

Convertible Loan Note Instrument

between

Horizonte Minerals PLC

as Company

OMF Fund III (F) Ltd

as Orion Original Noteholder

relating to

the issuance of convertible loan notes with an aggregate nominal amount of up to US\$50,000,000

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THIS INSTRUMENT is made by deed and is dated 23 November 2021 and made

BETWEEN

- (1) **HORIZONTE MINERALS PLC**, (the “Company”), a public limited company incorporated under the laws of England and Wales as company number 05676866 and having its registered office at Rex House, 4-12 Regent Street, London SW1Y 4RG;
- (2) **OMF Fund III (F) Ltd**, (the “Orion Original Noteