the Principal Outstanding at that time;

"**US Dollars**" and "**US $**" each mean lawful money of the United States of America in same day immediately available funds or, if such funds are not available, the form of money of the United States of

America that is customarily used in the settlement of international banking transactions on the day payment is due hereunder;

"**US Prime Rate**" means the prime business rate of interest applicable to obligations outstanding in US Dollars as quoted from time to time by the Agent or its affiliates;

"**USD Proceeds Account**" means the account described in Section 12.01(1)(b);

"Warrants" means the 20,000,000 American style call warrants issued by CPN to MBL on or about the date of this Agreement as consideration for MBL's commitment to underwrite the Project Loan Facility, each such warrant by its terms entitling the holder to purchase one CPN Share at an exercise price of Cdn. $0.40 for a period of 36 months from their date of issue, subject to customary anti-dilution and other provisions as set forth in the certificate representing such warrants; and

"**Warrant Shares**" means the CPN Shares issuable upon the exercise of the Warrants.

1.02 **Headings**

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "**this Agreement**", "**hereof**", "**hereunder**" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.03 **Number**

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa and words importing Persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa.

1.04 **Certain Phrases, etc.**

In any Finance Document (i) the words "**including**" and "**includes**" mean "including (or includes) without limitation", (ii) the phrases "**the aggregate of**", "**the total of**", "**the sum of**", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of", and (iii) in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to (or until) but excluding".

1.05 **Accounting Principles/Accounting Changes**

(1) All accounting determinations required to be made pursuant hereto, including all calculations for the purposes of determining compliance with the financial ratios and financial covenants contained in this Agreement, unless expressly otherwise provided herein, shall be made on a basis consistent with Accounting Principles as they exist on the date of this Agreement.

(2) In the event that any "Accounting Change" (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then the Borrower and the Agent agree to enter into good faith negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Borrower's financial condition shall be substantially the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Agent and the Majority Creditors, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred.

"Accounting Changes" refers to changes in Accounting Principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Canadian Institute of Chartered Accountants, and in all events including changes resulting from implementation of the International Financial Reporting Standards to the extent required by the Canadian Accounting Standards Board.

1.06 **Per Annum Calculations**

Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest "per annum" or a similar expression is used, such interest shall be calculated on the basis of a calendar year of 360 days.

1.07 ***Interest Act* (Canada)**

For the purposes of this Agreement, whenever interest to be paid hereunder is to be calculated on the basis of a year of 360 days, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360.

1.08 **Maximum Rate Permitted by Law**

No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by applicable law. In the event that such interest or fee exceeds such maximum rate, such interest or fees shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under applicable law.

1.09 **Schedules**

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

Schedule A – Lenders and Commitments
Schedule B – Export Repayment Schedules
Schedule C – Drawdown Notice
Schedule D – Repayment Notice
Schedule E – Rollover Notice
Schedule F - Form of Compliance Certificate
Schedule G – Mineral Rights
Schedule H – Lands
Schedule I – List of Project Documents
Schedule J – Indebtedness, Liabilities and Liens
Schedule K – Litigation, Environmental and other Disclosed Matters
Schedule L – Completion Tests
Schedule M – Corporate Structure

1.10 **Consent of All Lenders/All Creditors**

Unless otherwise stated, wherever in this Agreement reference is made to any form of consent or approval of:

(a) "the Lenders", or a similar expression is used, such reference or expression shall be taken to mean consent of all the Lenders; or

(b) "the Creditors", or a similar expression is used, such reference or expression shall be taken to mean consent of all the Creditors.

1.11 **Obligation of Creditors to act reasonably**

Unless the contrary intention appears in this Agreement, if the Agent or the Collateral Agent consults the Creditors or any of them to seek instructions in connection with a matter in respect of which the Agent or Collateral Agent is required under this Agreement to act reasonably or not to unreasonably withhold or delay consent or approval, each Creditor must act in the same manner in giving instructions to the Agent or the Collateral Agent. If the Agent or Collateral Agent receives such instructions, it may rely on them and has no duty to consider whether a Creditor has acted reasonably.

If a provision of this Agreement requires any Creditor to act reasonably in giving instructions to the Agent or Collateral Agent, the Agent or Collateral Agent may rely on those instructions and has no duty to consider whether a Creditor has acted reasonably.

ARTICLE 2
THE PROJECT FACILITY

2.01 **The Project Facility**

Subject to the terms and conditions hereof, during the Availability Period, each of the Lenders shall make available such Lender's Rateable Portion of the Project Facility.

2.02 **Manner of Borrowing; Availability**

The Borrower may, during the Availability Period, make Drawdowns in US Dollars under the Project Facility; provided that, until such time as (a) the Equity Gap is reduced to zero and (b) all relevant Security and other Finance Documents contemplated in Section 3.01(1)(d) have been fully registered in Brazil and the Creditors have received confirmation of the same from Lenders' Counsel, the Borrower will not make any Drawdowns under the Project Facility in excess of US $65,000,000. The Project Facility is a non-revolving facility in the form of a pre-export financing ("*recebimento antecipado de exportação*"). Any amounts repaid shall, pursuant to Section 2.10, permanently reduce the amount available under the Project Facility.

2.03 **Purpose**

The Project Facility is being made available to enable the Borrower to finance in part the costs of the construction, development and operation of the Project as detailed in the Bankable Feasibility Study and the LOMP, and ultimately enable the future export of Product by the Borrower. The Borrower shall use the Project Facility for the purpose of:

(a) paying Project Costs as detailed in the Bankable Feasibility Study and the LOMP for the purpose of financing production and export of Product to persons located outside of Brazil;

(b) funding the payment of interest, all costs associated with the establishment of the Project Facility, including legal fees, stamp duty and all fees and other amounts payable to the Creditors in connection with the Project Facility;

(c) providing working capital for the Project as contemplated in the LOMP and the Annual Project Budget; and

(d) paying all costs associated with the export of Product,

and for no other purpose without the prior written consent of the Lenders.

2.04 **Drawdown Requirements and Restrictions**

(1) Drawdowns under the Project Facility shall be subject to the following restrictions:

(a) Drawdowns may only be made during the Availability Period;

(b) each of the Conditions Precedent set out in Section 3.01 shall have been satisfied or waived by the Lenders;

(c) each Drawdown shall be in a minimum principal amount of US$5,000,000 and in multiples of US$500,000 for amounts in excess thereof;

(d) Drawdowns may only be made upon the Agent's prior favourable determination with respect to the matters referred to in Section 14.01;

(e) all Drawdown Notices with respect to a Drawdown must be signed by an Authorized Officer of the Borrower and shall:

(i) specify the purposes for which the relevant Advance is to be applied, which purposes must comply with Section 2.03;

(ii) specify the requested Drawdown Date, which must be a Banking Day during the Availability Period;

(iii) specify each of the following:

(A) the amount of the proposed Advance in US Dollars;

(B) the bank account to which the proceeds of the Advance are to be paid (which shall be the USD Proceeds Account unless otherwise specified by the Borrower and approved by the Lenders) or other payments instructions acceptable to the Lenders; and

(C) the initial Interest Period in respect of the proposed Advance;

(iv) include a detailed written description (which may be set out in an exhibit to the Drawdown Notice) of each of the following:

(A) the Project Costs incurred to the requested Drawdown Date;

(B) the percentage of work completed in respect of the Project as at the requested Drawdown Date;

(C) the estimated Engineering Completion Date; and

(D) the estimated Costs to Complete in order to obtain Engineering Completion (and the estimated Project Completion Date) by the Outside Completion Date; and

(v) written confirmation (which may, in whole or in part, be set out in the exhibit referred to in Section 2.04(1)(e)(iv) above) that:

(A) as at the date of the requested Drawdown, the estimated Costs to Complete described in Section 2.04(1)(e)(iv)(D) above do not exceed the aggregate of the Available Funding plus the Maximum Permitted Equity Gap;

(B) the estimated Project Completion Date is not later than the Outside Completion Date;

(C) the representations and warranties set forth in Section 9.01 are true and accurate in all material respects; and

(D) no event has occurred which constitutes an Event of Default or Potential Event of Default nor will the requested Drawdown result in the occurrence of any such event; and

(f) if there are preserved or perfected Liens against the Project Tenements or other Project Assets or if the Agent or the Lenders shall have received any notice of any Liens against the Project Tenements or other Project Assets, then no further Drawdowns under the Project Facility shall be permitted unless the Lenders are satisfied that the amount of any such Liens is immaterial to the Lenders.

(2) In respect of any proposed Drawdown under the Project Facility, the Creditors will have the option to have the Costs to Complete, implementation schedule and progress of construction and development reviewed, at the Borrower's cost and expense, by an Independent Consultant selected by the Creditors.

(3) Each Creditor acknowledges and agrees that each Drawdown will be a pre-export payment ("*recebimento antecipado de exportação*") in accordance with the regulations issued by the Central Bank of Brazil. Promptly, and in no event later than 10 (ten) Business Days, after the conversion of the proceeds of a Drawdown into Brazilian Reais and the transfer of such converted proceeds into the Operating Account, the Borrower shall provide to the Agent evidence satisfactory to the Agent and Lenders' Counsel in Brazil that all necessary registrations have been made with the Central Bank of Brazil in respect of the anticipated Export Repayment Schedule for those proceeds.

2.05 **Notice Periods for Drawdowns and Rollovers**

(1) The Borrower may at any time during the Availability Period make a Drawdown under the Project Facility by delivering a Drawdown Notice with respect to an Advance to the Agent not later than 12:00 p.m. (Toronto time) two Banking Days prior to the proposed Drawdown Date or such later date as may be agreed by the Agent.

(2) The Borrower may at any time prior to the Final Maturity Date make a Rollover under the Project Facility by delivering a Rollover Notice with respect to an Advance to the Agent not later than 12:00 p.m. (Toronto time) three Banking Days prior to the proposed Rollover Date or such later date as may be agreed by the Agent.

2.06 **Agent's Obligations with Respect to Advances**

Upon receipt of a Drawdown Notice or Rollover Notice with respect to an Advance, the Agent shall forthwith notify the Lenders of the proposed Drawdown Date or Rollover Date, of each Lender's Rateable Portion of such Advance and, if applicable, the account of the Agent to which each Lender's Rateable Portion is to be credited.

2.07 **Lenders' and Agent's Obligations with Respect to Advances**

Each Lender shall, prior to 10:00 a.m. (Toronto time) on the Drawdown Date specified by the Borrower in the Drawdown Notice with respect to an Advance, credit the Agent's account specified in the Agent's notice given under Section 2.06 with such Lender's Rateable Portion of such Advance and by 5:00 p.m. (Toronto time) on the same date the Agent shall make available the full amount of the amounts so credited to the Borrower. If any Lender (a "**Non-Funding Lender**") fails to credit the Agent's account with such Non-Funding Lender's Rateable Portion of such Advance contemplated in such Agent's notice at the time and on the date specified in such notice of the Borrower and herein, for any reason, then subject to the terms and conditions hereof, the Agent shall be entitled to receive interest from such Lender at the U.S. Prime Rate plus 2% per annum on the amounts which the Agent makes available on behalf of such Non-Funding Lender to the Borrower for such period as such Non-Funding Lender fails to so perform.

2.08 **Irrevocability**

A Drawdown Notice or Rollover Notice given by the Borrower hereunder shall be irrevocable and shall oblige the Borrower to take the action contemplated on the date specified therein. If the Borrower fails to take any action contemplated on the date specified in any such notice, for any reason (including the occurrence of an Event of Default or Potential Event of Default) the Borrower shall, following demand by the Agent, pay the amount (if any) by which (a) the interest which would have been payable on the amount the Borrower failed to borrow had such amount been borrowed and outstanding for the period specified in the notice exceeds (b) the interest which would have been recoverable by the Lenders by placing such unborrowed amount on deposit in the relevant markets for the period specified in such notice. Any Lender entitled to be paid any such amounts shall deliver a certificate to the Borrower and the Agent certifying as to such amounts and, in the absence of manifest error, such certificate shall be conclusive and binding for all purposes.

2.09 **Rollovers; Selection of Interest Periods**

At or before 12:00 p.m. (Toronto time) three Banking Days prior to the expiration of each Interest Period of each Advance, the Borrower shall, unless it has delivered a Repayment Notice pursuant to Section 7.02 with respect to the aggregate amount of such Advance, deliver a Rollover Notice to the Agent selecting the next Interest Period applicable to the Advance, which new Interest Period shall commence on and include the last day of such prior Interest Period. If the Borrower fails to deliver a Rollover Notice to the Agent as herein provided, and provided that no Event of Default or Potential Event of Default has occurred that is subsisting, the Borrower shall be deemed to have given a timely Rollover Notice to the Agent pursuant to this Section 2.09 selecting such next Interest Period applicable to such Advance as determined by the Agent.

2.10 **Reduction of Project Facility**

The Project Facility shall be reduced permanently by each of the following events and in each of the following amounts:

(a) the payment of amounts pursuant to Sections 6.01, 7.01 and 7.02;

(b) at the Borrower's election, made upon not less than three Banking Days prior written notice, to cancel the whole or any part (subject to a minimum amount of US $1,000,000 and in integral multiples of US $250,000 for amounts in addition thereto) of the Undrawn Commitment; provided that such cancellation shall only take effect if, in the opinion of the Creditors (in consultation with the Independent Engineer) such funding is not required to achieve Engineering Completion (and the Project Completion Date) by the Outside Completion Date; and

(c) on the day immediately following the last day of the Availability Period, by the amount, if any, of the Project Facility which has not been drawn down hereunder on or prior to such last day.

If the Project Facility is so reduced, the Commitments of each of the Lenders shall be reduced *pro rata* in the same proportion that the amount of the reduction in the Project Facility bears to the amount of the Project Facility in effect immediately prior to such reduction and the subsequent repayments under the Export Repayment Schedules required pursuant to Section 7.01(1)(a) will be reduced by the amounts of such reduction, first in respect of scheduled export repayments under Tranche 2 and then in respect of scheduled export repayments under Tranche 1, in each case in inverse order of maturity.

ARTICLE 3
CONDITIONS PRECEDENT

3.01 **Conditions Precedent to First Drawdown**

(1) On or before the first Drawdown under the Project Facility hereunder the following conditions precedent shall be satisfied by the Loan Parties and to the satisfaction of all of the Creditors:

(a) each Loan Party shall have delivered to the Agent (i) certified copies of its constating documents, by-laws, certificate of incorporation or registration with the respective public registry of commerce of each Loan Party, and a certificate of status or good standing (or equivalent), (ii) a certified copy of a resolution of the directors (and, if and to the extent required, a certified copy of a resolution of the shareholders or quotaholders) of such Loan Party authorizing the Initial Hedging Programs, the borrowings, guarantees, indemnities and other transactions contemplated hereunder and under the Initial Hedging Programs, the execution and delivery of each Finance Document to which it is a party, a person or persons to sign notices, certificates or other documents in connection with such Finance Documents, the Initial Hedging Programs and the Project Facility on its behalf, and the observance and performance by it of all of its obligations under each Finance Document to which it is a party, and (iii) a certificate of incumbency of the officers of each Loan Party, which certificate of incumbency is in form and substance satisfactory to all Creditors;

(b) the Agent shall have received (i) a copy of the most recent annual audited consolidated financial statements of CPN and any more recent quarterly unaudited consolidated financial statements of CPN, (ii) a copy of the most recent audited (or unaudited, as available) unconsolidated financial statements for each of the other Loan Parties, and (iii) an officer's certificate from each Loan Party confirming that there has been no material adverse change to its condition (financial or otherwise) or its assets since the date of the most recent financial statements provided in respect of each such Loan Party;

(c) the Agent shall have received (i) a certified, board-approved Annual Project Budget covering the period from January 1, 2013 to December 31, 2013, inclusive, and (ii) a certified, board-approved Annual Corporate Budget for CPN for the period from January 1, 2013 to December 31, 2013, in each case, in form and substance satisfactory to the Creditors;

(d) the Security and each other Finance Document shall have been executed and delivered, all filings or recordings necessary or desirable in connection therewith shall have been made, and all stamp taxes, fees, duties or similar amounts in respect of all Finance Documents shall have been paid by the Loan Parties to the applicable Official Bodies; provided that, in recognition of the potentially lengthy period of time required for completion of registration of all relevant Security and other Finance Documents in Brazil, the Lenders will permit Drawdowns once the following conditions have been satisfied:

  (i) all registrations of all relevant Security outside Brazil have been completed and such Security has been fully registered;

  (ii) all relevant Security and other Finance Documents have been appropriately submitted, filed or lodged for registration in Brazil and all necessary steps have been taken by the Loan Parties, including without limitation, the payment of any fees and Taxes required in respect of such registrations, to complete the registration process; and

  (iii) the Security over the Operating Account has been fully registered or otherwise perfected, as determined by Lenders' Counsel;

provided however, that the Tripartite Agreements may be entered into following the Closing Date in accordance with and subject to Section 3.01(3)(b);

(e) the Borrower shall have executed and delivered a master agreement with applicable annexes, schedules and definitions (each, an "**ISDA Master Agreement**") with each Hedge Provider in the International Swap Dealers Association, Inc.'s standard forms, with such modifications thereto as may be required by each such Hedge Provider in accordance with its standard practices, and such ISDA Master Agreement will govern all Hedging Arrangements between the Borrower and such Hedge Provider, including the Initial Hedging Programs, together with a short form confirmation in respect of each such further Hedging Arrangement;

(f) the Creditors shall have received favourable opinions of Fraser Milner Casgrain LLP, Chancery Chambers, Heussen and Veirano Advogados, Canadian, Barbadian, Dutch and Brazilian legal counsel, respectively, to the Loan Parties, each of which shall be in form and substance acceptable to all the Creditors, confirming:

(i) the enforceability (under the applicable governing law) of each Loan Party's obligations under this Agreement and each of the Finance Documents to which it is a party, including in respect of the Initial Hedging Programs and all other Hedging Arrangements;

(ii) that each of the Finance Documents comprising the Security (to the extent applicable) creates effective security and has been duly perfected and fully registered in all relevant jurisdictions; provided that such opinions relating to the Security under the laws of Brazil referred to in the proviso to Section 3.01(1)(d) may be provided promptly following the full registration of such Security;

(iii) the Borrower's title to the Project Tenements; and

(iv) confirming or verifying other matters as reasonably requested by the Creditors;

(g) the Creditors shall have received favourable opinions of Lenders' Counsel, which shall be in form and substance acceptable to all the Creditors;

(h) the Agent shall have received a copy of each Permit from or with (and evidence of all approvals and consents from and filings and registrations with) any Official Body under Applicable Laws in relation to the Project Facility and Hedging Arrangements (including, without limitation, with respect to the Initial Hedging Programs), which are required in connection with any transaction contemplated hereby or otherwise necessary to enable (i) the relevant Loan Parties to unconditionally execute and deliver and observe and perform their respective obligations under the Finance Documents and (ii) each of the Creditors to exercise its rights and remedies under the Finance Documents, and, in each case, the same shall be in full force and effect and, without limiting the generality of the foregoing, Agent shall have received evidence that the Loan Parties have obtained any necessary approval from, and registration with, the Central Bank of Brazil, in relation to the Project Facility;

(i) (i) the Agent shall have received a certified copy of each agreement, instrument and Permit from or with (and evidence of all approvals, consents, exemptions and other actions by, notices to and filings and registrations with) any Official Body (including environmental, mining and other regulatory agencies) or other Person which the Creditors consider is material to the Project and its operations, for the then current state of development of the Project, including (A) in relation to the construction, development and operation of the Project and associated infrastructure, and, without limiting the generality of the foregoing, the Agent shall have received a copy of the LI with respect to the Project confirming that it has been duly issued by COPAM to permit the Borrower to commence construction of the Project, (B) the Project Documents set out in Part I of Schedule I, including certified copies of the Construction Agreement, the Earthworks Agreement, the Pre-Strip Mining Agreement, the Equipment Purchase Agreement, the Land Access Agreements, the Metso Agreement, the Power Supply Infrastructure Agreements, the SPA and the GPA, all of which shall contain terms and conditions that are not materially different than those Project Documents reviewed by the Creditors during their due diligence or terms and conditions otherwise acceptable to the Creditors, and shall have been awarded to parties acceptable to the Creditors, and (C) the Project Tenements and other Permits which provide access, services, infrastructure, dumps and ore reserves for the Project, in each case, together with evidence that there has been no revocation of any of the foregoing agreements, instruments or Permits, nor any default, event of default or potential event of default under, or breach of any of the conditions attached to, any of the above agreements, instruments or Permits that is subsisting, and, in each case, the same shall be in full force and effect, and (ii) the Creditors shall be satisfied that each agreement, instrument or Permit that cannot be issued or obtained until a later stage of construction or operation or until completion of the Project is reasonably expected to be issued or obtained at such later stage or upon completion of the Project;

(j) the Creditors shall have received satisfactory confirmation that (i) none of the Loan Parties has granted any Guarantees, other than pursuant to the Finance Documents or the GP Security, or any Liens, other than Permitted Liens, over any of its assets and such assets are otherwise free from Liens, other than Permitted Liens, and (ii) there are no material actions, suits or proceedings (whether or not purportedly on any Loan Party's behalf) pending or threatened against or affecting any Loan Party, the assets of any Loan Party or the Project before any court or other Official Body;

(k) the Creditors shall have received satisfactory replies to all requisitions by them and Lenders' Counsel relating to the Project Facility, the Security, the Project, the Mineral Rights, the Lands and the other Project Assets and satisfactory corporate, litigation, and insolvency searches in respect of the Loan Parties and shall otherwise be satisfied with the completion of, and receipt of reports on, due diligence with respect to technical, environmental, social, commercial, insurance, tax and legal matters in respect of the Project;

(l) (i) the Creditors shall have received satisfactory evidence that (A) each of the Borrower, OLC Holdings, OLV Co-op, and OLC Brazil is a direct or indirect, wholly-owned Subsidiary of CPN, (B) CPN has legal and beneficial title to 100% of the Equity Securities in the capital of OLC Brazil, free from any Liens other than Permitted Liens, (C) CPN and OLC Brazil, together, have legal and beneficial title to 100% of the Equity Securities in the capital of OLV Co-op, free from any Liens other than Permitted Liens, (D) OLV Co-op has legal and beneficial title to 100% of the Equity Securities in the capital of OLC Holdings, free from any Liens other than Permitted Liens, and (E) OLV Co-op and OLC Holdings, together, have legal and beneficial title to 100% of the Equity Securities in the capital of the Borrower, free from any Liens other than Permitted Liens, (ii) there has been no change to the corporate structure of CPN as set forth in Schedule M and its direct and indirect Subsidiaries from that previously disclosed in writing to the Creditors, and no new Subsidiaries of any of them have been incorporated, organized or formed, and (iii) the Collateral Agent shall have received original security certificates for all of the foregoing Equity Securities described in subparagraph (i) above, together with (in each case) a duly executed and undated securities transfer power of attorney (in blank form) and/or appropriate endorsement for transfer with respect to the same;

(m) the Creditors shall have received satisfactory evidence that the Borrower has 100% legal and beneficial ownership of all Project Assets it owns or purports to own, and is entitled to 100% of all Project Production, in each case free and clear of all Liens or claims, except for Permitted Liens;

(n) CPN and/or the Borrower shall have completed and delivered to the Agent a certified copy of the board-approved Bankable Ore Reserve Model, which shall be in form and substance satisfactory to the Creditors;

(o) the delivery to the Agent of a certified copy of the board-approved LOMP for the Project, which satisfies the following requirements:

    (i) is materially consistent with the Bankable Feasibility Study and reflects the Price Determination and all findings of the due diligence review referred to in Section 3.01(1)(k) above;

    (ii) reflects the Bankable Ore Reserve Model;

(iii) provides a summary of a forecast of the construction, development and operation of the Project (including a financial model);

(iv) sets forth a description of the timing of construction, and includes technical data related to the Project, including capital expenditure schedules and the necessary Proceeds Accounts expenditure requirements, a detailed mine plan, normal physical mining parameters, and expected gold ore and metal production levels, revenue and off-take assumptions, capital and operating costs (including cash and full costs of production and other expenses (including discretionary exploration expenditures approved by the Creditors)), expenditures required pursuant to any schedule under Environmental Laws for ore tonnes and grade, waste movement, treatment schedule, cash flow, taxation and charges to Official Bodies, royalties, management fees, administration costs and expenses, and calculations of the Financial Covenants; and

(v) is divided into monthly periods for the construction period and the first year of production (and during each then current Fiscal Year in which the LOMP is subsequently revised or updated as required under Section 10.01(7)(b)), quarterly periods for the second year of production and annually thereafter;

in each case, in form and substance satisfactory to the Creditors and to the Independent Engineer. The parties agree that as at the date of this Agreement, the LOMP is contained in the excel file titled RDM PFA Model (11-01-13).xlsx, which is in a form and substance satisfactory to the Agent;

(p) the delivery to the Agent of a certified copy of the board-approved Bankable Feasibility Study, in form and substance satisfactory to the Creditors;

(q) all material information relevant to the Project or the Loan Parties has been provided to the Creditors and the Agent shall have received a certificate of an Authorized Officer of the Borrower addressed to the Creditors confirming that there has been no change to the operational, commercial or economic viability of the Project or the business, condition (financial or otherwise), operations, performance, assets or liabilities or prospects of the Loan Parties, from that contemplated in the LOMP, the Bankable Feasibility Study and the information and materials provided to the Creditors during their due diligence, nor any other event which constitutes or gives rise to, or could be expected to constitute or give rise to, a Material Adverse Event;

(r) the Agent shall have received confirmation that the copy of the royalty agreement relating to the MB Royalty that was previously provided to the Agent is up-to-date and complete and there shall have been no amendments to the terms of the MB Royalty since the date of such royalty agreement;

(s) the Borrower shall provide evidence satisfactory to the Creditors that it has entered into the Initial Hedging Program with the Hedge Providers and the Borrower has registered all Hedging Arrangements forming part of the Initial Hedging Program with custody and settlement systems duly accredited with the Central Bank of Brazil and the Brazilian Securities Commission, pursuant to article 2, paragraph 4 of the Brazilian Federal Law No. 6,385 of December 7, 1976, as amended;

(t) the Borrower shall have delivered to the Agent a certified copy of the Environmental Management Plan and any amendments thereto, all in form and substance satisfactory to the Creditors, and any environmental issues relating to the Project shall have been resolved to the satisfaction of the Creditors;

(u) the Agent shall have received copies of policies and certificates of currency of insurance evidencing that all Required Insurance is in place to the satisfaction of the Creditors and at the cost of the Loan Parties, that the Collateral Agent's and the Creditors' interests in these policies have been appropriately noted and the Borrower has assigned the proceeds of such insurance to the Collateral Agent on behalf of the Creditors;

(v) the Creditors shall have received payment in full and in cash of all amounts to be paid to the Creditors under the Finance Documents, including all fees and expenses due and payable to or for the account of the Creditors hereunder; provided that the Facility Fees and legal fees, disbursements and expenses of Lenders' Counsel may be deducted from the proceeds of the Drawdowns;

(w) the Agent shall have received a certificate of an Authorized Officer of the Borrower addressed to, and in form and substance acceptable to, all Lenders (together with any supporting evidence requested by the Lenders) to the effect that (i) the Borrower has obtained the Required Initial Equity Contribution, all of which (A) has been obtained pursuant to agreements and on terms approved by the Creditors, and (B) has been expended on Project Costs for the development of the Project in accordance with the Bankable Feasibility Study, LOMP and Annual Project Budget, and in a manner acceptable to the Creditors or has been deposited into the USD Proceeds Account in accordance with Section 12.01(7) and stating the amount that has been expended on Project Costs and the amount in the USD Proceeds Account as at the date of the certificate and (ii) after taking into consideration the funding referred to in subparagraph (i) above (including, for the avoidance of doubt, the funding of the GPA Upfront Payments and the SPA Purchase Price as contemplated in Section 3.01(1)(ee)), the funding of the Drawdowns and, as applicable, the deposit of the net proceeds thereof into the USD Proceeds Account in accordance with Section 12.01(7), and after allowing for the Maximum Permitted Equity Gap, the Project is fully funded to achieve Engineering Completion by the Outside Completion Date: that is, the Costs to Complete set forth in or included with the Drawdown Notice as required pursuant to Section 2.04(1)(e)(iv)(D) do not exceed the Available Funding, as at the Drawdown Date, plus the Maximum Permitted Equity Gap, and the Lenders shall be satisfied with each of the foregoing matters;

(x) the Agent shall have received a certificate of (i) an Authorized Officer of the Borrower addressed to the Creditors certifying that to date the Borrower has constructed the Project strictly in accordance with the Bankable Feasibility Study and LOMP;

(y) the Warrants shall have been duly issued by CPN to MBL and the corresponding certificates for such Warrants shall have been delivered to MBL;

(z) the Gold Call Options shall have been duly granted by CPN to MBL;

(aa) the Creditors shall have received certified copies of any agreements, instruments or other documents governing or evidencing Subordinated Intercompany Debt, the terms and conditions of which shall be satisfactory to the Creditors in both form and substance;

(bb) the Borrower shall have established the Project Accounts in accordance with this Agreement;

(cc) the Creditors shall have received evidence in form and substance satisfactory to each of them of the following ratios as of the end of each Fiscal Quarter during the Life of Mine (except, in the case of the DSCR, only as of the end of each such Fiscal Quarter on or after the projected Project Completion Date):

(i) a minimum PLCR of not less than [*agreement redacted – proprietary structure*];

(ii) a minimum LLCR of not less than [*agreement redacted – proprietary structure*];

(iii) a minimum DSCR (Forecast) of not less than [*agreement redacted – proprietary structure*]; and

(iv) a minimum Reserve Tail of not less than [*agreement redacted – proprietary structure*]%,

each as determined with reference to the LOMP and the Price Determination, unless otherwise agreed in writing by the Creditors and the Borrower;

(dd) the Borrower shall have provided evidence of engagement by the Borrower on a full-time basis of an experienced and capable Project management team satisfactory to the Creditors for the construction, development and commissioning of the Project;

(ee) all applicable conditions precedent to:

(i) funding of the GPA Upfront Payments shall have been fulfilled or otherwise waived in writing by the Purchaser (under and as defined in the GPA);

(ii) funding of the SPA Purchase Price shall have been fulfilled or otherwise waived in writing by the Purchaser (under and as defined in the SPA), and

and the GPA Upfront Payments and the SPA Purchase Price shall have been (i) fully paid to the Borrower and, where required, registered with the Central Bank of Brazil and (ii) expended on Project Costs for the development of the Project in accordance with the Bankable Feasibility Study, LOMP and Annual Project Budget, and in a manner acceptable to the Creditors, or deposited into the USD Proceeds Account in accordance with Section 12.01(7); and

(ff) such additional information, evidence, documents, undertakings or opinions as the Creditors may reasonably request to establish the consummation of the transaction contemplated hereby, the taking of all proceedings in connection herewith and compliance with the conditions set forth in this Agreement.

(2) On or before the date on which the Drawdown Notice is delivered in relation to the first Drawdown hereunder, there shall be a pre-Drawdown meeting at a time to be agreed upon by the parties hereto at which the Borrower shall provide all of the items listed in this Section 3.01 and Section 3.02 (other than the one listed in Section 3.02(a), which will be provided once all other items have been provided to the satisfaction of the Creditors), all in a form which is satisfactory to all of the Creditors.

(3) On or before the transfer of proceeds from the first Drawdown from the USD Proceeds Account to the Operating Account, the following conditions precedent shall be satisfied by the Loan Parties and to the satisfaction of all of the Creditors:

(a) the Agent shall have received a notarially certified copy of any Project Agreement entered into by a Loan Party prior to the date of the Borrower's written request for transfer (given in accordance with Section 12.01(8)), as may be requested by the Agent, each of which shall contain terms and conditions acceptable to the Creditors, and shall have been awarded to parties acceptable to the Creditors; and

(b) the following Tripartite Agreements shall have been executed and delivered to the Agent by all parties thereto:

(i) the Tripartite Agreement – Construction Agreement; and

(ii) any other Tripartite Agreement with respect to a Project Agreement referred to in Section 3.01(3)(a), as may be determined by the Agent.

3.02 **Conditions Precedent to all Drawdowns**

On or before each Drawdown hereunder (including the first Drawdown), the following conditions precedent shall be satisfied by the Loan Parties and to the satisfaction of all of the Creditors:

(a) the Agent shall have received a proper and timely Drawdown Notice from the Borrower which satisfies all of the requirements of Section 2.04(1)(e);

(b) the representations and warranties set forth in Section 9.01 and the other Finance Documents shall be true and accurate in all material respects;

(c) each of the Loan Parties shall be in compliance with all of its covenants and agreements, and shall have satisfied all terms and conditions of this Agreement and the other Finance Documents to which it is a party, unless such terms have been otherwise waived in writing by the Creditors in accordance with Section 3.03;

(d) each of the Loan Parties shall be in compliance with all Environmental Laws and environmental authorisations and Permits, and there shall be no subsisting or potential environmental damage, degradation or environmental liability at, on or in connection with or in relation to the Project;

(e) no event shall have occurred and be continuing which constitutes an Event of Default or Potential Event of Default nor shall the requested Drawdown result in the occurrence of any such event;

(f) the Agent shall have received the estimated Costs to Complete set forth in the Drawdown Notice as required pursuant to Section 2.04(1)(e)(iv)(D) and be satisfied that the Costs to Complete do not exceed the aggregate Available Funding as at the Drawdown Date plus the Maximum Permitted Equity Gap; and

(g) after giving effect to the requested Drawdown, the Principal Outstanding shall not exceed the maximum authorized amount of the Project Facility, as the same may have been reduced in accordance with Section 2.10.

3.03 **Waiver**

The conditions set forth in Sections 3.01 and 3.02 are inserted for the sole benefit of the Creditors and may be waived by all the Creditors, in whole or in part (with or without terms or conditions), in respect of any Drawdown without prejudicing the right of the Creditors at any time to assert such conditions in respect of any subsequent Drawdown.

ARTICLE 4
EVIDENCE OF DRAWDOWNS

4.01 **Account of Agent**

The Agent may open and maintain, in accordance with its usual practice, an account or accounts evidencing all Advances and all other amounts owing by the Borrower hereunder. The Agent will enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrower hereunder. The information entered in the foregoing accounts shall constitute prima facie evidence of the obligations of the Borrower to the Lenders and the Agent hereunder with respect to all Advances and all other amounts owing by the Borrower to the Lenders and the Agent hereunder. After a request by the Borrower, the Agent will promptly advise the Borrower of such entries made in the Agent's books of account. The Agent does not have any duties in relation to any account or accounts maintained by it in accordance with this Section except as expressly specified in this Agreement, and in respect of any such account will not be liable for any error in judgment or any mistake of fact or law, except for its own fraud, gross negligence or wilful misconduct.

4.02 **Promissory Notes**

Upon the request of any Creditor, the Borrower will execute and deliver one or more promissory notes in form and substance acceptable to such Creditor, evidencing the Secured Obligations owing to such Creditor under the Finance Documents**,** provided that (a) any required promissory note shall comply with Brazilian law requirements, and (b) each Creditor agrees that it shall not make demand upon, or commence or prosecute any enforcement proceedings in respect of, any such promissory note unless the Secured Obligations evidenced thereby are then due and owing under this Agreement and the other Finance Documents, as applicable.

ARTICLE 5
PAYMENTS OF INTEREST; FEES

5.01 **Interest on Advances**

(1) The Borrower shall pay interest on each Advance during each Interest Period applicable thereto in US Dollars at a rate per annum, expressed on the basis of a 360 day year, equal to the Reference Rate with respect to such Interest Period plus the Applicable Margin. Each determination by the Agent of the Reference Rate applicable to an Interest Period shall, in the absence of manifest error, be binding upon the Borrower. Such interest shall accrue daily and be payable in arrears on each Interest Payment Date for such Advance for the period from and including the Drawdown Date or the preceding Rollover Date or Interest Payment Date, as the case may be, for such Advance to and including the day preceding such Interest Payment Date and shall be calculated on the principal amount of the Advance outstanding during such period and on the basis of the actual number of days elapsed divided by 360.

(2) Provided always that no Event of Default or Potential Event of Default has occurred which is subsisting, the Borrower shall (subject to complying with Section 3.02 and this Section 5.01(2)) be entitled to capitalise interest accrued at any Interest Payment Date from the date of this Agreement up to and including the last Interest Payment Date prior to the first Repayment Date and, unless the Borrower gives the Agent at least five (5) Banking Days' prior written notice prior to any such Interest Payment Date, such capitalised interest shall be treated as a new Advance under Tranche 1 provided that such Advance shall not cause the Principal Outstanding to exceed the maximum authorized amount of the Project Facility. After such capitalisation of interest, interest will accrue on such interest so capitalised at the interest rate provided for, and in accordance with, Section 5.01(1) above (or at the interest rate provided for, and in accordance with, Section 13.04, as applicable).

5.02 **Taxes; No Deduction etc., Reimbursement and Indemnity**

(1) All payments of principal, interest or other amounts hereunder or under the other Finance Documents will be made free and clear of and without deduction for Indemnified Taxes. If the Borrower, or another Loan Party liable to the Creditors for payment of any principal, interest or other amounts, is required by law to deduct any Indemnified Taxes from any such principal, interest or other amounts, (i) the sum payable will be increased by an amount so that, after making all required deductions (including deductions applicable to additional sums payable under this Section 5.02(1)) the recipient will receive an amount equal to the sum it would have received had no deductions been made, (ii) the Borrower or such other Loan Party, as applicable, will deduct from the sum payable to the recipient an amount sufficient to pay the Indemnified Taxes and pay the balance to the recipient, and (iii) the Borrower or such other Loan Party, as applicable, will promptly pay the full amount deducted to the relevant Official Body in accordance with Applicable Law.

(2) In addition, and to the fullest extent permitted by Applicable Law, each of the Borrower and the other Loan Parties agrees to pay any present or future Taxes that arise from any payment of principal, interest or other amount hereunder or under any other Finance Document, or that arise from the execution, delivery, registration or enforcement of, or otherwise with respect to, this Agreement or any other Finance Document (collectively, the "**Other Taxes**").

(3) To the fullest extent permitted by Applicable Law, each of the Borrower and the other Loan Parties will forever indemnify each Creditor from and against (i) all Indemnified Taxes and Other Taxes imposed by

any Official Body, and paid by any such Creditor, in respect of any payment of principal, interest or other amount hereunder or under any other Finance Document, or arising from the execution, delivery, registration or enforcement of, or otherwise with respect to, this Agreement or any other Finance Document, and (ii) all liabilities (including penalties, interest and legal fees, expenses and disbursements) arising from or related to those Indemnified Taxes and Other Taxes without regard to whether those Indemnified Taxes or Other Taxes were correctly or legally imposed. The Borrower or other Loan Party, as applicable, will make any payments required under this Section 5.02(3) within 30 days after the applicable Creditor delivers a written notice to the Borrower or other Loan Party, as applicable, that (x) identifies the relevant Official Body and the amount of the Tax imposed, (y) states with reasonable specificity the basis for that Tax, and (z) certifies that such Creditor has paid the Tax imposed. The indemnification obligations of the Borrower and the other Loan Parties under this Section 5.02(3) will survive the repayment of the Secured Obligations and the termination of this Agreement.

(4) At the request of the Borrower or any other Loan Party, if any Creditor is entitled to an exemption from or reduction of withholding Tax with respect to payments of principal, interest or other amounts hereunder or under the other Finance Documents pursuant to the Applicable Law of any relevant jurisdiction, such Creditor will deliver to the Borrower, or another Loan Party liable to the Creditors for payment of such principal, interest or other amounts, at the time or times prescribed by Applicable Law, properly completed and executed documentation required by Applicable Law so as to permit those payments to be made without withholding or at a reduced rate of withholding.

(5) Each Creditor will use its commercially reasonable efforts to obtain in a timely fashion any refund, deduction or credit of any Taxes paid or reimbursed by the Borrower pursuant to this Section 5.02. If any Creditor determines in its sole discretion, exercised in good faith, that it has received a benefit in the nature of a refund, deduction, or credit (including a refund in the form of a deduction from or credit against Taxes that are otherwise payable by such Creditor) of any Taxes as to which it has been indemnified by the Borrower pursuant to this Section 5.02, such Creditor will notify and reimburse the Borrower (promptly after such Creditor reasonably determines that such refund, deduction, or credit has become final) to the extent of the benefit of such refund, deduction, or credit, including any interest paid by the relevant Taxing Authority, net of all out of pocket expenses of such Creditor; provided that the Borrower, upon request of such Creditor, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Taxing Authority) to such Creditor in the event such Creditor is required to repay such refund to such Taxing Authority. Nothing in this Section 5.02(5) will, however, require any Creditor to make available its Tax returns (or any other information relating to its Taxes which it deems to be confidential) to the Borrower or any other Person, or to attempt to obtain any refund, deduction, or credit (including any interest paid by the relevant Taxing Authority and received by any Creditor), if such Creditor determines that doing so could be inconsistent with any reporting position otherwise taken by such Creditor on its Tax returns. The notification and reimbursement obligations of each Creditor and, for certainty, the repayment obligations of the Borrower, under this Section 5.02 will survive the repayment of the Secured Obligations and the termination of this Agreement.

5.03 **Fees**

(a) During the Availability Period, the Borrower shall pay to the Agent for the account of the Lenders a commitment fee in US Dollars calculated at the rate of [*agreement redacted – proprietary structure*]on the daily average of the Undrawn Commitment (the "**Commitment Fees**"). The Commitment Fees determined in accordance with this Section 5.03(a) shall be payable by the Borrower quarterly in arrears on the last days of March, June, September and December in each year during the Availability Period and on the last day of the Availability Period.

(b) On or prior to the date hereof, the Borrower shall pay to the Agent for the account of the Lenders a facility fee in the amount of [*agreement redacted – proprietary structure*] of each Lender's Commitment.

(c) On or prior to the date hereof, if there are two or more Lenders with Commitments hereunder, the Borrower shall pay to the Agent for the account of the Agent an agency fee in the amount of [*agreement redacted – proprietary structure*]. In addition, on each annual anniversary of the date of this Agreement on which an amount may still be drawn down hereunder or on which any Secured Obligations remain outstanding, if there are two or more Lenders with Commitments hereunder or to which Secured Obligations are outstanding hereunder, the Borrower shall pay to the Agent for the account of the Agent on each such anniversary an agency fee of [*agreement redacted – proprietary structure*].

(d) The foregoing fees may be paid out of the proceeds of Drawdowns under the Project Facility.

ARTICLE 6
NET EXPORT PROCEEDS PAYMENTS

6.01 **Net Export Proceeds Payments**

On each Repayment Date, the Borrower shall (for certainty, after payment of other amounts required or permitted to be paid pursuant to Section 12.01(8)(a) through (e), inclusive) pay to the Agent for the account of the Lenders, as a mandatory prepayment of the Principal Outstanding, an amount equal to the applicable percentage of Net Export Proceeds for the Fiscal Quarter then ending corresponding to the amount of Net Export Proceeds for such Fiscal Quarter, as follows:

Amount of Net Export Proceeds ("QECF")	**Applicable percentage of QECF to be applied as a mandatory prepayment**
< US $6,000,000	[*agreement redacted – proprietary structure*]
≥ US $6,000,000 and < US $9,000,000	[*agreement redacted – proprietary structure*]
≥ US $9,000,000	[*agreement redacted – proprietary structure*]

and the Borrower shall deliver to the Agent, concurrently with such payment, a certificate of an Authorized Officer of the Borrower setting forth a calculation of the amount of Net Export Proceeds for such Fiscal Quarter.

6.02 **Application of Payments**

All payments under Section 6.01, Section 7.01(1)(b), Section 7.02 and Section 12.01(8)(j) hereof shall be used to retire amounts due by way of principal and interest hereunder in such a manner that all principal prepaid shall have been paid together with interest accrued thereon to the date of prepayment and the portion allocable to principal of all payments under Section 6.01, Section 7.02 or Section 12.01(8)(j), as the case may be, shall be applied to reduce the amount of subsequent repayments of principal under Section 7.01, first in respect of scheduled repayments of principal under Tranche 2 and then in respect of scheduled repayments of principal under Tranche 1, in each case, in inverse order of maturity. The amount of any such payment shall cause the Project Facility to be permanently reduced by such amount.

ARTICLE 7
REPAYMENT

7.01 **Mandatory Repayment of Principal**

(1) The primary mechanism for repayment of the Principal Outstanding must be through the supply and export of Product by the Borrower to persons located outside of Brazil, which may including offshore buyers

and refiners (each an "**Offshore Buyer**") under the Sales Agreements and/or Refining Agreements to which those Offshore Buyers are party and the payment by those Offshore Buyers of the proceeds resulting from that supply or export directly to the Export Proceeds Account. The proceeds of those payments made to the Export Proceeds Account must be converted into US Dollars, if denominated in any other currency, and applied against the Principal Outstanding and interest due as provided in this Agreement and observing all Brazil laws and regulations applicable in relation to those payments, including those of the Central Bank of Brazil. Notwithstanding the foregoing, subject to the terms of this Agreement, including the provisions of Section 13.02:

(a) the Borrower shall repay to the Agent for the account of the Lenders the Principal Outstanding under the Project Facility, in quarterly instalments, in the amounts and on the Repayment Dates set forth in the applicable Export Repayment Schedule and, in any event, so as to ensure that at all times the aggregate Principal Outstanding does not exceed: (i) the "Facility Limit" specified in the applicable Export Repayment Schedule on and after the Repayment Date corresponding thereto, less (ii) the aggregate of any cancellations of the Undrawn Commitment pursuant to Section 2.10 and reduction of the Project Facility pursuant to Section 6.02; and

(b) for so long as there is any Principal Outstanding under the Project Facility, the Loan Parties shall pay or cause to be paid to the Agent for the account of the Lenders the gross proceeds from the exercise of any of the Warrants, such proceeds to be applied in accordance with Section 6.02.

(2) The Borrower shall pay to the Agent for the account of the Lenders on the Final Maturity Date the full remaining balance of Principal Outstanding (if any) together with accrued interest and fees thereon and all other amounts then payable by the Borrower under this Agreement and the other Finance Documents.

(3) Any mandatory repayment of Principal made pursuant to this Section 7.01 shall not be subject to any break costs owing under Section 7.02.

7.02 **Voluntary Prepayment of Principal**

The Borrower may at any time and from time to time prepay without penalty to the Agent for the account of the Lenders, the whole or any part of any Advance together with accrued interest thereon to the date of such prepayment, provided that:

(a) the Borrower shall give a Repayment Notice to the Agent at least 2 Banking Days prior to the prepayment date;

(b) except as provided below, each such prepayment may only be made on the last day of the applicable Interest Period with regard to any Advance that is being repaid;

(c) each such prepayment shall be in a minimum amount of the lesser of (i) US $1,000,000 and (ii) the Principal Outstanding in respect of the relevant Advance immediately prior to such prepayment; and any such prepayment in excess of US $1,000,000 shall either be in integral multiples of US $500,000 or the Principal Outstanding in respect of the relevant Advance immediately prior to such prepayment;

(d) each such prepayment shall be applied in accordance with Section 6.02; and

(e) the amount of such prepayment shall cause the Project Facility to be permanently reduced by such amount.

If any Advance is prepaid (other than pursuant to Section 6.01 or Section 7.01) on other than the last day of the applicable Interest Period the Borrower shall, within three Banking Days after notice is given by the Agent, pay to the Agent for the account of the Lenders all costs, losses and expenses (excluding any loss of Applicable Margin), incurred by the Lenders by reason of the liquidation or redeployment of deposits or other funds or for any other reason whatsoever resulting from the prepayment of such Advance or any part thereof on other than the last day of the applicable Interest Period. If pursuant to the provisions of this Section 7.02 or any other provision hereof the Borrower becomes obliged to pay such costs, losses or expenses, each Lender shall use reasonable efforts to minimize such costs, losses and expenses. Any Lender entitled to be paid such costs, losses and expenses shall deliver a certificate to the Borrower and the Agent certifying as to such amounts and, in the absence of manifest error, such certificate shall be conclusive and binding for all purposes.

ARTICLE 8
PLACE AND APPLICATION OF PAYMENTS OF PRINCIPAL, INTEREST AND FEES

8.01 Place of Payment of Principal, Interest and Fees

All payments of principal, interest, fees and other amounts to be made by the Borrower to the Agent and the Lenders pursuant to this Agreement shall be made in US Dollars for value on the day such amount is due and if such day is not a Banking Day on the Banking Day next following (or as otherwise provided in the definition of Interest Period), by deposit or transfer thereof to the account of the Agent designated by the Agent for such purpose or at such other place as the Agent may from time to time advise the Borrower.

8.02 Funds

Each amount advanced, disbursed or paid hereunder shall be advanced, disbursed or paid, as the case may be, in such form of funds as may from time to time be customarily used for US Dollars in Sydney, Australia in the settlement of banking transactions similar to the banking transactions required to give effect to the provisions of this Agreement on the day such advance, disbursement or payment is to be made.

8.03 Application of Payments

If any Event of Default shall occur and be subsisting, all payments made by the Borrower hereunder or under the other Finance Documents shall be applied in the following order:

(a) to amounts due hereunder as fees;

(b) to amounts due hereunder as costs and expenses;

(c) to amounts due hereunder as default interest;

(d) to amounts due hereunder as interest; and

(e) to all other Secured Obligations, including amounts due hereunder as principal and amounts due to Hedge Providers under Hedging Arrangements.

8.04 Set Off

(1) In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence and during the continuance of an Event of Default (whether or not the Advances have been accelerated or any of the other Secured Obligations have been accelerated or demanded hereunder or under the other Finance Documents), and upon any declaration or acceleration pursuant to Section 13.02, the Agent and each other Creditor shall have the right (and are hereby authorized by each of the Loan Parties) at any time and from time to time to combine all or any of the Loan Parties' accounts with the Agent or the other Creditor, as the case may be, and to set off and to appropriate and to apply any and all deposits (general or special, term or demand) including, but not limited to, indebtedness evidenced by certificates of deposit whether matured or unmatured, and any other indebtedness at any time held by the Loan Parties (or any of them) or owing by the Agent or such other Creditor, as the case may be, to or for the credit or account of any such Loan Party against and towards the satisfaction of any Secured Obligations owing by any of the Loan Parties, and may do so notwithstanding that the balances of such accounts and the liabilities are expressed in different currencies, and the Agent and each other Creditor are hereby authorized to effect any necessary currency conversions at the noon spot

rate of exchange announced by the Bank of Canada on the Banking Day before the day of conversion.

(2) The Agent or the applicable Creditor, as the case may be, shall notify the Borrower of any such set-off from the accounts of any Loan Party within a reasonable period of time thereafter, although the Agent or the Creditor, as the case may be, shall not be liable to any of the Loan Parties for its failure to so notify.

ARTICLE 9
REPRESENTATIONS AND WARRANTIES

9.01 Representations and Warranties

Each of the Loan Parties represents and warrants as follows to the Creditors and acknowledges and confirms that each of the Creditors is relying upon such representations and warranties:

(1) Corporate Status.

CPN is a corporation duly incorporated and validly existing under the federal laws of Canada and the Borrower and each of the other Loan Parties are corporations duly incorporated and validly existing under the laws of their respective jurisdictions of incorporation and each of the Loan Parties has all necessary corporate power and authority to own its respective properties and carry on its respective business as presently carried on and each is duly licensed, registered or qualified in all jurisdictions where the character of its property owned or leased or the nature of the activities conducted by it makes such licensing, registration or qualification necessary or desirable. The principal and registered offices of the Borrower are each located in Riacho dos Machados, Minas Gerais, Brazil, the principal and registered offices of OLC Brazil are each located in Bridgetown, Barbados, the principal and registered offices of OLV Co-op and OLC Holdings are each located in Amsterdam, the Netherlands, and the principal and registered offices of CPN are each located in Toronto, Ontario.

(2) Corporate Authority.

Each of the Loan Parties has full corporate power and authority to enter into this Agreement, the other Finance Documents and the Project Documents to which it is a party and to do all acts and execute and deliver all other documents as are required hereunder or thereunder to be done, observed or performed by it in accordance with their respective terms.

(3) Valid Authorization.

Each of the Loan Parties has taken all necessary corporate or other action to authorize the creation, execution, delivery and performance of this Agreement, the other Finance Documents and the Project Documents to which it is a party and to observe and perform the conditions, covenants and obligations under each Finance Document and Project Document in accordance with its respective terms.

(4) Validity and Enforceability of Documents; No Breach.

This Agreement constitutes and, when executed and delivered, each of the Finance Documents and Project Documents to which any Loan Party is a party will constitute valid and legally binding obligations of each such Loan Party enforceable against it in accordance with their respective terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights, to the fact that specific performance is an equitable remedy available only in the discretion of the court and that judgment will not be rendered by a Canadian court in other than Canadian currency. Neither the execution and delivery of this Agreement, any other Finance Document or any Project Document to which any Loan Party is a party, nor compliance by any such Loan Party with the terms and conditions of any of them, (a) has resulted or will result in a violation of the articles or the by-laws of any such Loan Party or any resolutions passed by the Board of Directors or shareholders or quotaholders of any such Loan Party or any applicable law, rule, regulation, order, judgment, injunction, award or decree, (b) has resulted or will result in a breach of, or constitute a default under, any loan agreement, indenture, trust deed or any other agreement or instrument to which any such Loan Party is a party or by which it is bound or (c) requires any approval or consent of any Official Body having jurisdiction, or of any other Person, except such as has already been obtained and is in full force and effect.

(5) Title to Properties.

As at the date of the first Drawdown hereunder and thereafter, each of the Loan Parties will have, and on the date on which each such Loan Party executes and delivers the Security to which it is a party, each of them will have, good and marketable title to (or, in the case of leasehold interests forming part of the Project Tenements, a valid leasehold title to) and exclusive possession of the Project Tenements, other Project Assets (including, without limitation, Product and Project Production) and other assets, in each case, which are owned by it, free and clear of any Lien, other than Permitted Liens, on any such assets and no Person has any agreement or right to acquire an interest in such assets. The Borrower has done all work necessary to keep the Project Tenements in good standing and the Project Tenements are properly located and recorded.

(6) Other Assets.

The Loan Parties do not own any assets or properties other than those constituting, used in connection with or incidental to the development and operation of the Project and, in the case of CPN, its direct or indirect interest in the Rovina Valley project in Romania (such project, and all related property and assets, the "**Rovina Valley Project**"), and, in particular, as at the date hereof, none of the Loan Parties own any Mineral Rights other than those listed in Schedule G.

(7) Non-Default.

No Event of Default or Potential Event of Default has occurred that is subsisting.

(8) Authorized Officers.

Each of the Loan Parties has, by resolution of its Board of Directors or relevant corporate decision-making body, as applicable, duly authorized at least one of its directors or officers to handle and approve all ongoing dealings under or in connection with the Project Facility and the Finance Documents.

(9) Financial Condition.

The audited consolidated financial statements of CPN and its Subsidiaries for the Fiscal Year ended December 31, 2011, the unaudited consolidated financial statements of CPN and its Subsidiaries for the Fiscal Quarters ended March 31, 2012 and June 30, 2012 and, if available, September 30, 2012, and the unaudited unconsolidated financial statements of the Borrower for the Fiscal Quarters ended March 31, 2012 and June 30, 2012 and, if available, September 30, 2012, in each case, fairly present the financial condition of CPN and its Subsidiaries or the Borrower, as the case may be, as at such dates and the results of the operations of CPN and its Subsidiaries or the Borrower, as the case may be, for the respective annual and quarterly periods then ended, all in accordance with Accounting Principles consistently applied and, since December 31, 2011, other than as a result of commitments contemplated in the Bankable Feasibility Study and the LOMP, there has been no material adverse change in the condition, financial or otherwise, of CPN and its Subsidiaries (on a consolidated basis) or the Borrower. Except as shown on Schedule J hereto or on such financial statements each dated as at December 31, 2011, each of CPN and its Subsidiaries (including the Borrower) has no debts or liabilities whatsoever, other than those incurred in the ordinary course of business.

(10) Absence of Litigation.

Except as set forth in Schedule K or as disclosed to the Agent in writing from time to time after the date hereof, there are no actions, suits, proceedings or disputes (including without limitation any labour dispute or dispute with an Official Body) pending or, to the knowledge of any of the Loan Parties, threatened against or affecting any of the Loan Parties or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Official Body having jurisdiction in the premises in respect of which there is a possibility of a determination adverse to any of the Loan Parties and which could, if determined adversely:

(a) be expected to result in a judgement, award or assessment of damages or other amounts against any of the Loan Parties in aggregate exceeding US $500,000; or

(b) materially and adversely affect the ability of any of the Loan Parties to observe and perform any of its obligations under this Agreement and the Finance Documents to which it is a party and none of the Loan Parties is in default with respect to any law, regulation, order, writ, judgment, injunction or award of any competent Official Body which would have such an effect.

(11) Indebtedness.

None of the Loan Parties is in default in the payment of any sum or in the observance or performance of any covenant or obligation in respect of any Indebtedness, for amounts in aggregate exceeding [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency) except where such default is being disputed in good faith and by appropriate proceedings and the applicable Loan Party has set aside adequate reserves therefor in accordance with Accounting Principles.

(12) Ownership of Project Tenements; Royalties.

The Borrower has 100% legal and beneficial ownership of all Project Assets it owns or purports to own, and is entitled to 100% of all Project Production, in each case, free and clear of all Liens or claims, except for Permitted Liens. As at the date of the first Drawdown hereunder and thereafter, the Borrower will have all Project Tenements in relation to the Project, which are unconditional, represent mining concessions (Concessão de Lavra) or exploration licences (Autorização de Pesquisa) and surface rights to the Lands, are for a term which extends beyond the Final Maturity Date and have not been assigned, in whole or in part. As at the date of the first Drawdown hereunder and thereafter, the ore reserves described in the LOMP are located within the boundaries of the Mining Concession and the Lands referred to in Schedule G and Schedule H, the Borrower has unfettered and unlimited rights to extract the ore contained therein without limitation and no further mining concessions (Concessão de Lavra) or exploration licences (Autorização de Pesquisa) or similar Permits are necessary to be obtained in connection with the development and operation of the Project in accordance with the LOMP. The Mineral Rights are in good standing and all amounts due thereunder have been paid.

The Project Tenements are not subject to any leases or concessions, other than the Mining Concession itself, nor are there any Royalties burdening the Project Tenements or the Project, other than (a) the statutory royalty payable to the relevant states, municipalities and Federal District (Compensação Financeira pela Exploração Mineral); (b) the MB Royalty and (c) the GP.

(13) Compliance with Applicable Laws; Permits.

Each of the Loan Parties has complied with all requirements of Applicable Laws (including all Environmental Laws and Mining Laws and other applicable statutes, ordinances, by-laws, and regulations) in all material respects.

Except as otherwise disclosed herein, the Borrower has all Permits under such statutes and regulations and otherwise as are required to construct, complete and operate the Project. All Permits (including environmental Permits) necessary to be obtained in connection with the construction, development and operation of the Project and export of the Product in accordance with the LOMP and the execution and implementation of the Project Documents are listed in Parts I and II of Schedule I. All such Permits listed in Part I of Schedule I are validly issued and in full force and effect, unamended and there has been no breach of any of their terms or conditions and all such Permits listed in Part II of Schedule I are expected to be obtained in the normal course of construction, development and operation of the Project without the imposition of burdensome conditions or expenditure of material unbudgeted amounts.

(14) Taxes.

Each of the Loan Parties has filed or caused to be filed all federal, state, provincial and local tax returns which to the knowledge of such Loan Party are required to be filed and has paid or caused to be paid all Taxes as shown on such returns or any assessment received by such Loan Party to the extent that such Taxes or assessments have become due, except such as may be diligently contested in good faith and by appropriate proceedings or as to which a bona fide dispute may exist and, in each case, for which adequate reserves in accordance with Accounting Principles are being maintained. Each Loan Party has established reserves in accordance with Accounting Principles which are reasonably believed by its officers to be adequate for the payment of such Taxes.

(15) Agreements.

None of the Loan Parties is a party to any agreement or instrument or subject to any charter or other corporate restriction which could be expected to result in the occurrence or existence of a Material Adverse Event. None of the Loan Parties is in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party, the effect of which could be expected to result in the occurrence or existence of a Material Adverse Event.

(16) Payment for Project Production.

Other than under the GPA, the SPA and the Initial Au Hedging Program, none of the Loan Parties will, at the date of the first Drawdown hereunder or thereafter, be obligated under any purchase or sale agreements, refining agreements, production payment agreements, operating agreements, participation agreements, security agreements or any other agreements or arrangements to make future deliveries of production attributable to the Project without receiving full payment for such production at prevailing market prices. No payments for Project Production are being held or will hereafter be required to be held in suspense or escrow accounts, except for the Proceeds Accounts.

(17) Regulation.

With respect to the Project, the Project Tenements and operations relating thereto, each Loan Party has complied with all applicable local, territorial, state and federal laws and regulations relating to the construction and/or operation of the Project and has obtained all Permits, approvals and consents required to operate the Project, and none of the Loan Parties is aware of any investigation (other than a routine inspection) of the Project or any Loan Party underway by any Official Body with respect to enforcement of such laws, regulations, Permits, approvals and consents.

(18) Project Documents.

Each of the Project Documents listed in Part I of Schedule I, as of the date hereof, and, as of the date of each Drawdown Notice to be delivered by the Borrower hereunder, including each other Project Document which has been executed and delivered, issued or obtained or is otherwise held by such date:

(a) is in full force and effect;

(b) is valid and, if an agreement, enforceable by each Loan Party which is a party thereto against, and is legally binding on, all other parties thereto in accordance with its terms;

(c) is in the form previously or concurrently delivered to the Agent pursuant to this Agreement; and

(d) is not subject to any notice or claim of a default or breach thereunder or any event or condition entitling any party to terminate its obligations thereunder or to terminate, revoke or suspend the same (or attach conditions to the same having similar effect), as applicable.

The Loan Parties have listed in Parts I and II of Schedule I all Project Documents and the lists contained in Parts I and II of such Schedule, together, comprise a full, complete and current list of all of such documents and no other Project Document needs to be obtained in connection with the development and operation of the Project in accordance with the LOMP, and no consent or approval of any counterparty to any such Project Document is required in order for the Liens of the Security to attach to the same, except for (i) the Project Agreements referred to in Section 11.02(2)(d) and (ii) the other Project Agreements listed in Schedule I for which a Tripartite Agreement is not required to be obtained hereunder.

All performance required of the Loan Parties (and, to the best of the knowledge of the Loan Parties, each other party thereto) under each Project Document has been made, observed and performed at each date upon which this representation is made or deemed to be made hereunder from time to time, except:

(a) performance required to be made or performed at a later date; and

(b) performance of any obligation contained in any Project Document which is not material to the Project or to the performance of the Project Document taken as a whole.

At the date hereof, on each date upon which a Drawdown Notice is delivered by the Borrower hereunder and on each other date upon which these representations and warranties are deemed to be repeated, no default, or event which with the passing of time or giving of notice or both would constitute a default on the part of the Borrower exists under any of the Project Documents and there has been no notice or claim of default or breach thereunder or of any condition entitling any party to terminate its obligations thereunder or to terminate, revoke or suspend the same (or to attach conditions to the same having similar effect), as applicable.

(19) No Other Project Agreements.

No Loan Party has entered into any material agreement, arrangement or understanding, written or unwritten, relating to the Project except as disclosed herein or as disclosed to and consented by the Majority Creditors.

(20) Security.

The Security is effective to create in favour of the Collateral Agent, in its capacity as collateral agent for the Creditors, as security for the Secured Obligations described therein, a legal, valid, binding and enforceable first priority Lien in the collateral described therein and proceeds thereof. Except for the due and timely filing and recording of the Security, or notice thereof, no further action is necessary in order to establish and perfect the Collateral Agent's first priority Lien in and to all of the property of the Borrower (including the Project Assets), subject only to Permitted Liens.

(21) Fully Funded Project.

Subject to Section 10.01(26), the Costs to Complete do not exceed the Available Funding plus the Maximum Permitted Equity Gap.

(22) Subsidiaries; Title to Pledge Equity Securities.

Each of the Borrower, OLC Holdings, OLV Co-op, and OLC Brazil is a direct or indirect, wholly-owned Subsidiary of CPN and:

(a) CPN has legal and beneficial title to 100% of the Equity Securities in the capital of OLC Brazil, free from any Liens other than Permitted Liens;

(b) CPN and OLC Brazil, together, have legal and beneficial title to 100% of the Equity Securities in the capital of OLV Co-op, free from any Liens other than Permitted Liens;

(c) OLV Co-op has legal and beneficial title to 100% of the Equity Securities in the capital of OLC Holdings, free from any Liens other than Permitted Liens;

(d) OLV Co-op and OLC Holdings, together, have legal and beneficial title to 100% of the Equity Securities in the capital of the Borrower, free from any Liens other than Permitted Liens; and

(e) the Borrower has no Subsidiaries.

There has been no change to the corporate structure of CPN and such direct and indirect Subsidiaries as set forth in Schedule M, and no new Subsidiaries of any of them have been incorporated, organized or formed, except as consented to in writing by the Majority Creditors.

(23) Issuance of Equity Securities.

Except as set forth in Schedule K, there are no options, agreements, pre-emptive rights, conversion rights or other arrangements in force which provide for the present or future issuance, allotment or transfer of, or otherwise afford to any Person the right (whether absolute or contingent, subject to conditions or otherwise) to require the issuance, allotment or transfer of, any Equity Securities in the capital of any Loan Party.

(24) Filings.

Each of the Loan Parties has filed or caused to be filed all material corporate notices and has made or cause to be made all registrations with the appropriate Official Bodies under Applicable Laws and all such filings and registrations are current, accurate and complete.

(25) Intellectual Property Rights.

Each of the Loan Parties has sufficient Intellectual Property Rights necessary for the conduct of its businesses and to carry out the construction, development and operation of the Project. To each of the Loan Parties' knowledge, none of the Loan Parties is infringing or is alleged to be infringing the Intellectual Property Rights of any other Person in a material manner, other than as disclosed in Schedule K.

(26) Indigenous or Quilombola Rights.

There are no indigenous or quilombola rights (whether arising by statute, common law, custom, or otherwise), which will interfere with the mining exploitation of the Project Tenements or with the Project in any way.

(27) Ore Reserves within Boundaries.

The ore reserves described in the Bankable Feasibility Study are located within the boundaries of the Mining Concession listed in Schedule G and the Lands listed in Schedule H.

(28) No Material Adverse Event.

Since the date of CPN's and the Borrower's most recent annual audited financial statements provided to the Agent, there has been no condition (financial or otherwise), event or change in any Loan Party's business, liabilities, operations, results of operations, assets or prospects which constitutes or gives rise to, or could be expected to constitute or give rise to, a Material Adverse Event.

(29) Environmental Matters.

Except as disclosed in Schedule K:

(a) all facilities and property (including underlying groundwater) owned, leased or operated by any of the Loan Parties (including the Project) have been, and continue to be, owned, leased or operated in compliance in all material respects with all Environmental Laws and applicable Permits;

(b) there are no outstanding, pending or, to the best of its knowledge, threatened Environmental Claims against it or in respect of any property owned, leased or operated by it (including the Project) which:

(i) have not been cured or otherwise satisfied;

(ii) have resulted in any material action being taken by any Official Body or any other Person which action has not been discontinued or otherwise cured or satisfied; or

(iii) would be likely to result in any material action being taken by any Official Body or any other Person;

(c) there is no request for information or inquiry that has been received by it with respect to any alleged violation of any Environmental Law or regarding potential liability under any Environmental Law or, with regard to contamination, any common or civil law, which:

(i) has not been cured or otherwise satisfied;

(ii) has resulted in any material action being taken by any Official Body or any other Person which action has not been discontinued or otherwise cured or satisfied; or

(iii) would be likely to result in any material action being taken by any Official Body or any other Person;

(d) there have been no Releases of Hazardous Materials at, on or under any property now or previously owned, leased or operated by it (including the Project) which, with the passage of time, or the giving of notice or both, could be expected to give rise to liability for material breach of any Environmental Law;

(e) no property now or previously owned, leased or operated by it (including the Project) is listed or proposed for listing on any list of sites requiring investigation or clean-up as maintained by any relevant Official Body;

(f) no Loan Party has generated any Hazardous Materials which have been disposed of at, or has directly transported or directly arranged for the transportation of any Hazardous Material to, any location which is listed on any list of sites requiring investigation or clean-up as maintained by any relevant Official Body or which is the subject of enforcement actions or other investigations by any relevant Official Body which may lead to material claims against it for any remedial work, damage to natural resources or personal injury; and

(g) no conditions (other than those covered in the preceding subparagraphs (a) through (f), inclusive) exist at, on or under any property now or previously owned, leased or operated by it (including the Project) which, with the passage of time, or the giving of notice or both, could be expected to give rise to any material liability under any Environmental Law.

(30) Information to Creditors.

The factual information in the documentation supplied to the Creditors in respect of the Project is true and correct in all material respects and, to the best of the knowledge of such Loan Party, all projections supplied to the Creditors are reasonable and attainable in light of the assumptions on which they are based, and no material change has occurred since the date on which such information or projections were provided which would render such information or projection, as the case may be, misleading at the date hereof) and the Loan Parties have not omitted to disclose to the Creditors a material matter relating to the Project.

(31) Full Disclosure.

All information provided or to be provided to the Creditors in connection with the Project Facility is, to the best of each Loan Party's knowledge, true and correct and none of the documentation furnished to the Creditors by or on behalf of it, to the best of its knowledge, omits or will omit as of such time, a material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful inquiry by it (and any other Person who furnished such material on behalf of it).

9.02 Survival and Repetition of Representations and Warranties

The representations and warranties set out in Section 9.01 survive the execution and delivery of this Agreement and all other Finance Documents and, notwithstanding any investigations or examinations which may be made by the Agent, the other Creditors or Lenders' Counsel, will be deemed to be repeated by the Loan Parties as of each Drawdown Date and as of each Quarter End, except to the extent that on or prior to such date (a) the Borrower has advised the Agent in writing of a variation in any such representation or warranty, and (b) the Majority Creditors have approved such variation in writing.

ARTICLE 10
COVENANTS

10.01 Affirmative Covenants

So long as any of the Secured Obligations remain unpaid, unperformed or outstanding or the Project Facility is available hereunder, each of the Loan Parties (except where expressly limited to a particular Loan Party or Loan Parties) covenants and agrees with each of the Creditors that, unless (subject to Section 17.12, or as otherwise expressly provided below) the Majority Creditors otherwise consent in writing:

(1) Payment and Performance of Secured Obligations.

The Borrower shall duly and punctually pay and perform the Secured Obligations in the manner specified in this Agreement and in any other Finance Document.

(2) Compliance with Applicable Laws; Environmental Laws.

Each of the Loan Parties will comply in all material respects with all Applicable Laws, including without limitation Environmental Laws, and all best practice international environmental and health and safety standards, including the World Bank Group Environmental, Health and Safety Guidelines as in effect from time to time.

(3) Corporate Existence and Conduct of Business.

Each of the Loan Parties shall, and shall cause its Subsidiaries to, maintain their respective corporate existences in good standing and do or cause to be done all things necessary to keep and maintain in full force and effect all properties, rights, franchises, licences and qualifications necessary to carry on business in any jurisdiction in which it or they carry on business and each of them shall, and shall cause its Subsidiaries to, maintain all of its or their respective properties and assets in proper working order and in a manner consistent with industry standards. It is acknowledged that it is intended that the Borrower will be converted from a "Sociedade Limitada" (or limited liability company) to a "Sociedade Anônima" (or joint stock corporation).Provided that the Agent receives confirmation from Lenders' Counsel, immediately prior to such conversion that all documentation that needs to be executed and registered following such conversion has been prepared and agreed between the Agent and the Borrower, so as to ensure that the Creditors' rights under the Finance Documents are not prejudiced and the

Borrower's obligations under the Finance Documents are not affected, the Creditors will consent to the conversion. Without in any way limiting this Section 10.01(3), the Borrower shall procure that the quota pledge granted over 100% of the quotas issued by the Borrower shall be converted to a share pledge granted over 100% of the shares issued by the Borrower in favour of the Collateral Agent (the "**New Share Pledge**") and shall ensure that the New Share Pledge is registered in the Borrower's registered share register simultaneously with the execution of the corporate documentation of the Borrower providing for this conversion. Failure to comply with this Section 10.01(3) shall constitute an Event of Default.

(4) Books of Account, Accounting and Cost Control Systems, etc.

Each Loan Party will maintain or cause to be maintained proper books of account, in which it will record true and proper entries of all dealings and transactions now or in the future conducted by it, maintain the books of account, receipts, vouchers and all other documents relating to its business and affairs at its registered office or other place or places where such books of account, receipts, vouchers and documents of a similar nature have previously been maintained and ensure that the same are available at all times upon seven (7) days' prior notice for inspection and copying by the Agent or any Creditor or any employee, agent or professional adviser of the Agent or any Creditor as the Agent or such Creditor may from time to time appoint. In addition, each Loan Party will maintain and utilize accounting, management information and cost control systems satisfactory to the Majority Creditors.

(5) Reporting Requirements.

The Loan Parties will deliver to the Agent (in sufficient quantities for the Agent and each of the other Creditors):

(a) Annual Reports: As soon as available and in any event within 120 days after the end of each Fiscal Year of the Relevant Persons, (i) the annual audited financial statements of CPN prepared on a consolidated basis, (ii) the annual unaudited non-consolidated financial statements of the Borrower and each other Loan Party, in each case, including a balance sheet, statement of income and retained earnings, statement of changes in financial position and source and application of funds for such Fiscal Year, which will be reviewed by an internationally recognized accounting firm, and will be prepared in accordance with Accounting Principles and certified by an officer of the applicable Loan Party, and (iii) if requested, a reconciliation of the financial statements referred to in subparagraphs (i) and (ii) above.

(b) Quarterly Reports: As soon as available and in any event within 45 days of the end of each Fiscal Quarter of the Relevant Persons (including the fourth quarter) the interim unaudited consolidated financial statements of CPN, including a balance sheet, statement of income and retained earnings, statement of changes in financial position and source and application of funds, which will be prepared in accordance with Accounting Principles.

(c) Compliance Certificate: A Compliance Certificate concurrently with the delivery of the financial statements referred to in Sections 10.01(5)(a) and 10.01(5)(b) above, commencing with the Fiscal Quarter ending December 31, 2012.

(d) Annual Corporate Budget: Within 30 days of board approval and no later than December 31 in each Fiscal Year for the following Fiscal Year, a copy of the certified board-approved annual consolidated corporate budget of CPN (the "**Annual Corporate Budget**"), which must detail the anticipated corporate requirements for CPN and its Subsidiaries for the applicable Fiscal Year and be in a form and substance satisfactory to the Majority Creditors. The Annual Corporate Budget is not to be materially different than the corresponding period in the LOMP. The Annual Corporate Budget of CPN will not be amended at any time on or prior to the Project Completion Date unless such amendment is previously approved in writing by the Majority Creditors.

(e) Annual Project Budget: A certified board-approved annual budget in respect of the Project (the

"**Annual Project Budget**") within 30 days of such board approval and no later than December 31 in each Fiscal Year for the following Fiscal Year. The Annual Project Budget will cover production plans, mine plans, ore and waste movement schedules and grades, schedules of ore to be processed in the mill (tonnage and grade), operating costs, Project Costs and other capital costs, corporate costs and exploration expenditures of the Project and/or the Borrower, in each case on a monthly basis and must be in a form and substance satisfactory to the Majority Creditors. The Annual Project Budget shall constitute a more detailed version of, and be consistent with, the information and figures for the same year in the LOMP. The Annual Project Budget will not be amended unless such amendment is previously approved in writing by the Majority Creditors, except to conform with any amendments to the LOMP approved by the Majority Creditors.

(f) Annual Environmental and Social Audit Report: Within 120 days after the end of each Fiscal Year, the annual environmental and social audit report in respect of the Project, which shall be in form and substance satisfactory to the Majority Creditors.

(g) Ore Reserve Audit: At the request of the Agent on behalf of the Majority Creditors, an audit of the ore reserves for the Project from time to time to be performed by an Independent Consultant, with the cost of any such audit to be borne by the Loan Parties.

(h) Monthly Management Accounts: Within 30 days after the end of each calendar month, copies of the monthly management accounts for the Borrower, including a statement of the balances in the Project Accounts, and a comparison with the Minimum Account Balance and the Debt Service Reserve Requirement.

(i) Confirmations re: Event of Default or Potential Event of Default: Promptly upon request by the Agent on behalf of the Majority Creditors, each Loan Party will provide a declaration made by two of such Loan Party's directors or senior officers stating, to the best of the knowledge of such directors or officers, whether or not an Event of Default or a Potential Event of Default has occurred that is subsisting and, if so, setting out the details of any event so disclosed and the steps (if any) taken by the Loan Parties to remedy or cure the same.

(j) Securities Filings: A copy of any information, document, report or filing that is provided to the TSX on the same day that it is provided to the TSX.

(k) DNPM Filings: A copy of any information, document, report or filing that is provided to the DNPM within three (3) Banking Days of the day that it is provided to the DNPM.

(l) Other Information: Such other information as the Agent may request from time to time respecting the Loan Parties or the Project.

(6) Compliance with Accounting Standards.

The Loan Parties will ensure that all financial statements furnished to the Agent and the Creditors are prepared in accordance with any Applicable Laws and Accounting Standards consistently applied or, if not consistently applied, accompanied by details of the inconsistencies, and ensure that such financial statements give a true and fair view of the financial condition of the applicable Loan Parties and the results of operations as at the date and for the period ending on such date for which such financial statements are prepared.

(7) Project Reports and Notices.

The Borrower will deliver to the Agent (in sufficient quantities for the Agent and each of the other Creditors), on a timely basis or as indicated, the following information, as applicable:

(a) Annual Statement of Reserves and Resources: Within 90 days of the end of each Fiscal Year of the Borrower, an annual statement of reserves and resources for the Project, which for greater certainty shall contain updated information regarding gold reserves and resources, including inferred gold resources, for the Project.

(b) LOMP: Within 30 days of board approval and no later than December 31 in each Fiscal Year, a certified board-approved revised LOMP prior to the commencement of each Fiscal Year of the Borrower, and in respect of which revised LOMP all revisions shall be subject to review and approval in accordance with Section 10.01(7)(c)(i). The Borrower will from time to time, as and when requested by the Agent on behalf of the Majority Creditors, promptly deliver to the Agent (with sufficient copies for the Agent and the other Creditors) an updated LOMP. The LOMP will not otherwise be amended unless such amendment is previously approved in writing by the Majority Creditors.

(c) Monthly Construction Reports: Within 14 days of the end of each calendar month until Engineering Completion, a monthly operations report for the Project, in a form satisfactory to the Majority Creditors, including:

(i) a statement of construction progress compared to the Annual Project Budget, including commentary regarding the work completed for the month (including key results and conclusions from studies), and any deviations or proposed changes to the Annual Project Budget and any associated schedules, including cost overruns as well as any material negative impacts on gold to be produced in amount or timing, together with plans for the resolution of such impacts;

(ii) a statement of Project Costs compared to budget, together with estimates to achieve Engineering Completion and the Engineering Completion Date by the Outside Completion Date and an estimate of the Costs to Complete; and

(iii) other relevant matters (to the extent not covered in a monthly operations report required to be delivered under paragraph (d) below), including exploration results, Project Tenement anniversaries and renewals, key personnel changes, safety and accidents, environmental performance and compliance, and identification of any other problems or areas of concern in relation to the Project.

(d) Monthly Operations Reports: Commencing with the calendar month during which mining of ore commences, within 7 days of the end of such calendar month and each calendar month thereafter, a monthly operations report for the Project, in a form satisfactory to the Borrower and the Majority Creditors, including:

(i) details of Project ore and waste mined, grades mined and recovered, Product in circuit and Project Production and a comparison of these figures with the budgeted production estimates previously provided to the Creditors in the form of the LOMP and Annual Project Budget (and utilizing the Bankable Ore Reserve Model) and a reconciliation of the Project's reserves;

(ii) a statement of operating costs by department compared to the Annual Project Budget; and

(iii) other relevant matters, including exploration results, Project Tenement anniversaries and renewals, key personnel changes, safety and accidents, environmental performance and compliance, Project operations overview and identification of any other problems or areas of concern in relation to the Project.

(e) Downward Estimate Review, etc.: Any material downward revised estimate of Proven and Probable Reserves in respect of the Project, and any material change in key personnel or mining or metallurgical methods in respect of the Project.

(f) Expected Engineering Completion: Any material change in the expected date of Engineering Completion, and will also give the Agent approximately four weeks (but in any event not less than two weeks) notice of the projected Engineering Completion Date.

(g) Statutory Requirements: Any change in requirements (of which it is or reasonably ought to be aware) under any Applicable Laws (including Environmental Laws and Mining Laws), that could be expected to have a material effect on mining or metallurgical methods, Project Production or its title with respect to the Project Tenements or the Project.

(h) Other Information: Such information as the Agent or the other Creditors may reasonably request concerning projected Project Production, including production schedules, operating and capital costs, reserves estimates, financial position of the Loan Parties, and related items.

(i) Proposed Amendment: As soon as possible, any proposed amendment, revision, modification, supplement or other change to the Bankable Feasibility Study, the LOMP, the Annual Corporate Budget or the Annual Project Budget, with a request to the Creditors to confirm that they have no objection to any such revision; unless so confirmed by the Majority Creditors in writing, the Borrower will not amend, revise, modify, supplement or otherwise change the LOMP, the Bankable Feasibility Study, the Annual Corporate Budget or the Annual Project Budget. In connection with any such request by the Borrower, the Creditors shall be entitled to request that any aspect of the Project, including ore reserves, mine design, scheduling, ore treatment, environmental impact, infrastructure and capital or operating costs, be reviewed by the Independent Engineer or any other Independent Consultant at the Borrower's cost. The Loan Parties will otherwise keep the Creditors informed of, and provide copies of, all revisions to the Bankable Feasibility Study, the LOMP, the Annual Corporate Budget or the Annual Project Budget.

(j) Unscheduled Stoppages: Within three (3) days of commencement of any unscheduled stoppage or disruption to ore mining or gold production at the Project which continues for at least three (3) consecutive days, advise the Agent of the same, together with full particulars of all steps being taken to end such stoppage or disruption.

(8) Additional Notices.

Each of the Loan Parties will promptly notify the Agent in writing if it becomes aware of the occurrence or existence of any of the following:

(a) Event of Default or Potential Event of Default: Any Event of Default (including any Material Adverse Event) or Potential Event of Default which is subsisting, together with all details thereof and information with respect thereto as any of the Creditors (or the Agent on their behalf) may request.

(b) Litigation: Any impending or current litigation, arbitration, criminal or administrative proceeding, labour dispute, Tax claim or other dispute with any Official Body, in each case, relating to a Loan Party or any of their respective properties, assets or revenues or their respective outstanding equity capital or Indebtedness.

(c) Environmental Breaches: Any breach of any Environmental Law, or environmental authorisation or Permit, or the occurrence of any environmental damage or degradation at the Project.

(d) Environmental Management Plan: Any amendment to the Environmental Management Plan within five (5) days of such amendment, together with a copy of such amendment.

(e) Proceedings Affecting Licences / Environmental Reserves: (i) Any material proceeding affecting the Project Tenements or the Licences. The Loan Parties will keep the Agent informed on the progress with respect to the appeal proceedings relating to the LI and the conditions attaching thereto, and shall deliver to the Agent a copy of all material correspondence, decisions or determinations from COPAM, SUPRAM-NM and any other relevant Official Bodies in relation to these proceedings; and (ii) the designation or proposed designation of any environmental reserve, conservation unit or other protected area affecting the Project or on, adjacent to or overlapping any of the Lands, Mineral Rights or Licences, and copies of all related material correspondence, decisions or determinations from any relevant Official Bodies relating to such designations.

(f) Registration of title with respect to Lands: Any progress, step or matter affecting the registration of the Lands to which Borrower does not hold legal title but has, as at the date of this Agreement, a right to access or occupy under the Land Access Agreements and the Loan Parties will advise the Agent as soon as any title to such Lands is registered in the name of the Borrower.

(g) Material Events: Any event or circumstance that has impacted or could be expected to materially impact the operational or financial performance of the Project, which notice will be given within three (3) days after the earlier of occurrence or identification of such event or circumstance.

(h) Proposed Fundamental Changes: Any proposed amendment of the constating or organizational documents of any Loan Party or any proposed dissolution, winding-up, amalgamation or consolidation of any Loan Party. If any Loan Party initiates, is solicited to consider, or otherwise pursues any transaction of the nature referred to in Section 10.03(14) below, whether or not it has executed any letter of intent, lockup, confidentiality or similar agreement, issued a news release or otherwise effected any public disclosure, and whether the transaction is to take place by way of statutory plan of arrangement, amalgamation, merger, take-over bid or otherwise, it hereby agrees to keep the Agent apprised (subject to any applicable regulatory restrictions or constraints) of all material developments in such regard and to provide copies of such materials as the Agent or any of the other Creditors shall request.

(i) Changes in Authorized Signatories: Any change in the persons authorized by it to sign notices, certificates or other documents in connection with the Project Facility or the Finance Documents together with specimen signatures of any new person so authorized and, if requested by the Agent, evidence to the satisfaction of the Agent and the other Creditors, of the authority of such person.

(j) Originating Notices: The receipt of any writ, statement of claim, originating notice or other written process or notice in respect of any alleged offence by any Loan Party or any of their respective directors in their capacity as directors of such Loan Party under any Applicable Laws.

(k) Other Material Notices: The receipt of any material notice given or sent to or served upon any Loan Party under any Applicable Laws.

(l) Project Documents: Any material breach of or default under a Project Document or receipt of any notice or other communication alleging same, or receipt of a material notice under a Project Document (together in each case with a copy of the relevant notice).

(m) Material Adverse Event: Any other event (or series of events) which constitutes or gives rise to, or could be expected to constitute or give rise to, a Material Adverse Event.

(n) Maximum Permitted Equity Gap: If at any time the Equity Gap is greater than the Maximum Permitted Equity Gap.

(o) Conversion of Exploration Licences to Mining Concessions: If (i) the Borrower makes an application to convert any Exploration Licence into a Mining Concession within 5 Banking Days of making such application, and (ii) any Exploration Licence is converted into a Mining Concession, within 5 Banking Days of the Borrower receiving notice of any such conversion.

(9) Rights of Inspection.

At any time and from time to time upon not less than seven (7) days' prior written notice (except upon the occurrence and during the continuance of an Event of Default or Potential Event of Default, in which case, no such notice will be required), the Loan Parties shall, during reasonable operating hours, permit the Agent and any other Creditor or any representative thereof (at the expense of the Borrower) to: (a) visit and inspect the Project site and the premises and properties of the Borrower thereon (in each case at the risk of the Borrower, except for the gross negligence or wilful misconduct of the inspecting party), and (b) discuss the affairs, operations, finances and accounts of the Borrower, in relation to the Project or otherwise, with any of the officers, directors or senior managers of the Borrower.

(10) Taxes.

Each of the Loan Parties will from time to time during the continuance of this Agreement:

(a) within the time permitted by Applicable Laws, file with the appropriate Official Bodies all returns required to be filed by it for Taxes in accordance with such Applicable Laws;

(b) punctually pay Taxes payable by it at any time to any Official Body unless the same are being contested in good faith by appropriate proceedings and with adequate reserves having been established in accordance with Accounting Principles, in each case, satisfactory to the Majority Creditors and provided that such proceedings or failure to pay do not constitute or give rise to, and could not be expected to constitute or give rise to, a Material Adverse Event; and

(c) promptly, upon the request of the Agent or any other Creditor, provide the Agent (with sufficient copies for the Agent and each Creditor) copies of all the returns, assessments for Taxes received by it from any Official Body and receipts for the payment of all Taxes.

(11) Subordination of Payments of Subordinated Intercompany Debt and other Amounts.

If any Loan Party (other than the Borrower) receives (i) a payment or distribution in respect of any Subordinated Intercompany Debt from another Loan Party or any other source, (ii) the proceeds of any enforcement of any Lien or any Guarantee for any Subordinated Intercompany Debt or (iii) any payment, dividend or distribution from any Relevant Person or any of its Subsidiaries on account of the purchase or other acquisition of any of the Subordinated Intercompany Debt, such Loan Party will hold the same in trust for and pay and distribute it to the Agent for the account of the Creditors for application towards the Secured Obligations until the Secured Obligations are irrevocably paid, performed and satisfied in full and in cash. If any of the Subordinated Intercompany Debt is discharged by set-off, each relevant Loan Party will immediately pay an amount equal to the discharge to the Agent for the account of the Creditors for application towards the Secured Obligations until the Secured Obligations are irrevocably paid, performed and satisfied in full and in cash.

If for any reason a trust in favour of, or a holding of property for, any of the Creditors under this Agreement or any other Finance Document is invalid or unenforceable, each relevant Loan Party will pay and deliver to the Agent for the account of the Creditors an amount equal to the payment, receipt or recovery in cash or in kind (or its fair value, if in kind) which it would otherwise have been bound to hold in trust for or as property of the Creditors.

(12) Subordination by other Loan Parties on Insolvency.

If any Loan Party becomes subject to any insolvency, bankruptcy, reorganization, administration, assignment to or arrangement with creditors, liquidation, dissolution or other similar proceeding or distribution of its assets (whether or not involving insolvency):

(a) any Subordinated Intercompany Debt owed to any of the other Loan Parties will be subordinated in right of payment to, and postponed to the prior and indefeasible payment to the Creditors of, the

Secured Obligations;

(b) the Creditors may, and the Agent on their behalf is irrevocably authorized on each such Loan Party's behalf to:

(i) claim, enforce and prove the Subordinated Intercompany Debt;

(ii) file claims and proofs, give receipts and take all such proceedings and do all such things as the Agent or any such Creditor sees fit to recover the Subordinated Intercompany Debt; and

(iii) receive all distributions on the Subordinated Intercompany Debt;

in each case, for application towards the Secured Obligations;

(c) if and to the extent that the Agent is not entitled to do any of the foregoing, such Loan Party will do so promptly as directed by the Agent and the other Creditors;

(d) each such Loan Party will hold all distributions in cash or in kind received or receivable by it in respect of the Subordinated Intercompany Debt from the Borrower or its estate or from any other source in trust for the Creditors and will (at its own expense) pay and transfer the same to the Agent for the account of the Creditors for application towards the Secured Obligations until the Secured Obligations are irrevocably paid, performed and satisfied in full and in cash; and

(e) the trustee in bankruptcy, liquidator, assignee or other Person distributing the assets of the Borrower or the proceeds thereof is hereby directed to pay distributions on the Subordinated Intercompany Debt directly to the Agent for the account of the Creditors until the Secured Obligations are irrevocably paid and performed in full and in cash, and such Loan Party will give all such notices and do all such things as the Agent may direct to give effect to this provision.

(13) Security, etc.

Except for the filing of renewal statements and the making of other filings and registrations by or on behalf of the Collateral Agent as a Creditor, each Loan Party will at all times take all action necessary to maintain the Liens provided for under or pursuant to this Agreement and the Security as valid and perfected first priority Liens, subject only to Permitted Liens, on the property intended to be covered thereby and supply all information to the Collateral Agent which is necessary for such maintenance and, without limiting the generality of the foregoing, it will use best efforts to obtain any consent required in order for the Liens of the Security to attach to any Project Assets that may be requested by the Collateral Agent on terms and conditions satisfactory to the Creditors.

(14) Sufficiency of Permits and Mineral Rights.

Each of the Loan Parties shall ensure that all material Permits, including all governmental and third party consents, authorisations, permits and approvals necessary to enable the construction, development and operation of the Project (including associated infrastructure), as from time to time set out in the then approved LOMP, Bankable Feasibility Study, Bankable Ore Reserve Model, and Annual Project Budget are granted by the applicable Official Body or other relevant Person, and, without limiting its other obligations under the other provisions of this Section 10.01, each of the Loan Parties shall maintain in full force and effect, and in good standing, all such material Permits which it has or which it may subsequently acquire. Each of the Loan Parties shall ensure, at all times, that it obtains and has good title to all Mineral Rights and Project Tenements necessary to provide sufficient access to, and containing dumps, services, infrastructure and ore reserves necessary to carry out, the Project in accordance with the then approved LOMP, Bankable Feasibility Study, Bankable Ore Reserve Model, and Annual Project Budget, or that are otherwise relevant or material to the Project. Without limiting its other obligations under the other provisions of this Section 10.01, each of the Loan Parties shall maintain in full force and effect and in good standing all of the Mineral Rights and other Project Tenements and shall file all reports, statements and other documents or information, all in a timely manner, as are required to maintain such Mineral Rights and other Project Tenements and shall conduct all work and observe and perform all other terms and conditions required in relation thereto.

(15) Project Documents.

Each of the Loan Parties will ensure that:

(a) all of the Project Documents and all of the counterparties to the Project Documents are satisfactory to the Majority Creditors;

(b) without limiting the generality of Section 10.01(15)(a) above, the Agent receives, on a timely basis:

(i) a draft of each Project Agreement to be obtained following the Closing Date (including those identified as such in Section B of Part II of Schedule I), together with a meaningful opportunity to review and provide comments on the same, in each case, prior to the execution and delivery thereof;

(ii) prior to the execution and delivery of the relevant Project Agreement, a draft Tripartite Agreement in respect of each such Project Agreement, if required by the Agent, in form and substance acceptable to the Creditors;

(iii) promptly following the execution and delivery of each such Project Agreement, a notarially certified copy thereof, all of which shall contain terms and conditions acceptable to the Creditors, and shall have been awarded to parties acceptable to the Creditors; and

(iv) concurrently with the notarially certified copy of the related Project Agreement, a Tripartite Agreement, if required pursuant to Section 10.01(15)(b)(ii) above, duly executed and delivered by each of the parties thereto in respect of such Project Agreement;

(c) by no later than:

(i) [*agreement redacted – proprietary structure*], each Power Supply Agreement shall have been executed and delivered, all filings or recordings necessary or desirable in connection therewith shall have been made, and all stamp taxes, fees, duties or similar amounts in respect of all Power Supply Agreements shall have been paid by the Loan Parties to the applicable Official Bodies;

(ii) [*agreement redacted – proprietary structure*], a Tripartite Agreement relating to each Power Supply Agreement shall have been executed and delivered, all filings or recordings necessary or desirable in connection therewith shall have been made, and all stamp taxes, fees, duties or similar amounts in respect of these Tripartite Agreements shall have been paid by the Loan Parties to the applicable Official Bodies;

(d) by no later than [*agreement redacted – proprietary structure*], the Fuel Supply Agreement referred to in clause (a) of the definition thereof shall have been executed and delivered, all filings or recordings necessary or desirable in connection therewith shall have been made, and all stamp taxes, fees, duties or similar amounts in respect of such Fuel Supply Agreement shall have been paid by the Loan Parties to the applicable Official Bodies;

(e) prior to the commissioning of the Project and, in any event, no later than [*agreement redacted – proprietary structure*], each Refining Agreement and the related Tripartite Agreement shall have been executed and delivered, all filings or recordings necessary or desirable in connection therewith shall have been made, and all stamp taxes, fees, duties or similar amounts in respect of all Refining Agreements and the related Tripartite Agreements shall have been paid by the Loan Parties to the applicable Official Bodies;

(f) each of the terms and conditions in the Project Documents are complied with and observed (and in such regard take such enforcement and other proceedings as shall be prudent in the circumstances), and all things necessary to keep the Project Documents in full force and effect are done, and the Borrower will enter into all additional agreements, contracts and arrangements which a prudent party in the position of the Borrower would consider necessary or expedient for the benefit of the Project;

(g) except as otherwise expressly provided in this Agreement, without the prior written consent of the Majority Creditors, at no time will any Loan Party:

(i) enter into any Project Document;

(ii) terminate, rescind or amend any of the provisions of any of the Project Documents (except immaterial amendments in respect of Project Documents will not require the Majority Creditors' consent provided the Borrower shall promptly give notice of the same to the Agent);

(iii) grant any consent, waiver, time or indulgence in respect of any Project Document;

(iv) enter into any document, agreement or arrangement which in any way may have the effect contemplated in Section 10.01(15)(g)(ii) or (iii) above;

(v) consent to any counterparty assigning or otherwise transferring its interest in any Project Document; or

(vi) by any act or omission give, or cause or permit circumstances to arise which would give, any other party legal grounds to terminate, rescind or materially vary any Project Document or any material provision of any Project Document.

(16) Hedging.

The Borrower will maintain the Initial Hedging Programs and such additional Hedging Arrangements as may be required by the Majority Lenders, subject to scheduled repayments of the Principal Outstanding and other approved variations of the Initial Hedging Programs and such Additional Hedging Arrangements, such that the Borrower will be in compliance with the other terms of this Agreement (with each such additional Hedging Arrangement to be with a Hedge Provider); provided that the Borrower will at all times ensure that:

(a) no more than [*agreement redacted – proprietary structure*] of forecast Project Production in any Fiscal Year or total Project Production from Proven and Probable Reserves, as set forth in the LOMP (and calculated in accordance with NI 43-101 standards), shall be subject to Hedging Arrangements, or financing, forward selling (including foreign exchange) or other financial accommodations or arrangements, including the GP; and

(b) no more than [*agreement redacted – proprietary structure*] of forecast Project Production in any Fiscal Year or total Project Production from Proven and Probable Reserves, as set forth in the LOMP (and calculated in accordance with NI 43-101 standards), that is not already committed under the GP, shall be subject to Hedging Arrangements, or financing, forward selling (including foreign exchange) or other financial accommodations or arrangements, excluding, for certainty, the GP, in each case, whether such Hedging Arrangements or other arrangements are entered into by the Borrower, any other Loan Party or any affiliate thereof.

(17) Independent Engineer and Other Independent Consultants.

The Borrower hereby consents to the appointment by the Creditors of, and agrees to cooperate fully with, the Independent Engineer and any other Independent Consultant, and will permit the Independent Engineer and any other Independent Consultant (in each case, permitted to be accompanied by one or more representatives of the Agent and the other Creditors) to have access to the Project Area, its premises and records and will furnish them with all information as required or requested from time to time, and agrees that the Independent Engineer and any other Independent Consultant (along with any accompanying representative or representatives of the Agent and the other Creditors) may review any aspects of the Project (including ore reserves, mine design and scheduling, ore treatment, environmental impact, infrastructure and capital or operating costs) and may monitor construction of the Project.

All costs, expenses and fees of an annual review of the matters referred to in this Section 10.01(17) by the Independent Engineer and any other Independent Consultant and any accompanying representative or representatives of the Agent, the Collateral Agent and the other Creditors (including site visits) shall be payable by the Borrower; provided that more frequent reviews will be paid for by the Creditors, unless the Borrower wishes to make a material variation to the LOMP or an Event of Default or Potential Event of Default has occurred and is subsisting, in which case the same will be paid for by the Borrower.

(18) Permits.

With respect to each Permit which is required to be held or obtained in respect of the Project, its business or premises, the Borrower will:

(a) apply for and obtain in its own name each such Permit as at such time as such Permit shall be so required by Applicable Law to be so held or obtained;

(b) comply with all Applicable Laws in relation to, and any terms and conditions attached to, each such Permit held by it and otherwise do all things so required of a holder of such Permit;

(c) on or before the time and in the manner required by Applicable Law for each such Permit held by it, apply for and procure the renewal of such Permit, and pay or cause to be paid the renewal fees and other amounts required in respect thereof or such renewal within the time allowed and in the manner prescribed by Applicable Law;

(d) upon request, produce to the Agent (at the request of any Creditor) each such Permit held by it and all receipts for payments in relation to each such Permit;

(e) except where required by Applicable Law or in the ordinary course of business, refrain from doing, allowing or suffering any act, matter or thing as a result of which any such Permit held by it is or may be surrendered, forfeited, withdrawn, cancelled, refused or rendered void, or whereby it is disqualified permanently or temporarily from receiving or continuing to hold a Permit, or whereby the Project or its business or premises may be disqualified permanently or temporarily from having any such Permit;

(f) refrain from removing from the business, surrendering, or consenting to or concurring or participating in the transfer of any such Permit held by it to any Person;

(g) to the extent assignable, execute and deliver to the Collateral Agent upon request a deed or other appropriate form of Security to better secure to the Collateral Agent the benefit of any such Permit held by it, prepared at the Borrower's cost and expense and in the form and containing such provisions as the Collateral Agent may require; and

(h) upon request by the Collateral Agent and to the extent transferable, sign and deliver to the Collateral Agent a transfer in blank of each Permit held by it by way of collateral security in a form consistent with the Applicable Laws relating to such Permit.

(19) Protection of Mineral Rights.

The Borrower will:

(a) duly and punctually pay or cause to be paid all rents, rates, taxes, charges, fees and assessments of whatever nature (including, without limitation the annual tax per hectare – *Taxa Anual por Hectare – TAH*) which are from time to time validly charged, imposed or assessed in respect of the Mineral Rights;

(b) duly and punctually pay or cause to be paid all royalties payable in relation to any minerals severed, won or derived from the Mineral Rights in accordance with the Mining Laws;

(c) duly and punctually observe and comply with all work, expenditure and other obligations (or obtain exemptions therefrom) required under or otherwise applicable to the Mineral Rights in accordance with the Mining Laws,

in the case of each such payment obligation, except to the extent the same is being contested in appropriate proceedings in good faith and for which adequate reserves in accordance with Accounting Principles shall have been set aside, and provided that such proceedings do not constitute a Material Adverse Event or a Potential Event of Default, and the Borrower will, on demand, provide the Agent with receipts in respect of such payments,

(d) duly and punctually observe and comply with all conditions of the Mineral Rights and all provisions of the Mining Laws required to prevent the Mineral Rights being liable to forfeiture;

(e) except as otherwise permitted in this Agreement from time to time, do whatever may be necessary for procuring the renewal or extension of the Mineral Rights according to Applicable Laws prior to the date on which the Mineral Rights lapse or expire;

(f) make application for and use its best efforts to procure in a timely fashion the granting of mineral rights which are to become additional Mineral Rights in relation to the Project;

(g) ensure that there is no material Release of Hazardous Materials of or from the Project Area or the Project in violation of any Environmental Law which would entitle any Official Body to initiate, issue or pursue an Environmental Claim; and

(h) promptly provide to the Agent a copy of:

(i) any enforcement notice issued pursuant to the environmental protection rules established in the Mining Laws or any other Environmental Law;

(ii) any document from any Official Body indicating that such entity is prosecuting a violation (or investigating a possible violation) of any Environmental Law or Mining Law relating to the Project Area, the Project or Mineral Rights;

(iii) any written claim of violation of any Environmental Law or Mining Law relating to or arising from any activity undertaken on the Project Area or the Mineral Rights;

(iv) any document indicating that a Release exists on, or emanates from, the Project Area or the Mineral Rights in a manner that is in breach of any Environmental Law or Mining Law; and

(v) any document provided by it to any Official Body which states or indicates, with respect to the Project Area, the Project or the Mineral Rights, that it is in breach of any Environmental Law or Mining Law or that there is or has been a Release of Hazardous Materials or that otherwise constitutes or evidences an Environmental Claim,

in each case which, with the passage of time, or the giving of notice or both, could be expected to give rise to liability for material breach of any Environmental Law or Mining Law, including any stoppage of activity at the Project for a period of more than three (3) consecutive days, the imposition of any materially burdensome terms with respect to an existing or future Permit or Project Tenement, the revocation of an existing Permit or Project Tenement, the refusal of an application for a Permit or Project Tenement (whether as an original application, by way of an amendment, or renewal, or otherwise), and the imposition of any material monetary penalty,

and the Borrower will not surrender or make any application for the surrender of, or agree to an amendment of (except immaterial amendments will not require the Majority Creditors' consent, provided the Borrower shall promptly give written notice of the same to the Agent), any Mineral Right without the prior written consent of the Majority Creditors.

(20) Use of Project Facility.

The Borrower shall use all Advances and the proceeds thereof solely for the purposes set forth in Section 2.03.

(21) Project Completion.

The Loan Parties shall ensure that Project Completion is achieved by the Outside Project Completion Date.

(22) Project Maintenance and Management.

The Loan Parties will at all times ensure that:

(a) the Project is designed, constructed, managed, developed and operated in a good and workmanlike manner as would a prudent mining industry operator or owner and in accordance with generally accepted mining industry best practices and all Applicable Laws;

(b) the Project is designed, constructed, managed, developed and operated in accordance with the LOMP and Annual Project Budget;

(c) the Project Assets are maintained, protected and kept in a good state of repair and in good working order and condition, and that it makes all necessary repairs, renewals, replacements, additions and improvements thereto, and that it maintains an adequate level of critical spare parts as may be required for the continuous construction, development, operation and management of the Project;

(d) all Applicable Laws now or hereafter in force and all notices, orders and requirements of any Official Body are duly and punctually complied with and observed in all material respects; and

(e) all material steps are taken as may be necessary to address or resolve any issue not specifically referred to above, whether relating to the design, development, construction, operation, management, or social or environmental impact of or relating to the Project, in each case, that may arise from time to time and shall promptly advise the Agent in writing of any such issues and the steps being taken by the Loan Parties to address or resolve such issues.

(23) Environmental Indemnity.

The Borrower will indemnify each of the Creditors and any receiver or receiver and manager or attorney appointed pursuant to any of the Finance Documents against, and save each of them harmless from, any claims, losses, liabilities, damages and expenses (including investigation costs, clean-up costs, and any other actions necessary pursuant to any Environmental Law and all legal fees, costs and expenses (on a full indemnity basis), including those arising by reason of any of the aforesaid or an action against the Borrower under this indemnity) arising directly or indirectly from, out of or by reason of any Environmental Claim or the non-compliance by any Person in respect of the Project (or any operations in connection therewith) with any Environmental Law applicable to the Project, the Borrower or any previous owner of the Project or any Project Tenement. The foregoing indemnity shall survive any partial or total payment and performance of the Secured Obligations.

(24) Project Taxes Indemnity.

The Borrower will indemnify each of the Creditors and any receiver or receiver and manager or attorney appointed pursuant to any of the Finance Documents against, and save each of them harmless from, any payment or liability to pay any Taxes incurred or imposed in connection with the Project.

(25) Cost Overruns.

If at any time, the Costs to Complete exceed the Available Funding plus the Maximum Permitted Equity Gap, from and after such time, the Borrower will only fund Project Costs from funds in the Proceeds Accounts and the Operating Account that comprise the Required Initial Equity Contribution, other Equity Contributions or Subordinated Intercompany Debt, until such time as the Available Funding plus the Maximum Permitted Equity Gap are at least equal to or exceed the Costs to Complete.

(26) Maximum Permitted Equity Gap and Equity Raising.

(a) If, at any time, the Equity Gap is greater than the Maximum Permitted Equity Gap, the Loan Parties shall take all steps to ensure that within 30 days of the earlier of:

(i) the Loan Parties becoming aware that the Equity Gap is greater than the Maximum Permitted Equity Gap; or

(ii) the Agent, on behalf of the Creditors, giving notice to the Borrower that the Equity Gap is greater than the Maximum Permitted Equity Gap,

CPN has raised additional equity financing or other form of financing acceptable to the Agent such that the Available Funding is at least equal to the Costs to Complete and CPN can demonstrate to Agent that the Project is fully funded.

(b) CPN shall ensure that prior to the date on which:

(i) the aggregate corporate cash balance held by CPN and the Borrower is less than [*agreement redacted – proprietary structure*]; or

(ii) the available and undrawn Commitments under the Project Facility are less than [*agreement redacted – proprietary structure*],

CPN has raised additional equity financing or other form of financing acceptable to the Agent such that the Available Funding is at least equal to the Costs to Complete and CPN can demonstrate to Agent that the Project is fully funded.

(27) Key Personnel.

The Borrower shall retain (or replace to the satisfaction of the Majority Creditors) all key corporate and project management personnel, and shall ensure that, at all times, all such personnel are qualified individuals satisfactory to the Creditors.

(28) Project Production.

The Borrower shall ensure that all Project Production is promptly delivered to the relevant Offshore Buyer in compliance with the requirements of each applicable Refining Agreement and/or Sales Agreement.

(29) Securities Matters.

CPN will do all things necessary to at all times maintain the allotment from its authorized and unissued capital of such number of CPN Shares as shall be required to be issued in the event of the full exercise of all unexpired Warrants then outstanding.

If any filings or other actions pursuant to any applicable Securities Law are required to ensure that the Warrants or the Warrant Shares are issued in compliance with all such applicable laws or to ensure that the Warrants or the Warrant Shares, once issued, will not, following the expiration of four months and one day from the date of issuance of the Warrants, be subject to any resale restrictions under applicable Securities Laws (except restrictions relating to trades by control persons and other customary restrictions), CPN covenants that it shall make such filings or take such actions within the time periods prescribed by applicable Securities Laws and otherwise comply in all material respects with such applicable laws in connection with the issuance of the Warrants and the Warrant Shares.

(30) Remedy of Force Majeure.

If any Loan Party has given notice to the Agent of an event of Force Majeure, the Loan Parties will use their best efforts to remedy the cause or causes thereof.

(31) USD Proceeds Account Balance.

At all times after the first Drawdown Date, and subject to Section 5.01(2), the Borrower shall maintain funds in US Dollars in the USD Proceeds Account, which, together with amounts to be allocated therefor from the proceeds of subsequent Drawdowns of the Undrawn Commitments, are sufficient to pay all interest and fees due and payable, and expected to become due and payable, on the Advances under the Project Facility on or before the first scheduled Repayment Date.

(32) ROF.

The Borrower shall obtain, perfect and maintain in full force and effect all ROF registrations:

(a) with respect to all interest, fees and charges set out in this Agreement to ensure those amounts are paid as and when they fall due for payment;

(b) with respect to the repayment terms of each Drawdown (that is, the terms providing for the repayment in US Dollars of the principal amount of each pre-export payment, represented by each Drawdown hereunder, from the proceeds of the supply and export of Product); and

(c) as otherwise necessary to perform and satisfy the obligations of each Loan Party under this Agreement.

In addition, the Borrower must promptly provide to the Agent evidence satisfactory to the Agent that the ROF registration in respect of each Drawdown has been properly made.

(33) Registration as Exporter.

The Borrower must obtain, perfect and maintain in full force and effect its authorization under the Registration as Exporter under the SECEX so as to utilize the SISCOMEX for the export of the Product.

10.02 **Insurance Covenants**

So long as any of the Secured Obligations remain unpaid, unperformed or outstanding or the Project Facility is available hereunder, each of the Loan Parties (except where expressly limited to a particular Loan Party or Loan Parties) covenants and agrees with each of the Creditors that, unless (subject to Section 17.12, or as otherwise expressly provided below) the Majority Creditors otherwise consent in writing:

(1) Required Insurance.

Each Loan Party will insure or cause to be insured all Insurable Property owned by it at any time and from time to time against:

(a) loss, theft, damage, destruction and the usual risks against which a prudent owner of property of a similar type to that property and in a similar business would insure and any other risks specified by the Creditors and as is necessary in order to comply with any Applicable Law; and

(b) any liability from time to time of the Creditors and any Loan Party arising from its ownership, use or occupation of the Insurable Property;

and for greater certainty, during the period prior to Engineering Completion, such insurance will include (but not be limited to) the following:

(i) construction and operation all-risks;

(ii) public liability;

(iii) marine cargo, loss of shipment (if applicable);

(iv) workers' compensation;

(v) motor vehicle; and

(vi) any other insurance required by Applicable Law;

and after Engineering Completion shall include business interruption insurance (collectively, the "**Required Insurance**").

(2) Terms of Required Insurance.

Each Loan Party will ensure that all Required Insurance will:

(a) be underwritten by, and reinsured with, a credit-worthy international insurer or reinsurer (as the case may be) approved by the Majority Creditors;

(b) name the Collateral Agent and each of the other Creditors as an additional insured (if requested by the Collateral Agent and permitted by the insurer under the applicable policy) and first loss payee;

(c) insure its, the Collateral Agent's and each other Creditor's respective insurable interests;

(d) be for such amounts and cover such risks and contain such terms and conditions as the Collateral Agent and the Majority Creditors require; and

(e) not be varied or cancelled without the prior consent of the Collateral Agent and the Majority Creditors.

All Required Insurance against loss, theft, damage or destruction of the Insurable Property will be for the full reinstatement value thereof from time to time unless the Collateral Agent and the Majority Creditors otherwise agree in writing.

(3) Evidence of Required Insurance.

Copies of all documents relating to the Required Insurance effected by the Loan Parties, including the relevant policies, all renewal certificates, certificates of currency and endorsement slips, are to be delivered by it to the Collateral Agent promptly on receipt.

(4) Covenants Relating to Required Insurance.

Each Loan Party will:

(a) maintain or cause to be maintained all Required Insurance;

(b) duly and punctually pay or cause to be paid all premiums and other money payable under, and perform, observe and fulfil the terms of, all Required Insurance;

(c) promptly upon each renewal of the Required Insurance, forward a copy of the current policies to the Collateral Agent;

(d) provide to the Collateral Agent, annually no later than 30 days prior to the end of each calendar year, an insurance certificate from its insurers and brokers confirming the Required Insurance herein contemplated;

(e) ensure that every policy of Required Insurance:

(i) contains an agreement by the insurer that, notwithstanding the lapse of any policy (except by reason of expiration in accordance with its terms) or any right of cancellation of the insurer or any cancellation by any Loan Party (whether voluntary or involuntary), such policy will continue in force for the benefit of the Collateral Agent and the other Creditors in accordance with good industry practice until written notice of cancellation has been sent by certified mail to the Collateral Agent and that no reduction in limits or coverage in that policy in whole or part will be effected except with the prior consent of the Collateral Agent and the Majority Creditors; and

(ii) insures the Collateral Agent's and each other Creditor's interest up to the limits of the policy regardless of any breach or violation by any Loan Party of any warranties, declarations or conditions contained in that policy.

(5) No Liability of Creditors.

The Creditors will not incur any liability to any Loan Party or any other Person arising out of any failure by any of the Creditors to effect or renew any Required Insurance, nor will any Creditor incur any liability arising out of any failure by the insurer for any reason to meet any claim under any Required Insurance.

(6) Proceeds of Required Insurance.

If any part of the Collateral or property that is the subject of the Required Insurance is lost, stolen, damaged or destroyed and any proceeds become payable under any such insurance, then the proceeds received under such insurance will be applied as follows:

(a) if the amount of such proceeds is below [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency), towards the replacement or repair of such property (in which case such sum will be held by the Collateral Agent pending application, and released on such terms as the Majority Creditors shall determine); or

(b) if the amount of such proceeds is equal to or exceeds [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency), then at the option of the Majority Creditors (and subject to any restrictions or constraints imposed by the insurer and pre-approved by the Majority Creditors):

(i) as contemplated by Section 10.02(6)(a) above;

(ii) in prepayment of the Secured Obligations in accordance with this Agreement; or

(iii) towards any purpose otherwise approved by the Majority Creditors.

The proceeds of business interruption insurance shall be payable to the Collateral Agent for the account of the Creditors to be applied by the Creditors on account of ongoing obligations of the Borrower hereunder and under the other Finance Documents as the same fall due from time to time and, to the extent of any surplus, to arrears of such payments. The balance, if any, remaining after application of such proceeds as aforesaid shall be paid to the Borrower.

Any proceeds received by the Collateral Agent and the other Creditors under any Required Insurance (other than proceeds which are payable to a third party that is not a Loan Party) will be held by the Collateral Agent in an interest-bearing account pending application in accordance with this Section 10.02. The proceeds of all insurance held by the Collateral Agent shall, unless and until the same are applied or released to the Borrower as aforesaid, constitute continuing collateral security for the Secured Obligations.

(7) Further Covenants.

No Loan Party will cause or permit anything to be done which may:

(a) render any part of the Required Insurance void, voidable or otherwise unenforceable;

(b) hinder or prevent in any material respect the recovery of any money in respect of the Required Insurance; or

(c) in any respect cause the premiums and other money payable to any insurer to be increased.

10.03 **Negative Covenants of the Borrower**

So long as any of the Secured Obligations remain unpaid, unperformed or outstanding or the Project Facility is available hereunder, each of the Loan Parties (except where expressly limited to a particular Loan Party or Loan Parties) covenants and agrees with each of the Creditors that, unless (subject to Section 17.12, or as otherwise expressly provided below) the Majority Creditors otherwise consent in writing:

(1) No Indebtedness.

No Loan Party shall (a) create, issue, incur, assume or become liable for any Indebtedness other than Permitted Indebtedness, (b) repay or otherwise satisfy any Indebtedness, including intercompany debt, in each case, except as expressly permitted by the Finance Documents; provided however, on and after the Project Completion Date, CPN may incur Indebtedness other than Permitted Indebtedness, so long as:

(a) after giving effect to the incurrence thereof on a *pro forma* basis as at the most recently completed fiscal quarter, the Loan Parties remain in compliance with Section 10.04(4); and

(b) CPN shall not grant or permit any other Loan Party to grant a Lien over any property, assets or undertaking over which a Lien has been or is required to be granted pursuant to the Finance Documents, the SPA or the GPA to secure any such Indebtedness.

(2) No Liens.

Except for Permitted Liens:

(a) the Borrower will not create, permit or suffer to exist any Lien over all or any part of its property, assets or undertaking (including the Project, the Mineral Rights and the other Project Assets); and

(b) no other Loan Party will create, permit or suffer to exist any Lien on all or any of its property, assets or undertaking (including its interest in the Equity Securities of any other Loan Party and any Subordinated Intercompany Debt owed to it by the Borrower or any other Loan Party); provided however, on and after the Project Completion Date, CPN may create, permit or suffer to exist any Lien on its property, assets or undertaking, excluding any property, assets or undertaking over which a Lien has been or is required to be granted pursuant to the Finance Documents, the SPA or the GPA.

(3) No Investments.

Except as expressly permitted or disclosed herein, no Loan Party shall, directly or indirectly, make or have outstanding Investments in, or otherwise acquire any property or capital of, any other Person without the prior written consent of the Majority Creditors, such consent not to be unreasonably withheld; provided however, on and after the Project Completion Date, CPN may make or have outstanding Investments in, or otherwise acquire any property or capital of, any other Person, provided further that such Investments or acquisitions are related to mineral exploration and mining recovery.

(4) No Other Assets or Business.

Except as expressly permitted herein, the Borrower shall not carry on, directly or indirectly, any business or engage in any activity (other than in respect of the Project) or purchase or otherwise acquire any assets or business other than the Project. Except as expressly permitted herein, none of the other Loan Parties shall engage in any business or activity or purchase or otherwise acquire any assets or business, other than:

(a) holding its respective Equity Securities in the Borrower and the other applicable Loan Parties;

(b) purchasing or acquiring additional Equity Securities in the Borrower and the other applicable Loan Parties pursuant to further Equity Contributions or making advances to them by way of Subordinated Intercompany Indebtedness; or

(c) engaging in any business or activity related to the Project or, in the case of CPN only, the Rovina Valley Project or any other business comprising or relating to mineral exploration, mining recovery and trading, in each case, without the prior written consent of the Majority Creditors, such consent not to be unreasonably withheld.

(5) Subordinated Debt.

No Loan Party will amend or modify any term or provision of any Subordinated Intercompany Debt or any promissory note or other instrument evidencing any such Subordinated Intercompany Debt without the prior written consent of the Majority Creditors, and no Loan Party will make any prepayment of any such Subordinated Intercompany Debt. Each Loan Party that is a creditor with respect to any Subordinated Intercompany Debt will ensure that the Collateral Agent holds a first ranking security interest over such Subordinated Intercompany Debt.

(6) No Royalties.

No Loan Party will create or suffer to exist any royalty, overriding royalty, production payment or other interest with respect to the Mineral Rights, except:

(a) any government royalty;

(b) the MB Royalty; and

(c) the GP.

(7) Limit on Dispositions.

The Borrower will not, and the other Loan Parties will not permit the Borrower to, sell or otherwise dispose of all or any of its property, assets or undertaking (including the Project, the Project Tenements and the other Project Assets), other than:

(a) pursuant to a Permitted Disposition; or

(b) with the prior written consent of the Majority Creditors, which consent (if given) will require that the proceeds of such sale or disposition are deposited into the USD Proceeds Account in accordance with Section 12.01(7) (unless otherwise agreed by the Majority Creditors in writing),

provided that in no circumstances will the Borrower dispose of, or be permitted to dispose of, Project Production where such disposition might be expected to prevent the Borrower from fulfilling its obligations to the Creditors under the Finance Documents.

Except as otherwise permitted above, none of the other Loan Parties will sell or otherwise dispose of all or any of its property, assets or undertaking, except that CPN may dispose of (i) its direct or indirect interest in the Rovina Valley Project, (ii) any mineral property interests other than those relating to the Project, and (iii) in the ordinary course of business or with the prior written consent of the Majority Creditors, any other assets other than its Equity Securities in any other Loan Party, its interests in intercompany loans to any other Loan Party or those assets relating to the Project.

(8) Restricted Payments.

(a) No Loan Party will make any Restricted Payment if an Event of Default or Potential Event of Default is subsisting.

(b) No Loan Party will make any Restricted Payment unless the Borrower is at that time permitted to make a Restricted Payment in compliance with Section 12.01(8)(j); provided however that, on and after the Project Completion Date, "Loan Party" for the purpose of this Section 10.03(8)(b) will not include CPN.

(9) Restrictions on Hedging.

No Loan Party shall enter into or commit to enter into any Hedging Arrangement of a speculative nature, or on a margined or term-reviewable basis, or with any Person other than a Hedge Provider.

(10) No Acquisitions, Joint Ventures, Partnerships.

None of the Loan Parties will acquire any Equity Securities of or subscribe for capital in any company, incorporate or acquire any new Subsidiary or enter into any joint venture or partnership; provided however, on and after the Project Completion Date, CPN may acquire any Equity Securities of or subscribe for capital in any company, incorporate or acquire any new Subsidiary or enter into any joint venture or partnership, provided further that such acquisitions, subscriptions or activities are related to mineral exploration and mining recovery and do not create any Liens or Indebtedness, except as permitted under Sections 10.03(1) and (2) above. For the avoidance of doubt, however, Subsidiaries of CPN that are not Loan Parties shall be permitted to enter into joint ventures, partnerships or similar arrangements.

(11) No Issuance of Capital.

No Loan Party (excluding CPN) will issue any shares in its capital or other debt or Equity Securities of any nature whatsoever, except for:

(a) in the case of the Borrower, shares in its capital issued to OLV Co-op or OLC Holdings and concurrently made subject to the Lien of the quota pledge agreement referred to in Section 11.02(3);

(b) Subordinated Intercompany Debt owed to another Loan Party and concurrently made subject to the Lien of the applicable General Security Agreement or other security agreement referred to in Article 11; and

(c) any security which evidences Indebtedness permitted to be incurred in accordance with Section 10.03(1) above.

(12) No Change of Jurisdiction; Location.

No Loan Party will change its jurisdiction of incorporation, the location of its registered or principal office or its domicile (namely, Brazil in the case of the Borrower, Canada in the case of CPN, Barbados in the case of OLC Brazil and the Netherlands in the case of OLV Co-op or OLC Holdings).

(13) Non-Arm's Length Transactions.

No Loan Party shall enter into, or cause, suffer or permit to exist:

(a) any arrangement or contract pursuant to which any Indebtedness or other Financial Assistance is extended by it to any of its affiliates as obligor, except:

(i) Subordinated Intercompany Indebtedness to another Loan Party; or

(ii) in the case of CPN, Financial Assistance in connection with intercompany indebtedness advanced by it to any Subsidiary other than a Loan Party, in connection with the development of the Rovina Valley Project;

(b) any arrangement or contract with any of its affiliates of a nature customarily entered into by Persons which are affiliates of each other (including management or similar contracts or arrangements relating to the allocation of revenues, taxes and expenses or otherwise) requiring any payments to be made by it to any affiliate unless such arrangement is fair and equitable to the

Loan Party; provided that, no Loan Party will enter into a Project Document with an affiliate without the Majority Creditors' prior written consent; or

(c) any other transaction, arrangement or contract with any of its affiliates which would not be entered into by a prudent person in the position of the Loan Party with, or which is on terms which are less favourable to it than are obtainable from, any Person which is not one of its affiliates under no compulsion to act.

(14) No Fundamental Changes.

No Loan Party will, without the prior written consent of the Majority Creditors and after notice to the Agent in accordance with Section 10.01(8)(h):

(a) materially amend its constating or organizational documents, including, without limitation, any changes to (i) the amount or distribution of its corporate capital, or the par value or type of its Equity Securities; (ii) its corporate form; (iii) its corporate address; (iv) its corporate objectives; and (v) its officers and respective managerial powers;

(b) liquidate, dissolve, amalgamate, enter into any merger, consolidation, plan of arrangement, partnership, joint venture or other combination or sell, convey, transfer, lease or otherwise dispose of (in one transaction or a series of transactions) its business or assets as a whole or in an amount which in the opinion of the Majority Creditors constitutes a substantial portion thereof; or

(c) enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other Person whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise.

(15) No Financial Assistance.

No Loan Party will enter into any Guarantee of the obligations of any other Person, provide any other Financial Assistance, or enter into any profit-sharing agreement or arrangement with any other Person, except:

(a) in the case of CPN, Financial Assistance in connection with intercompany indebtedness advanced by it to any Subsidiary other than a Loan Party, in connection with the development of the Rovina Valley Project;

(b) Subordinated Intercompany Indebtedness permitted to be created or advanced hereunder; or

(c) as otherwise expressly contemplated under this Agreement.

(16) No Prepayment of Other Facilities.

No Loan Party will make any voluntary prepayments in respect of any Indebtedness other than the Secured Obligations. In addition, no Loan Party will make any payment or delivery which is not then due under the terms of the GPA or the SPA (ignoring the effect of any acceleration or similar clause).

(17) No Amendment to Project Agreements / Certain Project Documents.

Except with the prior written consent of the Majority Creditors, no Loan Party will make or permit to be made any amendment to any of the following:

(a) any Project Agreements; and

(b) the LOMP, the Bankable Feasibility Study, the Bankable Ore Reserve Model, the Annual Project Budget or, at any time on or prior to the Project Completion Date, the Annual Corporate Budget.

(18) Expenditures.

No Loan Party will incur any expenditures from the Available Funding except in accordance with Section 12.01(8).

10.04 **Financial Covenants**

(1) Project Ratios: The Borrower will maintain the following Project Ratios at all times:

(a) a minimum PLCR of not less than [*agreement redacted – proprietary structure*];

(b) a minimum LLCR of not less than [*agreement redacted – proprietary structure*];

(c) on and following the Project Completion Date, a minimum DSCR (Forecast) of not less than [*agreement redacted – proprietary structure*]; and

(d) on and following the Project Completion Date, a minimum DSCR (Historical) of not less than [*agreement redacted – proprietary structure*],

in each case, as evidenced by the most recent Compliance Certificate required to be provided to the Agent and the other Creditors pursuant to Section 10.01(5)(c) above.

(2) Reserve Tail: The Borrower will maintain at all times a minimum Reserve Tail of not less than [*agreement redacted – proprietary structure*].

(3) Current Ratio: CPN and the other Loan Parties will at all times maintain a Current Ratio (on a consolidated basis) of not less than [*agreement redacted – proprietary structure*].

(4) Debt to EBITDA Ratio: The Loan Parties and all other Affiliates shall at all times maintain a Debt to EBITDA Ratio of no greater than [*agreement redacted – proprietary structure*], to be measured quarterly in arrears commencing with the first full fiscal quarter following the Project Completion Date.

(5) Special Calculation Date: If, at any time, the Majority Creditors reasonably believe that the Borrower or any other Loan Party may be in breach of any one or more of the financial covenants and ratios required to be maintained pursuant to this Section 10.04, the Majority Creditors may, by written notice to the Borrower or other applicable Loan Parties, require the Borrower or such other Loan Parties to calculate the financial covenants and ratios believed to be in breach as of a date or dates (each, a "**Special Calculation Date**") (not more frequently than monthly) other than a Calculation Date, and in such event, the Borrower shall deliver a Compliance Certificate to the Agent in respect of such Special Calculation Date, within five (5) Banking Days of receipt of such written notice, with such changes to the form thereof as may be required to reflect that such Compliance Certificate is given as of, and the relevant financial covenants and ratios are calculated as of, a Special Calculation Date, rather than as of a regular quarterly Calculation Date.

ARTICLE 11
SECURITY; ADDITIONAL PROJECT FACILITY DOCUMENTATION

11.01 **Security and Collateral Agency Agreement**

As continuing security for Secured Obligations, the Loan Parties shall:

(a) enter into a collateral agency and inter-creditor agreement (the "**Collateral Agency Agreement**") with the Collateral Agent and the initial Creditors pursuant to which the Collateral Agent will hold the Security for the benefit of the Creditors and the GP Security for the benefit of the purchasers under the GP, with the purchasers to have priority with respect to the "Payable Au" under and as defined in the GPA and the SPA, respectively, and the Creditors to have priority with respect to all of the other common Collateral; and

(b) grant to the Collateral Agent for the benefit of all of the Creditors the following security set forth in Sections 11.02 through 11.06 below (together with any supplemental security granted pursuant to Sections 11.07(2) through 11.07(5) below, as any of the same may be amended, pursuant to Section 11.07(6) below or otherwise, the "**Security**"), to be held by the Collateral Agent in accordance with the Security Trust Deed.

11.02 **Security and Contractual Obligations under the laws of Brazil**

(1) The Borrower shall grant to the Collateral Agent, for the benefit of all of the Creditors, a first priority Lien under the laws of Brazil over all present and future property, assets and undertaking of the Borrower of any nature or kind, wherever the same may be located and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments, or amendments to such documents or instruments, as are required to give effect to such grants including, but not limited to, the following:

(a) a registered, first ranking mortgage of all of the Borrower's real properties, including without limitation the Lands that are owned by the Borrower;

(b) a pledge over the Mining Concessions;

(c) a pledge over all gold and other minerals (in whatever form) located in or upon the Mineral Rights;

(d) a pledge of all present and after-acquired machinery, equipment, vehicles, goods, chattels and other personal property of the Borrower, with amendments to such pledges, on a quarterly basis after the Closing Date, as are required to provide for the pledge of all machinery, equipment, vehicles, goods, chattels and other personal property acquired by the Borrower during the previous quarter having an individual cost per item in excess of US $100,000 (or the Equivalent Amount in any other currency), or an aggregate cost of US$250,000 (or the Equivalent Amount in any other currency) within such quarter, provided that the Borrower shall not, until such items have been subjected to the Lien of the Security without the prior written consent of all the Creditors, sell or otherwise dispose of such items, nor create any Lien thereupon;

(e) a pledge of the Project Accounts;

(f) a Pledge of Accounts Receivable and other credit rights, including all proceeds of Required Insurance; and

(g) specific pledges to the Collateral Agent by way of security of:

(i) all of the Borrower's rights, title and interests in and to all Project Agreements, as at the Closing Date;

(ii) the benefit of all rights of the Borrower under any Refining Agreements entered into from time to time, forthwith after each of the same are entered into;

(iii) all of the Borrower's right, title and interests in and to all other Project Agreements entered into from time to time as may the Majority Creditors may require, forthwith after each of the same are entered into;

(iv) all of the Borrower's right, title and interest in and benefit of the Permits (together with appropriate forms of transfer), as may be requested by the Collateral Agent pursuant to Section 10.01(18)(g) or (h) above, in each case, in a form or forms prepared by Lenders' Counsel and in form and substance satisfactory to the Collateral Agent.

(2) The Borrower shall further grant to the Collateral Agent, for the benefit of all of the Creditors, contractual rights under the laws of Brazil over all present and future property, assets and undertaking of the Borrower of any nature or kind which by force of law are not subject to security, wherever the same may be located and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of Brazil to give effect to such grants including, but not limited to, the following:

(a) a promise of assignment of the Exploration Licences and Applications for Exploration Licences;

(b) assignments to the Collateral Agent of all of the Borrower's right, title and interest in and to the Required Insurance and all proceeds of any such insurance, which policies must state the Collateral Agent as beneficiary thereof;

(c) conditional assignments to the Collateral Agent of all of the Borrower's right, title and interest in and to each of the Project Agreements; and

(d) Tripartite Agreements in favour of the Collateral Agent with each counterparty to the Project Agreements referred to in the definition of Tripartite Agreements, or as otherwise required by the Majority Creditors from time to time, entered into by or on behalf of the Borrower as at the date hereof and from time to time hereafter, in each case, containing such terms and provisions as previously identified to the Loan Parties by the Creditors and otherwise in form and substance satisfactory to the Collateral Agent.

(3) As continuing collateral security for its obligations under its Guarantee referred to in Section 11.03(2)(a) below, each of OLV Coop and OLC Holdings shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien under the laws of Brazil over its Equity Securities in the capital of the Borrower and any Equity Securities it may acquire in any other Loan Party from time to time, and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of Brazil to give effect to such grant including, but not limited to, a quota pledge agreement with respect to its quotas in the capital of the Borrower.

(4) To the extent required to create a valid Lien under the laws of Brazil in intercompany Indebtedness advanced by any Loan Party to the Borrower, such Loan Party shall, in addition to the Security described in Section 11.03(1)(c) or 11.03(2)(c) below, grant to the Collateral Agent for the benefit of all the Creditors a first priority Lien under the laws of Brazil over all such intercompany Indebtedness and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of Brazil to give effect to such grant, including, but not limited to, an assignment of intercompany Indebtedness.

11.03 **<u>Security under the laws of Ontario</u>**

(1) Subject to the proviso below, CPN shall irrevocably and unconditionally guarantee to the Creditors the payment and performance of the Secured Obligations and, as continuing collateral security for its obligations under such guarantee, shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien over all intercompany Indebtedness advanced by CPN to the Borrower or any other Loan Party. in each case, under the laws of Ontario, and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of Ontario to give effect to such guarantee and grants including, but not limited to, the following:

(a) a Guarantee;

(b) assignments to the Collateral Agent of all of CPN's right, title and interest in and to the Required Insurance held by it and all proceeds of any such insurance, which policies must state the

Collateral Agent as beneficiary thereof; and

(c) a subordination agreement in favour of the Collateral Agent, including an assignment to the Collateral Agent of all intercompany Indebtedness owing by the Borrower or any other Loan Party to CPN, containing terms and condition which deeply subordinate such intercompany Indebtedness and otherwise in form and substance satisfactory to the Collateral Agent and the Creditors,

provided that CPN shall cease to be a Guarantor upon the Project achieving Project Completion and on or as soon as practicable following the Project Completion Date, the Collateral Agent shall release CPN from its Guarantee referred to above (but, for certainty, the Securities Pledge Agreement and the subordination agreement shall be required to remain in full force and effect until the Secured Obligations have been paid, performed and satisfied in full, and, if required or advisable under applicable law to ensure the continued validity and enforceability of the Securities Pledge Agreement, CPN will grant a limited recourse guarantee to the Collateral Agent under which recourse against CPN is limited to the collateral pledged to the Collateral Agent under the Securities Pledge Agreement and the subordination agreement).

(2) Each of OLC Brazil, OLV Co-op and OLC Holdings shall irrevocably and unconditionally guarantee to the Creditors the payment and performance of the Secured Obligations and, as continuing and collateral security for its obligations under such guarantee, shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien over all of its property, assets and undertaking of any nature or kind, wherever the same may be located and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required to give effect to such grants including, but not limited to, the following:

(a) a Guarantee;

(b) a General Security Agreement; and

(c) a subordination agreement in favour of the Collateral Agent, including an assignment to the Collateral Agent of all such intercompany Indebtedness owing by the Borrower or any other Loan Party to OLC Brazil, OLV Co-op or OLC Holdings, as the case may be, containing terms and condition which deeply subordinate such intercompany Indebtedness and otherwise in form and substance satisfactory to the Collateral Agent and the Creditors.

(3) The Loan Parties shall obtain and enter into the Collateral Agency Agreement providing for the postponement of the obligations of the Loan Parties under the GPA and the SPA to the prior payment, performance and satisfaction in full of the Secured Obligations and the subordination and postponement of the GP Security (except with respect to "Payable Au", under and as defined in the GPA and SPA, respectively), to the Security on terms and conditions satisfactory to the Collateral Agent and the other Creditors.

11.04 **<u>Security under the laws of the Netherlands</u>**

(1) As continuing collateral security for its obligations under its Guarantee referred to in Section 11.03(1)(a) or 11.03(2)(a) above, each of CPN and OLC Brazil shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien under the laws of the Netherlands over its Equity Securities in the capital of OLV Co-op and OLV Co-op shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien under the laws of the Netherlands over its Equity Securities in the capital of OLC Holdings, and, in connection therewith, each of them shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of the Netherlands to give effect to such grant including, but not limited to, a pledge with respect to its Equities Securities in the capital of OLV Co-op, or OLC Holdings, as the case may be.

(2) To the extent required to create a valid Lien under the laws of the Netherlands in intercompany Indebtedness advanced by any Loan Party to OLV Co-op or OLC Holdings, such Loan Party shall, in addition to the Security described elsewhere in this Article 11, grant to the Collateral Agent for the benefit of all the Creditors a

first priority Lien under the laws of the Netherlands over all such intercompany Indebtedness and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of the Netherlands to give effect to such grant, including, but not limited to, an assignment of intercompany Indebtedness.

11.05 **Security under the laws of Barbados**

(1) As continuing collateral security for its obligations under its Guarantee referred to in Section 11.03(1)(a) above and the Borrower's obligations in respect of the Secured Obligations, CPN shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien under the laws of Barbados over its Equity Securities in the capital of the OLC Brazil and, in connection therewith, CPN shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of Barbados to give effect to such grant including, but not limited to, a share mortgage with respect to its Equities Securities in the capital of OLC Brazil.

(2) To the extent required to create a valid Lien under the laws of Barbados in intercompany Indebtedness advanced by any Loan Party to OLC Brazil, such Loan Party shall, in addition to the Security described elsewhere in this Article 11, grant to the Collateral Agent for the benefit of all the Creditors a first priority Lien under the laws of Barbados over all such intercompany Indebtedness and, in connection therewith, shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of Barbados to give effect to such grant, including, but not limited to, an assignment of intercompany Indebtedness.

11.06 **Security under the laws of the United States**

As continuing collateral security for the Secured Obligations, the Borrower shall grant to the Collateral Agent for the benefit of all of the Creditors a first priority Lien over the Project Accounts, to the extent that any of the same are established by an Account Bank at a branch located in the United States or to the extent that the validity, perfection, effect of perfection or non-perfection or priority of Liens in such Project Accounts are governed by or subject to the federal or state laws of the United States of America and, in connection therewith, the Borrower shall execute and deliver to the Collateral Agent such documents and instruments as are required under the laws of the United States to give effect to such grant including, but not limited to, an assignment of accounts with respect to all such Project Accounts.

11.07 **Registration and Perfection; Supplemental Security**

(1) The Loan Parties shall, at their expense, register, file or record the Security in all offices in all applicable jurisdictions where such registration, filing or recording is necessary or of advantage to the creation, perfection and preserving of the security applicable to it including, without limitation, any land registry offices, registries of deeds and documents, commercial registries, state traffic departments and the DNPM. The Loan Parties shall renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect.

(2) The forms of Security described in Sections 11.02(1) and (3) above and the contractual obligations described in Section 11.02(2) above have been prepared based upon the laws of Brazil applicable thereto in effect at the date hereof and in the event that such laws may be changed, the Borrower or other applicable Loan Party shall execute, deliver and register at the Borrower's expense such further security documents in respect thereof (or in respect of any other part of the Security that is governed by such laws and is affected by such change) as the Creditors shall request.

(3) The forms of Security described in Section 11.03 above have been prepared based upon the laws of Ontario and the federal laws of Canada applicable thereto as in effect at the date hereof and in the event that such laws may be changed the applicable Loan Parties shall execute and register at the Borrower's expense such further security documents in respect thereof (or in respect of any other part of the Security that is governed by such laws and is affected by such change) as the Creditors shall request.

(4) The forms of Security described in Section 11.04 above have been prepared based upon the laws of the Netherlands applicable thereto in effect at the date hereof and in the event that such laws may be changed, the applicable Loan Parties shall execute, deliver and register at the Borrower's expense such further security documents in respect thereof (or in respect of any other part of the Security that is governed by such laws and is affected by such change) as the Creditors shall request.

(5) The forms of Security described in Section 11.05 above have been prepared based upon the laws of Barbados applicable thereto in effect at the date hereof and in the event that such laws may be changed, the applicable Loan Parties shall execute, deliver and register at the Borrower's expense such further security documents in respect thereof (or in respect of any other part of the Security that is governed by such laws and is affected by such change) as the Creditors shall request.

(6) The forms of Security described in Section 11.06 above have been prepared based upon the federal and/or state laws of the United States of America applicable thereto as in effect at the date hereof and in the event that such laws may be changed the applicable Loan Parties shall execute and register at the Borrower's expense such further security documents in respect thereof (or in respect of any other part of the Security that is governed by such laws and is affected by such change) as the Creditors shall request.

(7) Without limiting the provisions of Sections 11.07(2) through (6) above and in addition thereto, the Creditors shall have the right to require that any such forms of Security be amended to reflect any changes in such laws, whether arising as a result of statutory amendments, court decisions or otherwise, in order to confer upon the Creditors the security interests intended to be created thereby, except that in no event shall the Creditors require that any such amendment be effected if the result thereof would be to grant the Creditors greater rights than is otherwise contemplated herein.

11.08 **After Acquired Property and Further Assurances**

Each of the Loan Parties shall from time to time execute and deliver all such further deeds or other instruments of conveyance, assignment, transfer, mortgage, pledge or charge in connection with all assets acquired by the Loan Parties after the date hereof and intended to be subject to the Lien of the Security including any insurance thereon; provided, however, that the foregoing obligation of the Loan Parties to execute and deliver deeds or other instruments shall only apply:

(a) whenever the relevant Loan Parties are requested to do so by the Collateral Agent upon the instruction of the Majority Creditors;

(b) in the case of Exploration Licences that are converted into Mining Concessions; within 30 days of the date on which the Mining Concession is granted; or

(c) in any event, not later than 90 days after the end of each Fiscal Year of the Borrower, with respect to all real and immoveable property and rights (including, without limitation, property and rights comprising new Project Tenements, Mining Concessions and Mineral Rights) acquired by the Borrower during such Fiscal Year.

11.09 **Security over Exploration Licences**

Each of the Loan Parties shall:

(a) promptly notify the Agent if it becomes aware of any change under the laws of Brazil that would allow the Borrower (or any other relevant Loan Party) to grant security in favour of the Security Agent over any Exploration Licences;

(b) within 30 days of receiving a notice from the Agent, execute and deliver all such further deeds or other instruments of conveyance, assignment, transfer, mortgage, pledge or charge in connection with the Exploration Licences.

11.10 **ISDA Master Agreements**

The Borrower will enter into a master agreement with applicable annexes, schedules, confirmations and definitions (each, an "**ISDA Master Agreement**") with each Hedge Provider in the International Swap Dealers Association, Inc.'s standard forms, with such modifications thereto as may be required by each such Hedge Provider in accordance with its standard practices, and such ISDA Master Agreement will govern all Hedging Arrangements, including the Initial Hedging Programs.

ARTICLE 12
PROJECT ACCOUNTS

12.01 **Project Accounts**

The Borrower covenants and agrees with the Creditors as set forth in this Article 12.

(1) Establishment of Proceeds Accounts: Prior to the first Drawdown under the Project Facility, the Collateral Agent will establish in the Borrower's name:

(a) with an Account Bank a current US $ account styled "Mineração Riacho dos Machados Ltda. Export Proceeds Account" (the "**Export Proceeds Account**"); provided that, the Export Proceeds Account may in the Collateral Agent's discretion be a sub-account of a US $ account maintained by the Account Bank; and

(b) with an Account Bank a current US $ account styled "Mineração Riacho dos Machados Ltda. USD Proceeds Account" (the "**USD Proceeds Account**" and, together with the Export Proceeds Account, the "**Proceeds Accounts**"); provided that, the USD Proceeds Account may in the Collateral Agent's discretion be a sub-account of a US $ account maintained by the Account Bank,

and maintain such accounts until the Secured Obligations have been paid, performed and satisfied in full.

(2) Establishment of Metals Account: Prior to the first Drawdown under the Project Facility, the Collateral Agent will establish in the Borrower's name with an Account Bank a metals account styled "Mineração Riacho dos Machados Ltda. Metals Account" (the "**Metals Account**") and maintain such account until the Secured Obligations have been paid, performed and satisfied in full. The Metals Account may in the Collateral Agent's discretion be a sub-account of a metals account maintained by the Account Bank.

(3) Establishment of Operating Account: Prior to the first Drawdown under the Project Facility, the Borrower will establish in its name with an Account Bank in Brazil, a current R$ operating account (the "**Operating Account**").

(4) Establishment of Debt Service Reserve Account: Prior to the first Drawdown under the Project Facility, the Collateral Agent will establish in the Borrower's name with an Account Bank a current US $ account styled "Mineração Riacho dos Machados Ltda. Debt Service Reserve Account" (the "**Debt Service Reserve Account**") and maintain such account until the Secured Obligations have been paid, performed and satisfied in full. The Debt Service Reserve Account may in the Collateral Agent's discretion be a sub-account of a US $ account maintained by the Account Bank.

(5) Control of Project Accounts and Account Operation Prior to Default: Except as set out in this Section 12.01(5), the Collateral Agent (on behalf of the Creditors) may but is not obliged to, by notice to the Borrower and the Account Bank(s), exercise exclusive control of the operation of all Project Accounts and the Borrower will promptly at the request of the Collateral Agent execute all documents and do all things as required by the Collateral Agent to enable the Collateral Agent to exercise such control. Subject to Sections 12.02(2) and 12.04 and, unless and until an Event of Default or a Potential Event of Default occurs that is subsisting, an Authorized Officer of the Borrower may authorize all withdrawals or transfers from the Metals Account and the Operating Account, and may request transfers from one Proceeds Account to another Proceeds Account in accordance with and

subject to this Agreement.

(6) Control of Project Accounts After Default: At any time while an Event of Default or a Potential Event of Default is subsisting, the Collateral Agent (on behalf of the Creditors) may but is not obliged to, by notice to the Borrower and the Account Bank(s), exercise exclusive control of the operation of all Project Accounts and the Borrower will promptly at the request of the Collateral Agent execute all documents and do all things as required by the Collateral Agent to enable the Collateral Agent to exercise such control.

(7) Deposits to Proceeds Accounts: The Borrower must ensure that:

(a) all revenue from the sale, export or other disposition of Project Production (including any portion of the GPA Upfront Payments and the SPA Purchase Price and all other proceeds of sale of Project Production to MBL under the GPA and the SPA (but excluding other amounts payable to MBL thereunder)) are paid, transferred or deposited directly into the Export Proceeds Account; and

(b) all of the following are paid, transferred or deposited directly into the USD Proceeds Account:

(i) all Equity Contributions and intercompany Indebtedness advanced to the Borrower, including the Required Initial Equity Contribution and any additional Equity Contributions and such intercompany Indebtedness required to ensure that at all times, the Available Funding plus the Maximum Permitted Equity Gap is at least equal to the Costs to Complete and the Project Ratios are being complied with;

(ii) the proceeds of all Drawdowns under the Project Facility;

(iii) (A) receipts under the GPA, other than the GPA Upfront Payment and other proceeds of sale of Project Production to MBL thereunder, (B) receipts under the SPA, other than the SPA Purchase Price and other proceeds of sale of Project Production to MBL thereunder, and (C) all proceeds from any other Indebtedness;

(iv) all gains from Hedging Arrangements;

(v) all accrued interest on the Proceeds Accounts and any other dividend or interest income;

(vi) all proceeds from dispositions of property by the Borrower;

(vii) any liquidated damages or other amounts received by the Borrower under any Project Document;

(viii) all proceeds of any Required Insurance held by the Borrower (or in which the Borrower has an interest), excluding those payable to third parties;

(ix) all Tax recoveries and refunds; and

(x) all other cash receipts of the Borrower not specifically described in Section 12.01(7)(a) and Sections 12.01(7)(b)(i) through (ix) above.

(8) Waterfall regarding Proceeds Accounts: Subject to the rights, powers and remedies of the Creditors under this Agreement and the other Finance Documents, the Borrower may make withdrawals or transfers from the Proceeds Accounts for the following purposes only and in the following order of priority:

(a) first, in payment of amounts then due and payable to the Hedge Providers under Hedging Arrangements;

(b) second, in payment of (i) Project Costs and (ii) other capital costs and operating costs of (including corporate administration and tenement maintenance costs) the Project, in each case, consistent with the LOMP and the Annual Project Budget (including replacement of property referred to in paragraph (c) or (d) of the definition of Permitted Disposition, to the extent of any proceeds of the property so disposed and amounts otherwise permitted under the Annual Project Budget);

(c) third, in payment of any royalties to any third party or Official Body or Taxes in relation to the Project,

(and in respect of costs of the nature set forth in the foregoing paragraphs (b) and (c), but subject at all times to Sections 12.02(3) and 12.04, amounts may, if necessary, be transferred to the Operating Account for the immediate payment of such costs; provided that, prior to any such transfer, the Borrower shall have provided to the Agent and the Collateral Agent a written request for transfer, together with details of the creditors and amounts to be funded through such withdrawal and such other information as the Agent, the Collateral Agent and any of the other Creditors shall request, and the Agent has provided its prior written consent to such transfer);

(d) fourth, in payment of any principal under Section 7.01(1)(a), interest, fees and expenses then due and payable to the Agent or Lenders under or pursuant to the Finance Documents;

(e) fifth, to fund the Debt Service Reserve Account, to the extent required to ensure that the balance standing to the credit of such account is equal to the Debt Service Reserve Requirement;

(f) sixth, in payment of any principal under Sections 6.01 and 7.01(1)(b) then due and payable to the Lenders under the Project Facility;

(g) seventh, in payment of any other amounts then due and payable under any of the Finance Documents;

(h) eighth, in payment of any amount then due and payable as a "Completion Guarantee" pursuant to the GPA (as that term is defined in the GPA) or any amount then due and payable as a "Production Shortfall Payment" pursuant to the SPA) as that term is defined in the SPA;

(i) ninth, expenditure of amounts by the Borrower for any purpose in its discretion (including voluntary prepayments of the Project Facility), except for Restricted Payments, provided that:

  (i) Project Completion has occurred;

  (ii) the principal repayments required on the first Repayment Date have been paid;

  (iii) no Event of Default or Potential Event of Default has occurred that is subsisting;

  (iv) the balance standing to the credit of the Debt Service Reserve Account is equal to or exceeds the Debt Service Reserve Requirement;

  (v) each of the DSCR (Forecast) and DSCR (Historical) is at least 1.30:1; and

  (vi) after such payment (and each other payment set forth in Sections 12.01(8)(a) through (g) above), the Borrower will remain in compliance with Section 12.04;

(j) tenth, any balance may be released to the Borrower for purposes of making Restricted Payments, provided that:

  (i) all of the conditions referred to in Section 12.01(8)(i) above are satisfied;

(ii) the Principal Outstanding is less than 50% of the original amount of the Project Facility;

(iii) a payment equal to the aggregate amount of such Restricted Payments is simultaneously paid and applied as a mandatory prepayment of the Principal Outstanding in accordance with Section 6.02; and

(iv) all amounts withdrawn or transferred for any Restricted Payment shall include all withholding Taxes required to be paid (from amounts withheld or deducted as required by Applicable Laws) to the relevant Official Body with respect to such interest and dividend payments, and the Borrower shall promptly furnish to the Collateral Agent receipts or other documentation issued by the relevant Official Body evidencing payment of any such amounts withheld or deducted.

(9) Limits on Withdrawal: The Borrower must not make any withdrawal from the USD Proceeds Account pursuant to any of the following:

(a) Section 12.01(8)(d), (e) or (f) above, unless the Borrower is unable to satisfy its obligations to make such payments from the amounts standing to the credit of the Export Proceeds Account; and

(b) Section 12.01(8)(i) above, to the extent any expenditure made pursuant to such Section constitutes a voluntary prepayment of the Project Facility, unless the Borrower has obtained the prior written consent of the Agent (acting on the instructions of the Majority Creditors).

12.02 **Metals Account**

(1) Deposits: The Borrower shall ensure that all Project Production that is not required to be delivered under the GPA or the SPA is credited directly into the Metals Account immediately upon it being produced and refined.

(2) Withdrawals: Subject to the rights, powers and remedies of the Creditors under this Agreement and the other Finance Documents, the Borrower may make withdrawals or transfers from the Metals Account for the following purposes only:

(a) sales by the Borrower carried out through MBL in the ordinary course of business; and

(b) to the extent any Hedging Arrangements provide for physical settlement, deliveries when due by the Borrower under any such Hedging Arrangement.

(3) Hedging Arrangements and Sales: The Borrower undertakes to:

(a) ensure that it retains sufficient Project Production in the Metals Account so that it can meet its obligations to deliver Project Production into Hedging Arrangements that provide for physical settlement as they fall due; and

(b) promptly sell the balance of all Project Production.

12.03 **Operating Account**

(1) Deposits: The Borrower shall ensure that the following are paid, deposited or transferred directly into the Operating Account:

(a) all amounts referred to in Section 12.01(7) that are prohibited by Applicable Law to be deposited into the Proceeds Accounts; and

(b) any amounts required to be transferred to the Operating Account for the immediate payment of a cost of the nature described in Section 12.01(8)(a), (b) or (c).

(2) Withdrawals: Subject to the rights, powers and remedies of the Creditors under this Agreement and the other Finance Documents, the Borrower may make withdrawals or transfers from the Operating Account for the following purposes only and in the following order of priority:

(a) first, in payment of operating and capital costs of the Project (including Project Costs) consistent with the LOMP and the Annual Project Budget; and

(b) second, in payment of the MB Royalty and royalties payable to Official Bodies and Taxes in relation to the Project.

(3) Maximum Balance: The Borrower shall ensure that at no time will the balance in the Operating Account exceed the aggregate operating costs of the Project, consistent with the LOMP and the Annual Project Budget (whichever is greater, if there is any inconsistency), to be expended in the ensuing period of [*agreement redacted – proprietary structure*].

12.04 **Minimum Account Balance**

The Borrower shall ensure that, at all times, the aggregate balance in the Proceeds Accounts and the Operating Account shall equal or exceed the Minimum Account Balance.

12.05 **Debt Service Reserve Account**

(1) Deposits: The Borrower shall ensure that all amounts permitted to be transferred into the Debt Service Reserve Account pursuant to Section 12.01(8)(e) are paid, deposited or transferred directly into the Debt Service Reserve Account from, subject to Section 12.01(9), the Export Proceeds Accounts or the USD Proceeds Account until the credit balance in the Debt Service Reserve Account is equal to the Debt Service Reserve Requirement.

(2) Withdrawals: Subject to the rights, powers and remedies of the Creditors under this Agreement and the other Finance Documents, the Borrower will be permitted to withdraw amounts from the Debt Service Reserve Account to pay amounts in respect of the Secured Obligations in the event that the proceeds of Project Production or other amounts in the Proceeds Accounts, at any time, are insufficient to pay all amounts due and payable to the Creditors in respect thereof. The Collateral Agent will be permitted to withdraw amounts from the Debt Service Reserve Account to pay amounts in respect of the Secured Obligations in the event that the proceeds of Project Production or other amounts in the Proceeds Accounts, at any time, are insufficient to pay all amounts due and payable to the Creditors in respect thereof.

12.06 **Collateral Agent's Exclusions**

(1) Not Responsible: The Collateral Agent is not responsible for the performance by the Borrower of its obligations in relation to any Project Account, nor is it under any obligation to take any action in relation to a Project Account which, in the sole discretion of the Collateral Agent, may be contrary to any Applicable Law or this Agreement.

(2) No Other Duties: The Collateral Agent does not have any duties in relation to any Project Account except as specified in this Agreement, and in respect of any such Project Account will not be liable for any error in judgment or any mistake of fact or law, except for its own fraud, gross negligence or wilful misconduct.

(3) Application of Funds: The Collateral Agent is not required to be concerned or responsible as to the application of funds or Product withdrawn from a Project Account or whether amounts paid or Product delivered in that application are properly due and payable or deliverable, except where the Collateral Agent has assumed complete control of the relevant Project Account.

12.07 **<u>Nature of Project Accounts</u>**

(1) <u>No Assignment, etc.</u>: The rights of the Borrower in and to the Project Accounts are personal and incapable of assignment, charging or other dealing, except under the Security. The Borrower shall not attempt or purport to assign, charge or otherwise deal with the Project Accounts except in accordance with the provisions of the Finance Documents.

(2) <u>No Other Withdrawals</u>: The balances in the Project Accounts may not be withdrawn or transferred except as provided in this Agreement.

(3) <u>Subject to the Security</u>: The Borrower shall ensure that, at all times, to the extent permitted under Applicable Law, the Project Accounts are subject to a first priority Lien in favour of the Collateral Agent as continuing collateral security for the Secured Obligations. With respect to each Project Account, the Lien in favour of the Collateral Agent and the rights and remedies of the Creditors with respect to such Project Accounts under this Agreement and the Security must be acknowledged and consented to by the relevant Account Bank.

ARTICLE 13
EVENTS OF DEFAULT AND ACCELERATION

13.01 **<u>Events of Default</u>**

The occurrence of any one or more of the following events (each such event being herein referred to as an "**Event of Default**") shall constitute a default under this Agreement:

(1) <u>Failure to Pay</u>: Any Loan Party fails to pay, in accordance with this Agreement or any other Finance Document, as the case may be, any of the Secured Obligations by the due date and in the manner specified under this Agreement or any other Finance Document, unless (a) the relevant Loan Party demonstrates to the satisfaction of the Creditors that such failure to pay is due solely to administrative or technical delays (including a failure in the banking or other system used for the transfer of funds) which are outside of the control of the Loan Parties and (b) payment of such Secured Obligations is made within three (3) Banking Days of the due date therefor.

(2) <u>Failure to Deliver</u>: Any Loan Party fails to deliver on time any currency or commodity (other than the payment of Secured Obligations as contemplated in Section 13.01(1)) deliverable by any of the Loan Parties under any Finance Document by the due date and in the manner specified in any Finance Document and such failure continues beyond the grace period provided therein unless (a) the relevant Loan Party demonstrates to the satisfaction of the Creditors that such failure to deliver is due solely to administrative or technical delays (including a failure in the banking or other system used for the transfer of funds) which are outside of the control of the Loan Parties and (b) delivery of such currency or commodity is made within three (3) Banking Days of the due date therefor.

(3) <u>Breach of Covenant</u>: Any Loan Party fails to fully observe or perform any covenant or obligation of such Loan Party contained in any of Sections 10.01(3), 10.01(7)(i), 10.02, 10.03 and 10.04 of this Agreement.

(4) <u>Idem</u>: Any Loan Party fails to fully observe or perform any other covenant or obligation of such Loan Party contained in this Agreement, the Security or the other Finance Documents after knowledge thereof by such Loan Party or receipt of notice of such default given by the Agent, provided that if such default is capable of being cured and pertains to a non-monetary obligation, such Loan Party shall not be in default so long as (a) the Loan Parties are actively and diligently in good faith proceeding to cure such default, (b) such default is cured within ten (10) Banking Days (or such longer period as may be agreed in writing by the Creditors) of the earlier of such Loan Party having such knowledge or its receipt of such notice and (c) the position of the Creditors and of the Security is not, at any time, in the opinion of the Majority Creditors, materially adversely affected pending such cure.

(5) <u>Incorrect Representation</u>: Any representation or warranty made by any Loan Party herein or in any other Finance Document shall prove to have been incorrect or misleading in any respect on and as of the date

made, provided that if such incorrect or misleading representation or warranty is capable of being remedied or cured, such Loan Party shall not be in default so long as (a) the Loan Parties are actively and diligently in good faith proceeding to remedy or cure such incorrect or misleading representation or warranty, (b) such incorrect or misleading representation or warranty is remedied or cured within seven (7) Banking Days (or such longer period as may be agreed in writing by the Majority Creditors) of the earlier of such Loan Party having knowledge of, or its receipt of notice from the Agent or another Creditor of, such incorrect or misleading representation or warranty and (c) the position of the Creditors and of the Security is not, at any time, in the opinion of the Creditors, materially adversely affected pending such remedy or cure.

(6) Involuntary Insolvency: A decree or order of a court of competent jurisdiction is entered adjudging any Loan Party a bankrupt or insolvent under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law (including any other bankruptcy, insolvency or analogous law of the jurisdiction of organization or formation of any Loan Party or of any jurisdiction in which any Loan Party carries on its business or affairs) or ordering the winding up or liquidation of its affairs;

(7) Idem: Any case, proceeding or other action shall be instituted in any court of competent jurisdiction against any Loan Party, seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition, proposal or arrangement with creditors, a readjustment of debts, the appointment of any trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers with respect to such Loan Party or of all or any substantial part of its assets, or any other like relief in respect of such Loan Party under any bankruptcy or insolvency law and:

(a) such case, proceeding or other action results in an entry of a decree or an order for such relief or any such adjudication or appointment, or

(b) the same shall continue undismissed, or unstayed and in effect, for any period of ten (10) Banking Days.

(8) Voluntary Insolvency: Any Loan Party makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law (including any comparable law of any other relevant jurisdiction), seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law (including any other bankruptcy, insolvency or analogous law of the jurisdiction of organization or formation of any Loan Party or of any jurisdiction in which any Loan Party carries on its business or affairs), files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of such Loan Party or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, administration or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of any such assignment, proposal, relief, petition, proposal, appointment or proceeding.

(9) Dissolution: Except as permitted by Section 10.03(14), if proceedings are commenced for the dissolution, liquidation or winding up of any Loan Party, unless such proceedings are being actively and diligently contested in good faith by the Loan Parties to the satisfaction of the Creditors.

(10) Security Realization: Creditors of any Loan Party having a Lien against or in respect of the property and assets thereof, or any part thereof, realize upon or enforce any such security against such property and assets or any part thereof having an aggregate fair value in excess of [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency) and such realization or enforcement shall continue in effect and not be released, discharged or stayed within the lesser of ten (10) Banking Days and the period of time prescribed under Applicable Laws for the completion of the sale of or realization against the assets subject to such seizure or attachment.

(11) Seizure: (a) The Project or any material part thereof or (b) other property and assets of any Loan Party or any part thereof having an aggregate fair value in excess of [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency), in each case, is seized or otherwise attached by anyone pursuant to any legal process or other means, including distress, execution or any other step or proceeding with similar effect and such attachment, step or other proceeding shall continue in effect and not be released, discharged or stayed within the lesser of ten (10) Banking Days and the period of time prescribed under Applicable Laws for the completion of the sale of or realization against the assets subject to such seizure or attachment.

(12) Judgment: One or more final judgments, decrees or orders, after available appeals have been exhausted, shall be awarded against any Loan Party for an aggregate amount in excess of [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency) and has not or have not been satisfied and security has not been provided for any of such judgments, decrees or orders within ten (10) Banking Days of such judgment, decree or order being awarded.

(13) Payment Cross-Default: Any one or more Loan Parties defaults in the payment when due (whether at maturity, upon acceleration, or otherwise) of Indebtedness thereof in aggregate in excess of [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency) and any applicable cure period in the relevant indenture, credit agreement, instrument or other agreement has expired.

(14) Event Cross-Default: (a) An "MRDM Event of Default" occurs under the GPA or the GPA is otherwise terminated by MBL in accordance with its terms; or (b) an "MRDM Event of Default" occurs under the SPA or the SPA is otherwise terminated by MBL in accordance with its terms; (c) a default, event of default or other similar condition or event (however described) in respect of any one or more Loan Parties occurs or exists under any indentures, credit agreements, agreements or other instruments evidencing or relating to Indebtedness thereof (individually or collectively) in an aggregate amount in excess of [*agreement redacted – proprietary structure*] (or the Equivalent Amount in any other currency) and such default, event or condition has resulted in such Indebtedness becoming, or becoming capable at such time of being declared, due and payable thereunder before it would otherwise have been due and payable, unless such default, event of default or other similar condition or event is being actively and diligently contested in good faith and with appropriate proceedings by the Loan Parties to the satisfaction of the Creditors.

(15) Cessation of Business: Any Loan Party ceases to carry on business, except in compliance with this Agreement.

(16) Project Production: The production of gold from the Project in aggregate falls below [*agreement redacted – proprietary structure*] from the forecast in the Annual Project Budget (which will be based upon, and consistent with, the then approved LOMP) for any consecutive three (3) month period, and each of (a) the DSCR (Historical) for such three (3) month period, and (b) the DSCR (Forecast) for the ensuing 3 month period (for purposes of this Section 13.01(16)(b) and notwithstanding the definition of "Price Determination", using [*agreement redacted – proprietary structure*], and taking into consideration all Hedging Arrangements that are in place on the date of determination), in each case, is less than [*agreement redacted – proprietary structure*]; provided that, for each month during the period from July 1, 2013 through and including February 28, 2014, the forecast for production of gold from the Project for the purposes of this Section 13.01(16) will be as set out in the following table:

Month	**Forecast Production (ounces)**
July 2013	[*agreement redacted – proprietary structure*]
August 2013	[*agreement redacted – proprietary structure*]
September 2013	[*agreement redacted – proprietary structure*]

October 2013	[*agreement redacted – proprietary structure*]
November 2013	[*agreement redacted – proprietary structure*]
December 2013	[*agreement redacted – proprietary structure*]
January 2014	[*agreement redacted – proprietary structure*]
February 2014	[*agreement redacted – proprietary structure*]

(17) Operating Costs: For any consecutive three (3) month period, the operating costs of the Project, on a cost per ounce of Project Production basis, exceed [*agreement redacted – proprietary structure*]of the budgeted costs per ounce in the Annual Project Budget for such period and each of (a) the DSCR (Historical) for such three (3) month period, and (b) the DSCR (Forecast) for the ensuing 3 month period (for purposes of this Section 13.01(17)(b) and notwithstanding the definition of "Price Determination", [*agreement redacted – proprietary structure*], and taking into consideration all Hedging Arrangements that are in place on the date of determination), in each case, is less than [*agreement redacted – proprietary structure*]; provided that, for each month during the period from July 1, 2013 through and including February 28, 2014, the forecast for production of gold from the Project for the purposes of this Section 13.01(17) will be as set out in the following table:

Month	**Forecast Production (ounces)**
July 2013	[*agreement redacted – proprietary structure*]
August 2013	[*agreement redacted – proprietary structure*]
September 2013	[*agreement redacted – proprietary structure*]
October 2013	[*agreement redacted – proprietary structure*]
November 2013	[*agreement redacted – proprietary structure*]
December 2013	[*agreement redacted – proprietary structure*]
January 2014	[*agreement redacted – proprietary structure*]
February 2014	[*agreement redacted – proprietary structure*]

(18) Invalidity of Security: The Security ceases to be a valid and perfected first priority Lien as against third parties (subject to Permitted Liens) other than by reason solely of the acts or omissions of the Creditors.

(19) Finance Documents: Any Finance Document is, becomes or is claimed by any Loan Party to be void, voidable or unenforceable in whole or in part or, at any time, it is unlawful for any Loan Party to perform any of its obligations under any Finance Document.

(20) Material Adverse Change: Any direct or indirect change occurs in or concerning any of the assets, liabilities, businesses, properties, operations, condition (financial or otherwise), ownership, management, or board membership of any Loan Party or the Project, including as reflected in any of the LOMP or the Annual Project Budget, or any other change or occurrence of whatever nature occurs, which would, in the opinion of the Majority Creditors materially and adversely affect the Borrower's or any other Loan Party's ability to observe, perform, fulfill or discharge any or all of its obligations (including the Secured Obligations) to the Creditors.

(21) Material Adverse Event: A Material Adverse Event occurs.

(22) Change of Control: A Change of Control occurs.

(23) Compulsory Acquisition:

(a) All or any part of the Project or the Collateral is compulsorily purchased or acquired by or by order of any Official Body or under Applicable Law.

(b) An Official Body orders the sale, vesting or divesting of all or any part of the Project or the Collateral.

(c) All or any part of the Project is condemned, seized, resumed, forfeited, acquired, confiscated, expropriated, requisitioned or appropriated.

(d) An Official Body takes any step or proceeding for the purpose of any of the foregoing described in paragraphs (a) through (c) above or proposes or threatens in writing to do any of the foregoing and the Loan Parties fail to take or diligently pursue all actions, steps and proceedings necessary or requested by the Creditors for the purpose of preventing or delaying the occurrence of any of the foregoing.

(24) Political Risk Event: A political risk event (including any one or more of the following: nationalization, expropriation, currency inconvertibility, political violence, war, civil war, deprivation, selective discrimination, forced abandonment or breach of contract) occurs, or a series or combination of such events occurs, that constitutes or gives rise to, or could be expected to constitute or give rise to, a Material Adverse Event.

(25) Breach of Environmental Laws; Environmental Liability: Any breach, in any material respect, of any Environmental Law or environmental authorisation or Permit, or any environmental damage or degradation or environmental liability occurring, arising or being incurred in connection with or in relation to the Project.

(26) Permits: Any Permit or other approval, consent, exemption or other action of any Official Body or other Person required for the business or general operation of the Project, the Borrower or any other Loan Party is annulled, revoked, suspended, withdrawn or otherwise becomes ineffective.

(27) Other Actions by Official Bodies: Any Official Body shall take any action with respect to the Project, the Borrower or any other Loan Party which, in whole or in part, renders illegal, prevents or restricts the performance or effectiveness of any Finance Document or any Project Document or otherwise constitutes or gives rise to, or could be expected to constitute or give rise to, a Material Adverse Event.

(28) Project Documents: (a) Any termination of or any default, event of default or other similar condition or event (however described) or material breach by or in relation to a Loan Party under a Project Document occurs, or any provision of any Project Document ceases to be in full force and effect or is declared null and void or invalid, unless, in respect of such breach, default or event of default by a Loan Party, or similar event or condition, the same is remedied within the earlier of the relevant cure period provided for in the relevant Project Document and a period of twenty (20) Banking Days (or such longer period as may be agreed in writing by the Majority Creditors) of such breach, default, event of default or similar event or condition, but only so long as no actions or steps are taken by the counterparty, or another third party having standing, pending such remedy, to withdraw services, cease to supply product, take steps to appoint a liquidator or procure any other form of

immediate remedy; and any such actions or steps being commenced or taken will constitute an immediate Event of Default hereunder regardless of the relevant remedy period; or (b) any Project Document is amended or varied in any material respect or terminated, without the prior written consent of the Majority Creditors.

(29) Cessation or Suspension of Listing or Trading: Except with the prior written consent of the Majority Creditors, the shares in the capital of CPN cease to be listed on the Toronto Stock Exchange (or a successor exchange), or trading in such shares is suspended for a period of not less than fourteen (14) consecutive days, except where such cessation or suspension is as a result of the listing of such shares on a successor exchange or another recognised securities exchange approved by the Majority Creditors in their sole discretion.

(30) Hedging Arrangements: The Borrower or any other Loan Party enters into any Hedging Arrangement with any Person other than the Hedge Providers.

(31) Unscheduled Stoppage: Any unscheduled stoppage or disruption to development, construction, mining or production at the Project continues for a period greater than fourteen (14) consecutive days.

(32) Project Completion: The Project Completion Date has not occurred on or before the Outside Completion Date.

(33) Abandonment of Project: The Project or any material part thereof is abandoned, terminated or placed on a "care and maintenance" basis at any time.

(34) Failure to Complete Registration of Security in Brazil: The registration of all relevant Security under the laws of Brazil has not been completed by 30 April, 2013.

(35) Costs to Complete: If the Loan Parties fail to comply with Section 10.01(26).

(36) Prohibited transfers, assignments etc.: Any Loan Party sells, transfers, encumbers (including, without limitation, by way of granting a fiduciary property (*propriedade fiduciária*)) or assigns, or agrees or purports to sell, transfer, encumber (including, without limitation, by way of granting a fiduciary property (*propriedade fiduciária*)) or assign, any asset that is subject to a Security, except as otherwise permitted under the express terms of this Agreement.

13.02 **Acceleration**

(1) If any Event of Default shall occur, then the Agent (acting on the instructions of the Majority Lenders) may from time to time:

(a) declare by notice to the Borrower that the whole or any part of the Principal Outstanding, together with interest thereon, at the rate or rates determined as herein provided, and any fees, costs or expenses hereunder is either:

(i) payable on demand; or

(ii) immediately due and payable,

all without further notice or demand, presentment, protest, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by each of the Loan Parties; and

(b) declare by notice to the Borrower that the Lenders' obligations specified in such notice are terminated and their Commitments are permanently cancelled.

(2) In such event, the Collateral Agent, acting upon the instructions of the Agent (acting on the instructions of the Majority Lenders), may, in its discretion, exercise any right or recourse and/or proceed by any

action, suit, remedy or proceeding against the Loan Parties authorized or permitted by law for the recovery of all of the amounts owing to the Creditors and proceed to exercise any and all rights hereunder and under the Finance Documents and no such remedy for the enforcement of the rights of the Creditors shall be exclusive of or dependent on any other remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

(3) Nothing in this Section 13.02, nor any other provision of this Agreement will be construed to limit the right of any Hedge Provider to terminate any Hedging Arrangement or, subject always to the provisions of the Collateral Agency Agreement regarding the exercise of the rights of the Creditors under the Security, exercise any rights or remedies thereunder or in connection therewith.

13.03 **Investigation**

If the Agent believes that an Event of Default or Potential Event of Default is, or may be, continuing, the Agent (acting on the instructions of the Creditors) may:

(a) appoint a Person to investigate and report to the Agent and the other Creditors on the affairs, financial condition and business of any Loan Party; and

(b) inspect the records of any Loan Party and inspect the assets of any Loan Party during normal business hours.

Each Loan Party agrees to cooperate with such Person and comply with every request such Person may make (and to ensure that its officers, employees, agents and legal counsel do the same). This includes giving such Person access to all records and assets during normal business hours and giving such Person any document or other information that such Person may request. CPN agrees to ensure that each Loan Party (and its officers, employees, agents and legal counsel) complies with this Section 13.03. The Borrower agrees to pay or reimburse promptly upon demand each Creditor its costs and expenses in connection with any such investigation.

13.04 **Default Interest**

Upon the occurrence of an Event of Default, interest on each Advance and on any other amounts due and payable under this Agreement shall accrue until paid in full and be payable at an interest rate equal to the interest rate otherwise in effect for Advances outstanding at such time plus 4.00% per annum, with interest to the extent permitted by Applicable Law on all overdue interest at the same increased rate, such interest to be payable on demand.

13.05 **Remedies Cumulative and Waivers**

For greater certainty, it is expressly understood and agreed that the respective rights and remedies of the Creditors and the Collateral Agent (or any of them) hereunder or under any other Finance Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Creditors or by the Collateral Agent (or any of them) of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or other document or instrument executed pursuant to this Agreement shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which any one or more of the Creditors and the Collateral Agent may be lawfully entitled for such default or breach. Any waiver by the Creditors or the Collateral Agent of the strict observance, performance or compliance with any term, covenant, condition or other matter contained herein and any indulgence granted, either expressly or by course of conduct, by the Creditors or the Collateral Agent shall be effective only in the specific instance and for the purpose for which it was given and shall be deemed not to be a waiver of any rights and remedies of the Creditors or the Collateral Agent under this Agreement or any other Finance Document or instrument executed pursuant to this Agreement as a result of any other default or breach hereunder or thereunder.

13.06 **Termination of Lenders' Obligations**

The occurrence of an Event of Default and notice thereof to the Borrower shall relieve the Lenders of all obligations to provide any further Advances hereunder and any Undrawn Commitments shall be permanently cancelled.

ARTICLE 14
CHANGE OF CIRCUMSTANCES

14.01 **Market Disruption**

(1) In the event that at any time subsequent to the giving of a Drawdown Notice or Rollover Notice to the Agent by the Borrower with regard to any Advance but before the date of the Drawdown or Rollover, as the case may be, any Lender makes a determination, which shall be binding upon the Borrower, that:

(a) by reason of circumstances affecting the London interbank market adequate and fair means do not exist for ascertaining the rate of interest with respect to an Advance during the Interest Period selected;

(b) the making or continuing of the Advance by such Lender has been made impracticable by the occurrence of an event which materially adversely affects the London interbank market; or

(c) the cost to such Lender of funding the Advance for the immediately following Interest Period does not accurately reflect the effective cost of the Lender's funding for that Interest Period,

then such Lender shall give notice thereof to the Agent and the Borrower (a "**Market Disruption Notice**"), such notice to include a description of the relevant circumstances, events or conditions upon which the Lender's determination is made, whereupon the Lender's obligations to make the requested Advance on the basis of LIBOR will be suspended until such time as the Lender notifies the Agent and the Borrower that the circumstances, events or conditions described in the Market Disruption Notice no longer exist.

(2) If a Lender has given a Market Disruption Notice, all Advances then outstanding will bear interest at a rate or rates to be determined by each Lender (and specified by written notice to the Agent and the Borrower) that compensates each such Lender for its own cost of funding its Rateable Portion of such Advances (as determined by each such Lender with reference to any source that it may reasonably select, which determination shall be conclusive and binding on the Borrower); plus

(a) the Applicable Margin as in effect with respect to such affected Advances from time to time; and

(b) if an Event of Default is then subsisting, 4.00% per annum.

14.02 **Change in Law**

(1) If at any time any Lender determines that (a) any change in applicable law or regulation or any interpretation thereof, or (b) compliance by such Lender with any direction, requirement or request from any regulatory authority whether or not having the force of law, has or would have, as a consequence of such Lender's obligation under this Agreement and taking into consideration such Lender's policies with respect to capital adequacy, the effect of reducing the rate of return on such Lender's capital to a level below that which such Lender could have achieved but for such change or compliance, then from time to time, upon demand of such Lender, the Borrower shall pay to such Lender such additional amounts as will compensate such Lender for such reduction.

(2) In the event of any change in any applicable law, rule, guideline, regulation, treaty or official directive (whether or not having the force of law) or in the interpretation or application thereof by any court or by any Official Body or other authority or entity charged with the administration thereof which now or hereafter:

(a) subjects any Lender to any tax or changes the basis of taxation, or increases any existing tax, on payments of principal, interest, fees or other amounts payable by the Borrower to such Lender under this Agreement (except for taxes on the overall net income of such Lender); or

(b) imposes, modifies or deems applicable any reserve, special deposit or similar requirements against assets held by, or deposits in or for the account of or loans by or any other acquisition of funds by, an office of any Lender;

and the result of any of the foregoing shall be to increase the cost to, or reduce the amount of principal, interest or other amount received or receivable by such Lender hereunder or its effective return hereunder in respect of making, maintaining or funding its participation in any Advance under the Project Facility, such Lender shall determine that amount of money which shall compensate such Lender for such increase in cost or reduction in income.

(3) Upon a Lender having determined that it is entitled to such additional compensation (herein, an "**Additional Amount**") pursuant to this Section 14.02, then, from time to time, upon demand of such Lender, the Borrower shall pay to such Lender such Additional Amount.

(4) Each of the Lenders shall use commercially reasonable efforts (a) to minimize the amount of any Additional Amount (including by use of redeployment of deposits) and (b) to advise the Borrower within a reasonable period after it becomes aware that an Additional Amount is payable.

14.03 **Prepayment of Rateable Portion**

Notwithstanding the provisions hereof, if a Lender gives the notice provided for in Section 14.02 with respect to any Advance (an "**Affected Advance**"), the Borrower may, upon ten (10) Banking Days written notice to that effect given to such Lender and to the Agent (which notice shall be irrevocable), prepay in full without penalty such Lender's Rateable Portion of the Affected Advance outstanding together with accrued and unpaid interest on the principal amount so prepaid up to the date of such prepayment, such Additional Amount as may be applicable to the date of such payment and all costs, losses and expenses incurred by the Lenders by reason of the liquidation or re-employment of deposits or other funds or for any other reason whatsoever resulting from the repayment of such Affected Advance or any part thereof on other than the last day of the applicable Interest Period, and upon such payment being made that Lender's obligations to make such Affected Advances to the Borrower under this Agreement shall terminate.

14.04 **Illegality**

If the adoption of any applicable law, regulation, treaty or official directive (whether or not having the force of law) or any change therein or in the interpretation or application thereof by any court or by any Official Body or other authority or entity charged with the interpretation or administration thereof or compliance by a Lender with any request or direction (whether or not having the force of law) of any such authority, central bank or comparable agency or entity, now or hereafter makes it unlawful or impossible for any Lender to make, fund or maintain an Advance under the Project Facility or to give effect to its obligations in respect of such an Advance, such Lender may, by written notice thereof to the Borrower and to the Agent declare its obligations under this Agreement to be terminated whereupon the same shall forthwith terminate, and the Borrower shall prepay within the time required by such law (or at the end of such longer period as such Lender at its discretion has agreed) the principal of such Advance together with accrued interest, such Additional Amount as may be applicable to the date of such payment and all costs, losses and expenses incurred by the Lenders by reason of the liquidation or re-employment of deposits or other funds or for any other reason whatsoever resulting from the repayment of such Advance or any part thereof on other than the last day of the applicable Interest Period. If any such change shall only affect a portion of such Lender's obligations under this Agreement which is, in the opinion of such Lender and the Agent, severable from the remainder of this Agreement so that the remainder of this Agreement may be continued in full force and effect without otherwise affecting any of the obligations of the Agent, the other Lenders or the Borrower hereunder, such Lender shall only declare its obligations under that portion so terminated.

ARTICLE 15

COSTS, EXPENSES AND INDEMNIFICATION

15.01 Costs and Expenses

The Loan Parties shall pay promptly upon notice from the Agent all costs and expenses of the Agent, the Collateral Agent and the other Creditors in connection with preparation, execution and delivery of this Agreement and the other documents to be delivered hereunder and the costs of the Agent in syndicating the Project Facility, whether or not any Drawdown has been made hereunder, including without limitation, legal fees of all the Creditors, fees, costs and expenses incurred in connection with the registration, filing, recording or other steps or proceedings taken in connection with the publication, perfection or preservation of the Liens and other rights and remedies of the Creditors under the Finance Documents (including fees, costs and expenses or notaries and similar officials), the fees and out-of-pocket expenses of technical advisors, consultants, counsel to the Agent and Lenders' Counsel, the fees, premiums, costs and expenses associated with political risk insurance, and the allocated cost of staff counsel and technical advisors with respect to any of the foregoing and with respect to advising the Agent or the other Creditors as to its or their rights and responsibilities under this Agreement and the other Finance Documents to be delivered hereunder. Except for ordinary expenses of the Creditors relating to the day-to-day administration of this Agreement, the Borrower further agrees to pay within ten (10) Banking Days of demand by the Agent all costs and expenses in connection with the preparation or review of waivers, consents and amendments and questions of interpretation of this Agreement and in connection with the establishment of the validity and enforceability of this Agreement and the preservation and enforcement of rights of the Creditors or any of them under this Agreement and other Finance Documents, including, without limitation, all costs and expenses sustained by each Creditor in connection with collection of amounts owing hereunder, realization on the Security and restructuring of the Project Facility (whether or not following an Event of Default) and all costs and expenses sustained by each Creditor as a result of any failure by the Borrower to perform or observe any of its obligations hereunder or under the other Finance Documents, together with interest at the highest interest rate then in effect for Advances outstanding hereunder from and after such tenth (10th) Banking Day if such payment is not made by such time.

15.02 Indemnification by the Loan Parties

In addition to any liability of the Loan Parties to any Creditor under any other provision hereof, each Loan Party shall indemnify each Creditor and hold each Creditor harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against any Creditor which relate or arise out of or are as a result of:

(a) any failure by any Loan Party to fulfil any of its obligations hereunder including, without limitation, any cost or expense incurred by reason of the liquidation or re-employment in whole or in part of deposits or other funds required by any Lender to fund or maintain its Rateable Portion of any Advance as a result of the Borrower's failure to complete a Drawdown or to make any payment, repayment or prepayment on the date required hereunder or specified by it in any notice given hereunder;

(b) any Loan Party's failure to pay any other amount, including without limitation any interest or fee, due hereunder on its due date; the repayment or prepayment of an Advance otherwise than on the last day of its Interest Period;

(c) any Loan Party's failure to give any notice required to be given by it to the Creditors hereunder;

(d) the failure of any Loan Party to make any other payment due hereunder;

(e) any inaccuracy or incompleteness in the representations and warranties of the Loan Parties contained in Article 9;

(f) any failure of the Loan Parties to observe or fulfill any of their respective obligations under Article

10, Section 11.07, 11.08 or 11.09 or Article 12;

(g) any failure of the Loan Parties to observe or perform any other obligation not specifically referred to above; or

(h) the occurrence of any Event of Default or Potential Event of Default.

The provisions of this Section shall survive repayment of the Secured Obligations.

15.03 **Interest on Unpaid Costs and Expenses**

Unless the payment of interest is otherwise specifically provided for herein, where any Loan Party fails to pay any amount required to be paid by it hereunder when due having received notice that such amount is due, such Loan Party shall pay interest on such unpaid amount from the time such amount is due until paid at an annual rate equal to the rate set forth in Section 13.04, such interest to be payable on demand.

15.04 **Audit by Independent Consultant**

(1) Without limiting Section 13.03 ("**Investigation**"), the Agent may have any aspect of the Project including the ore reserves, mine design and scheduling, ore treatment, environmental impact, infrastructure and capital or operating costs reviewed, at the Borrower's cost, by an Independent Consultant once per year until the Secured Obligations have been repaid in full and the Project Facility has been cancelled. More frequent reviews, will be paid for by the Agent and the other Creditors, except if:

(a) the Borrower wishes to make a material variation to the LOMP, the Bankable Ore Reserve Model or Annual Project Budget;

(b) the Agent expects that there is a material issue with respect to the achievability of any aspect of the LOMP then or at any time in the future; or

(c) an Event of Default or Potential Event of Default has occurred and is continuing or a Loan Party has breached or not wholly performed any obligation under a Finance Document,

in which case such reviews will be at the cost of the Borrower.

(2) Each Loan Party agrees to co-operate with the Independent Consultant and comply with every request the Independent Consultant may make (and to ensure that such Loan Party's officers, employees, agents and attorneys do the same). This includes giving the Independent Consultant access to all records and assets of the Project during normal business hours and giving the Independent Consultant any document or other information that it may request in relation to the Project. CPN agrees to ensure that each Loan Party (and its officers, employees, agents and attorneys) complies with this Section 15.04.

ARTICLE 16
THE AGENT AND ADMINISTRATION OF THE PROJECT FACILITY

16.01 **Authorization and Action**

Each Lender and Hedge Provider hereby irrevocably appoints and authorizes the Agent to be its attorney in its name and on its behalf to exercise such rights or powers granted to the Agent or the Creditors under this Agreement to the extent specifically provided herein and on the terms hereof, together with such powers as are incidental thereto. As to any matters not expressly provided for by this Agreement, the Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Majority Creditors, and such instructions shall be binding upon all Creditors; provided, however, that the Agent shall not be required to take any action which exposes the Agent to liability in such capacity, which could result in the Agent's incurring any costs and expenses or which is contrary to this Agreement or applicable law.

16.02 **Procedure for Making Advances**

(1) The Agent shall make Advances available to the Borrower as required hereunder by debiting the account of the Agent to which the Lenders' Rateable Portions of such Advances have been credited in accordance with Section 2.07 (or causing such account to be debited) and, in the absence of other arrangements agreed to by the Agent and the Borrower in writing, by transferring (or causing to be transferred) like funds in accordance with the instructions of the Borrower as set forth in the Drawdown Notice in respect of each Advance; provided that the obligation of the Agent hereunder shall be limited to taking such steps as are commercially reasonable to implement such instructions, which steps once taken shall constitute conclusive and binding evidence that such funds were advanced hereunder in accordance with the provisions relating thereto and the Agent shall not be liable for any damages, claims or costs which may be suffered by the Borrower and occasioned by the failure of such Advance to reach the designated destination.

(2) If any Lender does not make available to the Agent its Rateable Portion of any Advance on the relevant Drawdown Date (such Lender, a "**Non-Funding Lender**") requested by the Borrower, the Agent may make available to the Borrower on such date a corresponding amount. If and to the extent such Non-Funding Lender shall not have so made its Rateable Portion of an Advance available to the Agent, such Non-Funding Lender agrees to pay to the Agent forthwith on demand such Non-Funding Lender's Rateable Portion of the Advance and all costs and expenses incurred by the Agent in connection therewith together with interest thereon (at an annual rate equal to the US Prime Rate plus 2% per annum) for each day from the date such amount is made available to the Borrower until the date such amount is paid to the Agent, provided, however, that notwithstanding such obligation if such Non-Funding Lender fails to so pay, the Borrower covenants and agrees that without prejudice to any rights the Borrower may have against such Lender, it shall repay such amount to the Agent forthwith after demand therefor by the Agent. The amount payable to the Agent pursuant hereto shall be as set forth in a certificate delivered by the Agent to such Non-Funding Lender and the Borrower (which certificate shall contain reasonable details of how the amount payable is calculated) and shall be conclusive and binding, for all purposes, in the absence of manifest error. If such Non-Funding Lender makes the payment to the Agent required herein, the amount so paid shall constitute such Non-Funding Lender's Rateable Portion of the Advance for purposes of this Agreement. The failure of any Lender to make its Rateable Portion of the Advance shall not relieve any other Lender of its obligation, if any, hereunder to make its Rateable Portion of the Advance on the Drawdown Date. Except as otherwise set forth in this Section 16.02, no Lender nor the Agent shall be responsible for the failure of any other Lender (which does not include the Agent solely in its capacity as Agent and not Lender) to make the Rateable Portion of the Advance to be made by such Lender on the Drawdown Date.

(3) In addition to the indemnity and reimbursement obligations noted in Section 16.10, the Lenders agree to indemnify the Agent (to the extent not reimbursed by the Borrower and without limiting the obligations of the Borrower hereunder) Rateably according to their respective Rateable Portion (and in calculating the Rateable Portion of any Lender, ignoring the Commitment of any Non-Funding Lender) any amount that any Non-Funding Lender fails to pay the Agent and which is due and owing to the Agent pursuant to Section 16.10. Each Non-Funding Lender agrees to indemnify each other Lender for any amounts paid by such Non-Funding Lender and which would otherwise be payable by such Non-Funding Lender.

16.03 **Remittance of Payments**

Forthwith after receipt of any repayment pursuant to Article 6, Sections 7.01 or 7.02 or payment of interest or fees pursuant to Article 5, the Agent shall remit to each Lender its Rateable Portion of such payment; provided that if the Agent, on the assumption that it will receive on any particular date a payment of principal, interest or fees hereunder, remits to each Lender its Rateable Portion of such payment and the Borrower fails to make such payment, each of the Lenders agrees to repay to the Agent forthwith on demand such Lender's Rateable Portion of the payment made pursuant hereto together with all costs and expenses incurred by the Agent in connection therewith and interest thereon at the rate and calculated in the manner applicable to the Advance in respect of which such payment was made for each day from the date such amount is remitted to the Lenders. The exact amount of the repayment required to be made by the Lenders pursuant hereto shall be as set forth in a certificate delivered by the Agent to each Lender, which certificate shall be conclusive and binding for all purposes in the absence of manifest error.

16.04 **Redistribution of Payment**

Each Creditor agrees that:

(a) if the Creditor exercises any right of counter-claim, set off or bankers' lien or similar right with respect to the property of any Loan Party or if under any applicable bankruptcy, insolvency or other similar law it receives a secured claim the security for which is a debt owed by it to any Loan Party, the Creditor shall apportion the amount thereof proportionately between:

(i) amounts outstanding at such time owed by the Loan Parties to such Creditor under this Agreement or the other Finance Documents, which amounts shall be applied in accordance with Section 16.12; and

(ii) amounts otherwise owed to the Creditors by the Loan Parties provided that any cash collateral account held by such Creditor as collateral for a letter of credit issued by such Creditor on behalf of such Loan Party may be applied by such Creditor to such amounts owed by such Loan Party to such Creditor pursuant to such letter of credit without apportionment;

provided that the foregoing provisions do not apply to:

(A) a right or claim which arises or exists in respect of a loan or other debt in respect of which the relevant Creditor holds a Lien which is a Permitted Lien;

(B) any reduction in amounts owing to a Loan Party upon the termination of Hedging Arrangements entered into with the relevant Hedge Provider; or

(C) any payment to which a Creditor is entitled as a result of any credit derivative or other form of credit protection obtained by such Creditor;

(b) if the Creditor exercises a right under, or receives a secured claim described in, paragraph (a) above, or otherwise receives payment of a proportion of the aggregate amount of Secured Obligations due to it under the Finance Documents which is greater than its Rateable Share of the Secured Obligations due thereunder (having regard to the respective Rateable Shares of the Secured Obligations outstanding to the Creditors), the Creditor receiving such proportionately greater payment shall purchase a participation (which shall be deemed to have been done simultaneously with receipt of such payment) in that portion of the Secured Obligations outstanding to the other Creditor or Creditors so that their respective receipts shall be pro rata to their respective Rateable Shares of the outstanding Secured Obligations; provided, however, that if all or part of such proportionately greater payment received by such purchasing Creditor shall be recovered, such purchase shall be rescinded and the purchase price paid for such participation shall be returned to the extent of such recovery, but without interest. Such Creditor shall exercise its rights in respect of such secured claim in a manner consistent with the rights of the Creditors entitled under this Section 16.04 to share Rateably in the benefits of any recovery on such secured claims; and

(c) if the Lender or such other Creditor does any act or thing permitted by paragraph (a) or (b) above, it shall promptly provide full particulars thereof to the Agent.

16.05 **Duties and Obligations**

Neither the Agent nor any of its directors, officers, agents or employees (and, for purposes hereof, the Agent shall be deemed to be contracting as agent and trustee for and on behalf of such Persons) shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement except for its or their own gross negligence or wilful misconduct. Without limiting the generality of the foregoing, the Agent:

(a) may assume that there has been no assignment or transfer by any means by the Creditors of their rights hereunder, unless and until the Agent receives written notice of the assignment thereof from any such Creditor and the Agent receives the written agreement of the assignee that such assignee is bound hereby as it would have been if it had been an original Creditor party hereto, in each case in form satisfactory to the Agent;

(b) may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts;

(c) shall incur no liability under or in respect of this Agreement or any other Finance Document by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, cable, facsimile transmission, electronic mail or other electronic means of communication) believed by it to be genuine and signed or sent by the proper party or parties or by acting upon any representation or warranty of the Borrower made or deemed to be made hereunder;

(d) may assume that no Event of Default or Potential Event of Default has occurred and is subsisting unless it has actual knowledge to the contrary; and

(e) may rely as to any matters of fact which might reasonably be expected to be within the knowledge of any Person upon a certificate signed by or on behalf of such Person.

Further, the Agent (i) does not make any warranty or representation to any Creditor nor shall it be responsible to any Creditor for the accuracy or completeness of the data made available to any of the Creditors in connection with the negotiation of this Agreement, or for any statements, warranties or representations (whether written or oral) made in or in connection with this Agreement; (ii) shall not have any duty to ascertain or to enquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of any Loan Party or to inspect the property (including the books and records) of any Loan Party; and (iii) shall not be responsible to any Creditor for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Finance Document or any instrument or document furnished pursuant hereto or thereto.

16.06 **Prompt Notice to the Creditors**

Notwithstanding any other provision herein, the Agent agrees to provide to the Creditors, with copies where appropriate, all information, notices and reports required to be given to the Agent by the Loan Parties, promptly upon receipt of same, excepting therefrom information and notices relating solely to the role of Agent hereunder.

16.07 **Agent's Authorities**

With respect to its Commitment and the Drawdowns and Rollovers made by it as a Lender, and any Hedging Arrangements entered into by it as Hedge Provider, the Agent shall have the same rights and powers under this Agreement as any other Lender or Hedge Provider, as the case may be, and may exercise the same as though it were not the Agent. The Agent may accept deposits from, lend money to, and generally engage in any kind of business with the Loan Parties or any of them or any corporation or other entity owned or controlled by any of them and any Person which may do business with any of them, all as if the Agent was not the Agent hereunder and without any duties to account therefor to the other Creditors.

16.08 **Creditors' Credit Decision**

It is understood and agreed by each Creditor that it has itself been, and will continue to be, solely responsible for making its own independent appraisal of and investigations into the financial condition, creditworthiness, condition, affairs, status and nature of the Loan Parties and the Project. Accordingly, each Creditor confirms with the Agent that neither it nor any such Affiliate has relied, nor will any of them hereafter rely, on the Agent (i) to check or enquire on its behalf into the adequacy, accuracy or completeness of any information provided by the Loan Parties or any other Person under or in connection with this Agreement, the other Finance Documents or the transactions herein or therein contemplated (whether or not such information has been or is hereafter distributed to such Creditor by the Agent), or (ii) to assess or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of any of the Loan Parties and the Project. Each Creditor acknowledges that a copy of this Agreement and each other Finance Document has been made available to it for review and each Creditor acknowledges that it is satisfied with the form and substance of this Agreement and each other Finance Document. Each Creditor hereby covenants and agrees that it will not make any arrangements with any Loan Party for the satisfaction of any of the Secured Obligations without the consent of all the other Creditors.

16.09 ***Know Your Customer*** **due diligence checks**

Each Creditor agrees that the Agent has no obligations to do any "know your customer" checks on any Person on behalf of any Creditor.

Each Creditor:

(a) acknowledges to the Agent that it is solely responsible for any "know your customer" checks which it is required to do and that it may not rely on any statement about any "know your customer" checks made by the Agent; and

(b) agrees to give the Agent any document or other information that the Agent reasonably requests to enable the Agent to do any "know your customer" checks.

16.10 **Indemnification**

The Creditors hereby agree to indemnify the Agent (to the extent not reimbursed by the Loan Parties), in accordance with their respective Rateable Portions, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (collectively, "**Indemnified Liabilities**"), which may be imposed on, incurred by, or asserted against the Agent which relate to or arise out of this Agreement or the other Finance Documents or any action taken or admitted by the Agent under or in respect of this Agreement or any other Finance Document in its capacity as Agent; provided that no Creditor shall be liable for any portion of such Indemnified Liabilities resulting from the Agent's gross negligence or wilful misconduct. Without limiting the generality of the foregoing, each Creditor agrees to reimburse the Agent promptly upon demand for its Rateable Portion of any out-of-pocket expenses (including counsel fees) incurred by the Agent in connection with the preservation of any rights of the Agent or the other Creditors under, or the enforcement of, or legal advice in respect of rights or responsibilities under, this Agreement and any other Finance Document, to the extent that the Agent is not promptly reimbursed for such expenses by the Loan Parties.

16.11 **Successor Agent**

The Agent may, as hereinafter provided, resign at any time by giving written notice thereof to the Creditors and the Borrower. Upon any such resignation, the Creditors shall have the right to appoint a successor agent (the "**Successor Agent**"). If no Successor Agent shall have been so appointed by the Creditors and shall have accepted such appointment within thirty (30) days after the retiring Agent's giving of notice of resignation, then the retiring Agent may, on behalf of the Creditors, appoint a Successor Agent. Upon the acceptance of any appointment as Agent hereunder by a Successor Agent, such Successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall thereupon be discharged from its further duties and obligations as Agent under this Agreement and the other Finance Documents. If no Successor Agent shall have been appointed by the Creditors or the retiring Agent within one (1) year after the retiring Agent's giving of notice of resignation, the retiring Agent shall not be discharged from its duties and obligations as Agent under this Agreement and the other Finance Documents until such time as a Successor Agent is appointed. After any retiring Agent's resignation hereunder as Agent, the provisions of this Article 16 shall continue to enure to its benefit as to any actions taken or omitted to be taken by it as Agent or in its capacity as Agent while it was Agent hereunder.

16.12 **Taking and Enforcement of Remedies**

Each of the Creditors hereby acknowledges that, to the extent permitted by applicable law, the remedies provided to the Creditors hereunder and under the Security are for the benefit of all of the Creditors collectively and acting together and not severally and further acknowledges that its rights hereunder are to be exercised not severally, but collectively by the Agent upon the decision of the Creditors or the Majority Creditors, as applicable, regardless of whether declaration or acceleration of the Project Facility was made pursuant to and in accordance with Section 13.02 or whether any Hedge Provider has elected to terminate, make demand for or accelerate obligations under any Hedging Arrangement in accordance with the provisions thereof. Notwithstanding any of the provisions contained herein, each of the Creditors hereby covenants and agrees that it shall not be entitled to take any action with respect to the Project Facility or the Security, including, without limitation, any declaration or acceleration under Section 13.02, but that any such action shall be taken only by the Agent with the prior written agreement of all Creditors, all Lenders, the Majority Creditors or the Majority Lenders, in each case, as prescribed by this Agreement, provided that notwithstanding the foregoing, in the absence of instructions from the Creditors or Lenders, as the case may be, and where in the sole opinion of the Agent the exigencies of the situation warrant such action, the Agent may without notice to or consent of the Creditors or any of them, take such action on behalf of the Creditors or any of them as it deems appropriate or desirable in the interests of the Creditors. Each of the Creditors hereby further covenants and agrees that upon any such written consent being given by the Creditors, the Lenders, the Majority Creditors or the Majority Lenders, as applicable, it shall cooperate fully with the Agent to the extent requested by the Agent in the collective realization including, without limitation, the appointment of a receiver and manager to act for their collective benefit. Each Creditor covenants and agrees to do all acts and things to make, execute and deliver all agreements and other instruments, including, without limitation, any instruments necessary to effect any registrations, so as to fully carry out the intent and purpose of this Section 16.12; and each of the Creditors hereby covenants and agrees that it has not heretofore and shall not seek, take, accept or receive any security for any of the Secured Obligations other than such security as is provided hereunder or under the other Finance Documents and shall not enter into any agreement with any of the parties hereto or thereto relating in any manner whatsoever to the Project Facility, unless all of the Creditors shall at the same time obtain the benefit of any such security or agreement.

16.13 **Reliance Upon Agent**

The Loan Parties shall be entitled to rely upon any certificate, notice or other document (including any facsimile transmission or electronic mail) or other advice, statement or instruction provided to it by the Agent pursuant to this Agreement or another Finance Document, and each Loan Party shall generally be entitled to deal with the Agent with respect to matters under this Agreement and the other Finance Documents which the Agent is authorized to deal with without any obligation whatsoever to satisfy itself as to the authority of the Agent to act on behalf of the Creditors and without any liability whatsoever to the Creditors for relying upon any certificate, notice or other document (including any facsimile transmission or electronic mail) or other advice, statement or instruction provided to it by the Agent, notwithstanding any lack of authority of the Agent to provide the same.

16.14 **Agent May Perform Covenants**

If any Loan Party fails to perform any covenants on its part herein contained, the Agent in accordance with Section 16.01 may, on behalf of the Creditors, in its sole discretion but need not, perform any such covenant capable of being performed by the Agent and if the covenant requires the payment or expenditure of money, the Agent may make such payment or expenditure and all sums so expended shall be forthwith payable by the Borrower to the Agent on behalf of the Creditors and shall bear interest at the US Prime Rate plus eight percent (8%) per annum.

16.15 **No Liability of Agent**

The Agent shall have no responsibility or liability to any Loan Party on account of the failure of any Creditor to perform its obligations hereunder or under any other Finance Document, or to any Creditor on account of the failure of any Loan Party or any Creditor to perform its obligations hereunder or under any other Finance Document.

ARTICLE 17
GENERAL

17.01 **Exchange and Confidentiality of Information**

(1) Each of the Loan Parties agrees that each Creditor may provide each other and any prospective assignee or participant pursuant to Sections 17.08 and 17.09 with any information concerning the Loan Parties.

(2) Each of the Creditors acknowledge the confidential nature of the financial, operational and other information and data provided and to be provided to them by the Loan Parties pursuant hereto (the "**Information**") and agree to use all reasonable efforts to prevent the disclosure thereof provided, however, that:

(a) the Creditors may disclose all or any part of the Information if, in their opinion, such disclosure is required: (i) by their respective auditors, or (ii) in connection with any actual or threatened judicial, administrative or governmental proceedings (including proceedings initiated under or in respect of this Agreement or upon the request of its independent auditors or an Official Body having jurisdiction over it);

(b) the Creditors shall incur no liability in respect of any Information required to be disclosed by any applicable law, or by applicable treaty, order, policy or directive having the force of law, to the extent of such requirement;

(c) the Creditors may provide Lenders' Counsel and their other agents and professional advisors with any Information; provided that such Persons shall be under a like duty of confidentiality to that contained in this Section 17.01;

(d) none of the Creditors shall incur any liability in respect of any Information: (i) which is or becomes readily available to the public (other than by a breach hereof) or which has been made readily available to the public by a Loan Party, (ii) which the relevant Creditor can show was, prior to receipt thereof from a Loan Party, lawfully in the Creditor's possession and not then subject to any obligation on its part to such Loan Party to maintain confidentiality, or (iii) which the relevant Creditor received from a third party who was not, to the knowledge of the Creditor, under a duty of confidentiality to a Loan Party at the time the information was so received;

(e) the Creditors may disclose the Information to other financial institutions and other Persons in connection with the assignment or potential assignment by a Creditor of the Project Facility or a Hedging Arrangement, the granting or potential granting by a Creditor of a participation in the Project Facility or a Hedging Arrangement or the underwriting or issuance of, or the making or processing of claims under, creditor insurance in favour of a Creditor, where such financial institution or other Person agrees to be under a like duty of confidentiality to that contained in this Section; and

(f) the Creditors may disclose all or any part of the Information so as to enable the Creditors to initiate any lawsuit against a Loan Party or to defend any lawsuit commenced by a Loan Party the issues of which touch on the Information, but only to the extent such disclosure is necessary to the initiation or defense of such lawsuit.

17.02 **Nature of Obligations under this Agreement**

(1) The obligations of each Lender and of the Agent under this Agreement are several. The failure of any Lender to carry out its obligations hereunder shall not relieve the other Lenders, the Agent or the Loan Parties of any of their respective obligations hereunder.

(2) Neither the Agent nor any Lender shall be responsible for the obligations of any other Lender hereunder.

17.03 **Notice**

Any demand, notice or communication to be made or given hereunder shall be in writing and may be made or given by personal delivery or by transmittal by facsimile, electronic mail or other electronic means of communication addressed to the respective parties as follows:

To the Borrower or any other Loan Party:

Carpathian Gold Inc.
365 Bay St. Suite 300
Toronto, Ontario M5H 2V1

Attention: President and Chief Executive Officer
Facsimile No.: (416) 363-3883

To the Agent:

Macquarie Bank Limited
No. 1 Martin Place
Sydney, NSW 2000
Australia

Attention: Executive Director, Metals & Energy Capital Division
Facsimile No. +61 (2) 8232 3590

with a copy to:

Macquarie Metals and Energy Capital (Canada) Ltd.
Suite 2400, Bentall 5
550 Burrard Street
Vancouver, BC V6C 2B5

Attention: Mr. Chris Adams
Facsimile No.: (604) 605 1679
Electronic mail: tcgmecvanprd@macquarie.com

To each Creditor, as set forth in Schedule A annexed hereto;

or to such other address or facsimile number or to the attention of such other individuals as any party may from time to time notify the others in accordance with this Section 17.03; provided that, if any demand, notice or other communication is made or given to MBL (in any capacity) other than by way of electronic mail, a copy of the same shall be sent to MBL by electronic mail. Any demand, notice or communication made or given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, or, if made or given by facsimile, electronic mail or other electronic means of communication, on the first Banking' Day following the transmittal thereof; provided, however, that if made or given by facsimile, electronic mail or other electronic means of communication and is received prior to 9:00 a.m. (in the time zone of the recipient) on a Banking Day, it shall be conclusively deemed to have been given on the same day on which it is received.

17.04 **Governing Law**

This Agreement shall be conclusively deemed to be a contract made under, and shall for all purposes be governed by and construed in accordance with the laws of the Province of Ontario, Canada, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of the Loan Parties (or any of them) may be found.

17.05 **Submission to Jurisdiction**

Each of the Loan Parties hereby irrevocably:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Finance Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the Province of Ontario, and appellate courts from any of the same;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same; and

(c) agrees that nothing contained herein shall (i) limit the right of the Collateral Agent or any other Creditor to sue in any other jurisdiction, or (ii) limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

17.06 **Judgment Currency**

(1) If for the purpose of obtaining or enforcing judgment against any of the Loan Parties in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 17.05 referred to as the "**Judgment Currency**") an amount due in US Dollars under this Agreement or any other Finance Document, the conversion shall be made at the rate of exchange prevailing on the Banking Day immediately preceding:

(a) the date of actual payment of the amount due, in the case of any proceeding in the courts of the Province of Ontario or in the courts of any other jurisdiction that will give effect to such conversion being made on such date; or

(b) the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the date as of which such conversion is made pursuant to this Section 17.06(1)(b) being hereinafter in this Section 17.05 referred to as the "**Judgment Conversion Date**").

(2) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 17.06(1)(b), there is a change in the rate of exchange prevailing between the Judgement Conversion Date and the date of actual payment of the amount due, the applicable Loan Parties shall pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount paid in the Judgment Currency, when converted

at the rate of exchange prevailing on the date of payment, will produce the amount of US Dollars which could have been purchased with the amount of Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date.

(3) Any amount due from any Loan Party under the provisions of Section 17.06(2) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of this Agreement.

(4) The term "**rate of exchange**" in this Section 17.05 means the noon rate of exchange for Canadian interbank transactions in US Dollars, in the Judgment Currency published by the Bank of Canada for the day in question, or if such rate is not so published by the Bank of Canada, such term shall mean the Equivalent Amount of the Judgment Currency.

17.07 **Benefit of the Agreement**

This Agreement shall enure to the benefit of and be binding upon each of the Loan Parties, the Lenders, the Agent and their respective successors and assigns.

17.08 **Assignment**

(1) None of the Loan Parties shall assign its rights and obligations hereunder except with the prior written consent of all the Creditors.

(2) Any Lender may with the prior written consent of (a) the Borrower and (b) the Agent, which in each case shall not be unreasonably withheld, at any time and from time to time, assign, transfer and otherwise grant an interest in its Rateable Portion of any Advance to any Eligible Financial Institution, provided that no consent of the Borrower shall be required upon the occurrence and during the continuance of an Event of Default; and provided, further, that during the Availability Period, such Eligible Financial Institution at the time of the assignment would, in the view of the Agent and, if no Event of Default or Potential Event of Default has occurred and is subsisting, the Borrower, be no less able than was the assignor at the time of the assignment to perform the obligations of the assignor hereunder.

(3) Any Hedge Provider may, without the prior written consent of the Loan Parties, the Lenders or the other Hedge Providers, but only with the prior written consent of the Agent, at any time and from time to time, assign, transfer and otherwise grant an interest in any Hedging Arrangement entered into by it with any of the Loan Parties, to any Eligible Financial Institution, provided that such Eligible Financial Institution at the time of the assignment would, in the view of the Agent and, if no Event of Default or Potential Event of Default has occurred and is subsisting, the Borrower, be no less able than was the assignor at the time of the assignment to perform the obligations of the assignor thereunder.

17.09 **Participations**

In addition to the assignment rights under Section 17.08, each Lender may also grant participations in all or any part of its Rateable Portion of any Advance to one or more commercial banks or other financial institutions provided that (a) the holder of any such participation, other than an affiliate of such Lender, shall not be entitled to require such Lender to take or omit to take any action hereunder except to the extent such action requires the consent of all the Lenders with respect to (i) increases in such Lender's Commitment, (ii) reductions of the amount of any interest, principal or fees owing to any Lender hereunder, (iii) extensions of the fixed date on which any sum is due, or (iv) release of any Collateral; (b) the participant shall not have any rights under this Agreement or any Finance Documents nor shall the granting of the participation affect the obligations of the Loan Parties to the granting Lender; and (c) the participant shall have entered an agreement to the effect that it is bound by the provisions of this Section 17.09.

17.10 **Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

17.11 **Whole Agreement**

This Agreement constitutes the whole and entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior agreements, undertakings, declarations, commitments, representations, written or oral, in respect thereof.

17.12 **Amendments and Waivers**

(1) Subject to Sections 17.12(2), (3), (4), (5) and (6) below, any provision of this Agreement may be amended only if the Loan Parties, the Agent and the Majority Lenders so agree in writing and, except as otherwise specifically provided herein, may be waived only if the Majority Lenders so agree in writing. Any waiver and any consent by the Agent, any Creditor, the Majority Lenders, the Majority Creditors, all Lenders or all Creditors under any provision of this Agreement must be in writing and may be given subject to any conditions thought fit by the Person or Persons giving that waiver or consent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given. Any waiver or consent or the exercise of any right under this Agreement shall not affect or mitigate the covenants, representations and warranties of the Loan Parties hereunder which shall continue in full force and effect.

(2) An amendment or waiver that has the effect of changing or which relates to:

(a) an increase of or extension to the Facility Limit or a Commitment;

(b) the definition of Majority Creditors;

(c) a change to the Loan Parties;

(d) any provision which expressly requires the consent of all the Creditors;

(e) this Section 17.11(2); or

(f) a release or partial release of any of the Security or any Lien created, evidenced or granted thereunder,

shall not be made without the prior consent of all Creditors.

(3) An amendment or waiver that has the effect of changing or which relates to: Article 6, Article 9, Article 10, Article 11 or Section 12.01(8) shall not be made without the prior consent of the Majority Creditors.

(4) An amendment that has the effect of changing or which relates to Section 13.01 shall not be made without the prior consent of the Majority Creditors.

(5) An amendment or waiver that has the effect of changing or which relates to:

(a) the definition of Majority Lenders;

(b) an extension to the date of payment of any amount due to the Lenders under the Finance Documents;

(c) a reduction in the Applicable Margin or a reduction in the amount of any payment of principal, interest, fees or other amounts payable to the Lenders under the Finance Documents;

(d) an extension of the date specified in Section 2.04(1)(e)(ii);

(e) any provision which expressly requires the consent of all the Lenders;

(f) Sections 16.03 and 16.04; or

(g) Sections 17.08, 17.09 and this Section 17.12(5),

shall not be made without the prior consent of all the Lenders.

(6) An amendment or waiver which relates to the rights or obligations of the Agent or the Collateral Agent shall not be made without the consent of the Agent or the Collateral Agent, as the case may be.

17.13 **Further Assurances**

Each of the Loan Parties and the Creditors shall promptly cure any default by it in the execution and delivery of this Agreement, the Finance Documents or any of the agreements provided for hereunder to which it is a party. Each of the Loan Parties, at its expense, shall promptly execute and deliver to the Agent, upon request by the Agent, all such other and further documents, agreements, opinions, certificates and instruments in compliance with, or accomplishment of the covenants and agreements of the Loan Parties hereunder or more fully to state the obligations of the Loan Parties as set out herein or to make any recording, file any notice or obtain any consent, all as the Agent may deem to be necessary or appropriate in connection therewith.

17.14 **Time of the Essence**

Time shall be of the essence of this Agreement.

17.15 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

The Borrower:

MINERAÇÃO RIACHO DOS MACHADOS LTDA.

By: ______________________________
Authorized Signatory

c/s

By: ______________________________
Authorized Signatory

The Guarantors:

CARPATHIAN GOLD INC.

By: ______________________________
Authorized Signatory

c/s

By: ______________________________
Authorized Signatory

ORE-LEAVE CAPITAL (BRAZIL) LIMITED

By: ______________________________
Authorized Signatory

c/s

By: ______________________________
Authorized Signatory

OLV COÖPERATIE U.A.

By: ________________________________
Authorized Signatory

c/s

By: ________________________________
Authorized Signatory

OLC HOLDINGS B.V.

By: ________________________________
Authorized Signatory

c/s

By: ________________________________
Authorized Signatory

The Agent:

MACQUARIE BANK LIMITED, as Agent

By: ________________________________
Authorized Signatory

c/s

By: ________________________________
Authorized Signatory

The Collateral Agent:

MACQUARIE BANK LIMITED, as Collateral Agent

By: ______________________________
Authorized Signatory

c/s

By: ______________________________
Authorized Signatory

The Lenders:

MACQUARIE BANK LIMITED

By: ______________________________
Authorized Signatory

c/s

By: ______________________________
Authorized Signatory

The Hedge Providers:

MACQUARIE BANK LIMITED

By: ______________________________
Authorized Signatory

c/s

By: ______________________________
Authorized Signatory

SCHEDULE A

LENDERS AND COMMITMENTS; HEDGE PROVIDERS

PART I: LENDERS AND COMMITMENTS

Lender and Address:	Commitment:
Macquarie Bank Limited 1 Martin Place Sydney, NSW 2000	US $90,000,000.00

Attention: Executive Director, Metals & Energy Capital Division
Facsimile No. +61 (2) 8232 3590

with a copy to:

Macquarie Metals and Energy Capital (Canada) Ltd.
Suite 2400, Bentall 5
550 Burrard Street
Vancouver, BC V6C 2B5

Attention: Mr. Chris Adams
Facsimile No.: (604) 605 1679
Electronic mail: tcgmecvanprd@macquarie.com

PART II: HEDGE PROVIDERS

Hedge Provider and Address:

Macquarie Bank Limited
1 Martin Place
Sydney, NSW 2000

Attention: Executive Director, Metals & Energy Capital Division
Facsimile No. +61 (2) 8232 3590

with a copy to:

Macquarie Metals and Energy Capital (Canada) Ltd.
Suite 2400, Bentall 5
550 Burrard Street
Vancouver, BC V6C 2B5

Attention: Mr. Chris Adams
Facsimile No.: (604) 605 1679
Electronic mail: tcgmecvanprd@macquarie.com

SCHEDULE B

EXPORT REPAYMENT SCHEDULE

[*agreement redacted – proprietary structure*]

SCHEDULE C

DRAWDOWN NOTICE

TO: MACQUARIE BANK LIMITED

FROM: MINERAÇÃO RIACHO DOS MACHADOS LTDA.

DATE: ______________________________

1. This Drawdown Notice is delivered to you pursuant to Section 2.05 of the project facility agreement (the "**Facility Agreement**") made as of January 11, 2013. All defined terms set forth in this Drawdown Notice shall have the respective meanings set forth in the Facility Agreement.

2. We hereby request a Drawdown as follows:

   (a) Date of Drawdown: ______________________________

   (b) Amount of Drawdown: ______________________________

   (c) Interest Period: ______________________________

   (d) Payment Instructions (if any): ______________________________

3. All of the representations and warranties of the Loan Parties contained in Section 9.01 of the Facility Agreement are true and correct on and as of the date hereof as though made on and as of the date hereof.

4. All of the covenants of the Loan Parties contained in Article 10 and Article 12 of the Facility Agreement together with all of the conditions precedent to a Drawdown and all other terms and conditions contained in the Facility Agreement to be complied with by the Loan Parties have been fully complied with.

5. No Event of Default or Potential Event of Default has occurred that is subsisting nor will any Event of Default or Potential Event of Default occur as a result of the aforementioned Drawdown.

Yours very truly,

MINERAÇÃO RIACHO DOS MACHADOS LTDA.

Per: ______________________________
[Name]
[Title]

SCHEDULE D

REPAYMENT NOTICE

TO: MACQUARIE BANK LIMITED

FROM: MINERAÇÃO RIACHO DOS MACHADOS LTDA.

DATE: ____________________________

1. This Repayment Notice is delivered to you pursuant to Section 7.01 of the project facility agreement (the "**Facility Agreement**") made as of January 11, 2013. All defined terms set forth in this Repayment Notice shall have the respective meanings set forth in the Facility Agreement.

2. We hereby give notice of a repayment as follows:

   (a) Date of repayment: ____

   (b) Principal amount of repayment: ____

Yours very truly,

MINERAÇÃO RIACHO DOS MACHADOS LTDA.

Per: ____
[Name]
[Title]

SCHEDULE E

ROLLOVER NOTICE

TO: MACQUARIE BANK LIMITED

FROM: MINERAÇÃO RIACHO DOS MACHADOS LTDA.

DATE: ________________________

1. This Rollover Notice is delivered to you pursuant to either Section 2.09 of the project facility agreement (the "**Facility Agreement**") made as of January 11, 2013. All defined terms set forth in this Rollover Notice shall have the respective meanings set forth in the Facility Agreement.

2. We hereby request a Rollover of the following Advance as follows:

   (a) Date of Rollover: ________________________

   (b) Amount of Rollover: ________________________

   (c) Interest Period: ________________________

   (d) Payment Instructions (if any): ________________________

Yours very truly,

MINERAÇÃO RIACHO DOS MACHADOS LTDA.

Per: ________________________
[Name]
[Title]

SCHEDULE F

FORM OF COMPLIANCE CERTIFICATE

MINERAÇÃO RIACHO DOS MACHADOS LTDA.
(“MRDM”)

COMPLIANCE CERTIFICATE

TO: MACQUARIE BANK LIMITED, AS ADMINISTRATIVE AGENT (“MBL”)
TO: EACH OTHER CREDITOR UNDER THE FACILITY AGREEMENT

Reference is made to the Project Facility Agreement made as of January 11, 2013 between (among others) MRDM, as borrower, certain affiliates of MRDM, as guarantors, and MBL as Administrative Agent and the Collateral Agent, the lenders party thereto, as lenders on or about the date of this certificate, and each other Creditor party thereto (the “**Facility Agreement**”). All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Facility Agreement.

This Compliance Certificate is being delivered pursuant to Section **[10.01(5)(c)][10.04(5)]**[1] of the Facility Agreement.

The undersigned, Daniel Kivari, the Administrator of MRDM, hereby certifies for and on behalf of MRDM (and not in his personal capacity), that as of the end of the **[Fiscal Year][Fiscal Quarter]** ending [●] (the “**Calculation Date**”):

(a) the financial statements for such **[Fiscal Year][Fiscal Quarter]** provided to the Agent pursuant to Section **[10.01(5)(a)][10.01(5)(b)]** of the Facility Agreement were prepared in accordance with Accounting Principles and present fairly, in all material respects, the consolidated or unconsolidated, as applicable, financial position of the applicable Loan Party as at the date thereof;

(b) the representations and warranties in Section 9.01 of the Facility Agreement are true and accurate in all respects as at the date hereof, except as has heretofore been notified to the Agent by the MRDM in writing **[or except as described in Schedule [●] hereto]**;

(c) no event has occurred or is continuing which would constitute a Default or Event of Default, except as has heretofore been notified to the Agent by MRDM in writing **[or except as described in Schedule [●] hereto]**;

(d) the PLCR was [●]:1[2]; attached hereto as Schedule “A” is a determination of such financial ratio as at such Calculation Date, together with particulars of each of the definitions and elements included in such determination;

(e) the LLCR was [●]:1[3]; attached hereto as Schedule “B” is a determination of such financial ratio as at such Calculation Date, together with particulars of each of the definitions and elements included in such determination;

---

[1] Note to draft: refer to Section 10.01(5)(c) for Compliance Certificates delivered concurrently with annual or quarterly financial statements; refer to Section 10.04(5) for Compliance Certificates delivered in connection with any Special Calculation Date.
[2] [*agreement redacted – proprietary structure*].
[3] [*agreement redacted – proprietary structure*].

(f) the Reserve Tail was [●]%[4]; attached hereto as Schedule "C" is a determination of the Reserve Tail as at such Calculation Date, together with particulars of each of the definitions and elements included in such determination;

(g) the Current Ratio (on a consolidated basis) was [●]:1[5]; attached hereto as Schedule "D" is a determination of such financial ratio as at such Calculation Date, together with particulars of each of the definitions and elements included in such determination;

(h) the Debt to EBITDA Ratio was [●]:1[6]; attached hereto as Schedule "E" is a determination of such financial ratio for such **[Fiscal Year][Fiscal Quarter]**, together with particulars of each of the definitions and elements included in such determination;

(i) **[**the DSCR (Historical) was [●]:1; attached hereto as Schedule "C" is a determination of such financial ratio for such **[Fiscal Year][Fiscal Quarter]**, together with particulars of each of the definitions and elements included in such determination**]**[7]; and

(j) **[**the DSCR (Forecast) for each Fiscal Quarter following the Calculation Date is projected to be greater than or equal to [●]:1; attached hereto as Schedule "D" is a determination of such financial ratio for each such Fiscal Quarter, together with particulars of each of the definitions and elements included in such determination.**]**[8]

I give this Compliance Certificate on behalf of MRDM and in my capacity as administrator of MRDM, and no personal liability is created against or assumed by me in the giving of this Compliance Certificate.

DATED this ___ day of ____________, 201__.

MINERAÇÃO RIACHO DOS MACHADOS LTDA.

By: ________________________________

Name: Daniel Kivari
Title: Administrator

4 [*agreement redacted – proprietary structure*].
5 [*agreement redacted – proprietary structure*].
6 [*agreement redacted – proprietary structure*].
7 [*agreement redacted – proprietary structure*].
8 [*agreement redacted – proprietary structure*].

SCHEDULE "A"

Calculation of PLCR

See attached.

SCHEDULE "B"

Calculation of LLCR

See attached.

SCHEDULE "C"

Calculation of Reserve Tail

See attached.

SCHEDULE "D"

Calculation of Current Ratio

See attached.

SCHEDULE "E"

Calculation of Debt to EBITDA Ratio

See attached.

SCHEDULE "F"

Calculation of DSCR (Historical)

See attached.

SCHEDULE "G"

Calculation of DSCR (Forecast)

See attached.

SCHEDULE G

MINERAL RIGHTS

DNPM Nº	LEGAL RIGHT	STATUS	HECTARES	ISSUE DATE	EXPIRY DATE
831.005/1982	MRDM	Mining Concession	1,000.00	03-18-1992	N/A
833.478/2006	MRDM	Exploration Licence	1,612.33	04-04-2008	05-24-2014
833.479/2006	MRDM	Exploration Licence	1,963.10	04-04-2008	05-24-2014
833.480/2006	MRDM	Exploration Licence	1,940.37	04-04-2008	04-04-2011
834.013/2006	MRDM	Exploration Licence	812.88	04-16-2008	05-24-2014
834.014/2006	MRDM	Exploration Licence	1,980.00	04-04-2008	05-24-2014
834.015/2006	MRDM	Exploration Licence	1,921.76	04-04-2008	05-24-2014
834.016/2006	MRDM	Exploration Licence	1,988.40	04-04-2008	05-24-2014
834.017/2006	MRDM	Exploration Licence	785.00	04-04-2008	05-24-2014
834.018/2006	MRDM	Exploration Licence	1,981.86	04-04-2008	05-24-2014
834.019/2006	MRDM	Exploration Licence	1,894.50	04-04-2008	05-24-2014
834.020/2006	MRDM	Exploration Licence	1,998.50	04-04-2008	05-24-2014
834.021/2006	MRDM	Exploration Licence	1,994.00	04-04-2008	05-24-2014
831.869/2008	MRDM	Exploration Licence	116.72	12-22-2009	12-22-2012
832.689/2009	MRDM	Exploration Licence	1443.53	06-01-2010	06-01-2013
831.632/2010	MRDM	Exploration Licence	718.39	04-20-2011	04-20-2014
831.631/2010	MRDM	Exploration Licence	1999.77	04-20-2011	04-20-2014
831.630/2010	MRDM	Exploration Licence	1999.71	04-20-2011	04-20-2014
831.341/2012	MRDM	Application for Exploration Licence	1,464.13	N/A	N/A

SCHEDULE H

LANDS

Owner	Area (ha)	Registration
Mineração Riacho dos Machados	452.5700	M-13990 Notary's Office of Porteirinha
Mineração Riacho dos Machados	266.6830	M-9964 Notary's Office of Porteirinha
Mineração Riacho dos Machados	27.0397	M-14624 Notary's Office of Porteirinha
Assets of João Pereira da Silva (MRDM has the possessory rights of this property)	20.2660	
Assets of Ramiro José Pereira (MRDM has the possessory rights of this property)	18.76	
Assets of José Pereira da Silva (MRDM has the possessory rights of this property)	21.80	
Assets of Antônio Gomes Silva (MRDM has the possessory rights of this property)	24.95	
Luzia Francisca Silva Soares (MRDM has the possessory rights of this property)	0.5924	
Mineração Riacho dos Machados	28.8522	M-14681 Notary office's of Porteirinha
Ataíde Pereira dos Santos (MRDM has the possessory rights of these properties)	179.4960	
	1,041.0093	

SCHEDULE I

PROJECT DOCUMENTS

Part I –Project Documents in Place on the Closing Date

A. Permits:

(1) Exploitation ordinance No. 34 issued by the DNPM on March 18, 1992, which granted to MRDM the mining concession arising out of DNPM File No. 831.005/1982;

(2) Exploration permit No. 2194 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 833.478/2006;

(3) Exploration permit No. 2195 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 833.479/2006;

(4) Exploration permit No. 2196 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 833.480/2006;

(5) Exploration permit No. 3010 issued by the DNPM on April 16, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.013/2006;

(6) Exploration permit No. 2200 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.014/2006;

(7) Exploration permit No. 2201 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.015/2006;

(8) Exploration permit No. 2202 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.016/2006;

(9) Exploration permit No. 2203 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.017/2006;

(10) Exploration permit No. 2204 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.018/2006;

(11) Exploration permit No. 2205 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.019/2006;

(12) Exploration permit No. 2206 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.020/2006;

(13) Exploration permit No. 2207 issued by the DNPM on April 04, 2008, which granted to MRDM the exploration license arising out of DNPM File No. 834.021/2006;

(14) Exploration permit No. 14692 issued by the DNPM on December 22, 2009, which granted to MRDM the exploration license arising out of DNPM File No. 831.869/2008;

(15) Exploration permit No. 4505 issued by the DNPM on June 01, 2010, which granted to MRDM the exploration license arising out of DNPM File No. 832.689/2009;

(16) Exploration permit No. 4420 issued by the DNPM on April 20, 2011, which granted to MRDM the exploration license arising out of DNPM File No. 831.630/2010;

(17) Exploration permit No. 4421 issued by the DNPM on April 20, 2011, which granted to MRDM the exploration license arising out of DNPM File No. 831.631/2010;

(18) Exploration permit No. 4422 issued by the DNPM on April 20, 2011, which granted to MRDM the exploration license arising out of DNPM File No. 831.632/2010;

(19) Preliminary License (*Licença Prévia*) issued by COPAM - State Council of the Environment (*Conselho Estadual de Política Ambiental*) of Minas Gerais State on June 02, 2010 and valid until 2014 for the activity of exploitation of gold in the context of the mining concession mentioned in item "(A)(1)" above within the Municipalities of Riacho dos Machados and Porteirinha, and including the conditions attaching thereto;

(20) Installation License (*Licença de Instalação*) issued by SUPRAM - Regional Superintendent of the Environment and Sustainable Development (*Superintendência Regional de Meio Ambiente e Desenvolvimento Sustentável*) of the North of Minas Gerais State on November 21, 2011 and valid until 2015 for the construction of the Riacho dos Machados gold mine, including the conditions attaching thereto;

(21) State License for the conduct of MRDM's corporate purpose in the State of Minas Gerais;

(22) Municipal License for the conduct of MRDM's corporate purpose in the State of Minas Gerais;

(23) Permit authorizing the development of MRDM's activities in the State of Minas Gerais;

(24) Environmental authorization (DAIA) to perform vegetal suppression;

(25) Environmental License for Fauna Monitoring;

(26) Environmental License for Flora Monitoring;

(27) Environmental License for Fauna Seizure and Deliverance;

(28) Environmental License for Flora Seizure and Deliverance; and

(29) License issued by IPHAN –Institute of National Artistical and Historical Patrimony for archeological diagnostic.

B. <u>Project Agreements:</u>

(1) the Construction Agreement;

(2) the Earthworks Agreement;

(3) the Pre-Strip Mining Agreement;

(4) the Equipment Purchase Agreement;

(5) the Land Access Agreements;

(6) the Metso Agreement;

(7) the Power Supply Infrastructure Agreements;

(8) the SPA; and

(9) the GPA.

C. Other Project Documents:

nil.

Part II – Project Documents to be Obtained after the Closing Date

A. Permits:

(1) Operations License (*Licença de Operação*) for the operation of the Riacho dos Machados gold mine;

(2) Environmental authorization for stockpile and use of chemical, radioactive or controlled products;

(3) Environmental authorization for the final disposal of industrial and/or domestical wastes;

(4) License to be issued by IPHAN –Institute of National Artistical and Historical Patrimony for archeological deliverance;

(5) Municipal License for temporary reallocation of roads, as well as reform and maintenance thereof in the context of mining activities;

(6) Environmental authorization (DAIA) for new accesses from the deposit to the stockpile, from stockpile to the plant and to the entrance of the plant;

(7) Backfire environmental authorization (DAIA);

(8) Environmental authorization (DAIA) for new accesses to Piranguinha;

(9) Environmental authorization (DAIA) for the transmission line;

(10) Environmental Authorization for the transportation and final disposal of dangerous substances;

(11) Environmental license for the possession and use of chainsaw;

(12) Registration with IBAMA for the supply, extraction and use of wood and coal;

(13) Licenses to be issued by ANVISA - Sanitary Surveillance Agency for the operation of food establishments (if any);

(14) License to be issued by the Brazilian Army concerning explosive bankers and transport of cyanide;

(15) License to be issued by the Fire Station Brigade concerning explosive bankers and transport of cyanide;

(16) License for the concrete production plant;

(17) Authorization for Environmental Intervention concerning the gas station to be constructed;

(18) Water use permit concerning the gas station to be constructed;

(19) License to be issued by the Fire Station Brigade concerning the gas station to be constructed;

(20) Preliminary License (*Licença Prévia*) for the transmission line and substation;

(21) Installation License (*Licença de Instalação*) for the transmission line and substation;

(22) Operations License (*Licença de Operação*) for the transmission line and substation;

(23) Water use permit for the transmission line and substation;

(24) Authorization for Environmental Intervention for the transmission line and substation;

(25) Environmental License for Fauna Monitoring for the transmission line and substation;

(26) Environmental License for Flora Monitoring for the transmission line and substation;

(27) Environmental License for Fauna Seizure and Deliverance for the transmission line and substation;

(28) Environmental License for Flora Seizure and Deliverance for the transmission line and substation;

(29) Permit to obtain and use surface and underground water in the context of the mine works and ore processing, which has already been applied for and is currently under analysis;

(30) License to be issued by IPHAN –Institute of National Artistical and Historical Patrimony for archeological prospecting, which has already been applied for and is currently under analysis;

(31) Environmental authorization (DAIA) to perform drilling activities within MRDM's properties, which has already been applied for and is currently under analysis;

(32) License to be issued by IPHAN –Institute of National Artistical and Historical Patrimony for archeological deliverance for the transmission line and substation;

(33) License to be issued by IPHAN –Institute of National Artistical and Historical Patrimony for archeological prospecting for the transmission line and substation;

(34) License issued by IPHAN –Institute of National Artistical and Historical Patrimony for archeological diagnostic for the transmission line and substation; and

(35) Municipal License for temporary reallocation of roads, as well as reform and maintenance thereof in the context of the transmission line and substation.

B. Project Agreements:

(1) Each Power Supply Agreement;

(2) The Fuel Supply Agreement referred to in clause (a) of the definition thereof;

(3) Each Fuel Supply Agreement referred to in clause (b) of the definition thereof; and

(4) Each Refining Agreement.

C. Other Project Documents:

nil.

SCHEDULE J

INDEBTEDNESS, LIABILITIES AND LIENS

nil.

SCHEDULE K

LITIGATION, ENVIRONMENTAL AND OTHER DISCLOSED MATTERS

nil.

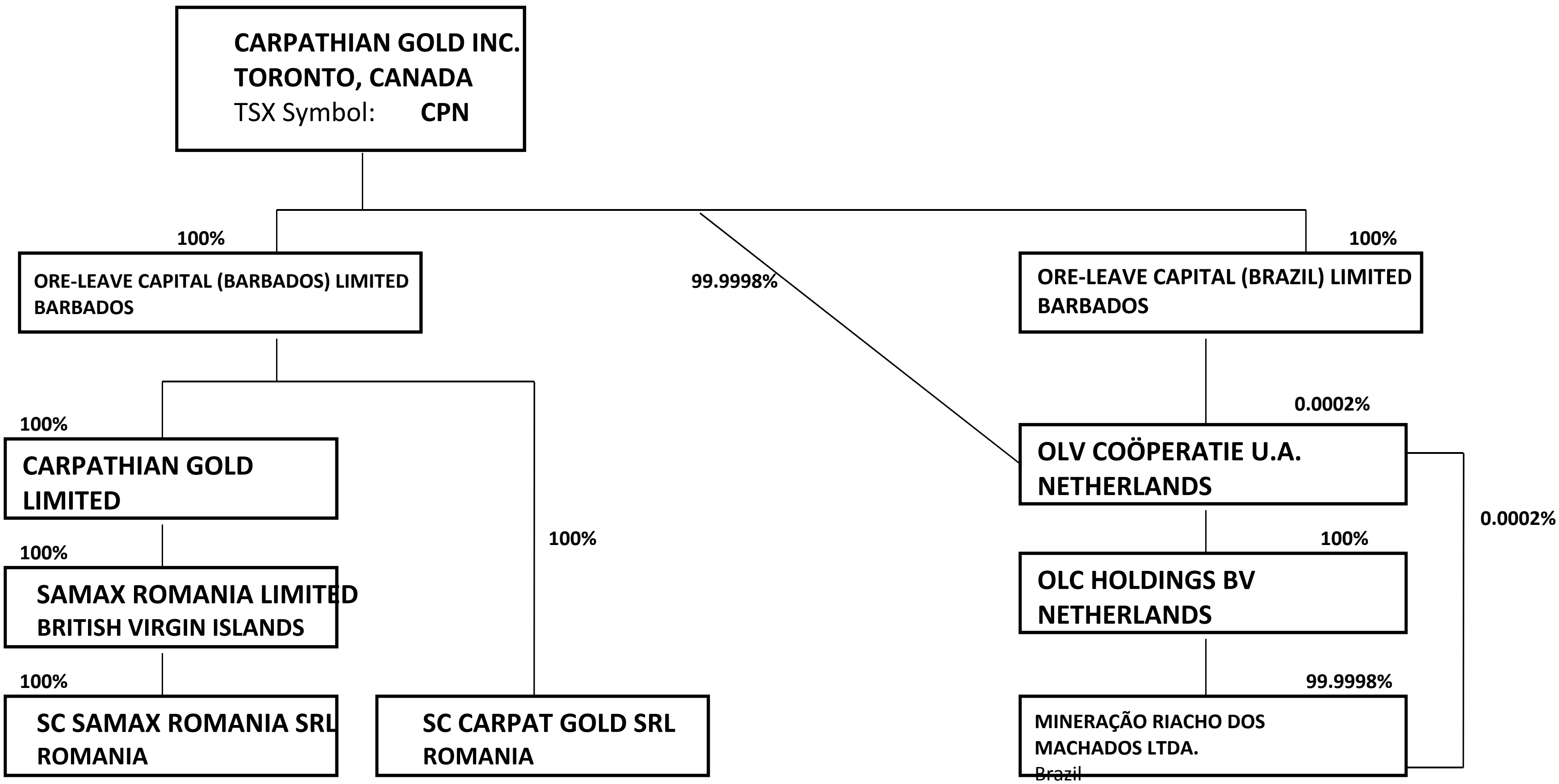
SCHEDULE L

COMPLETION TESTS

[*agreement redacted – proprietary structure*]

SCHEDULE M

CORPORATE STRUCTURE



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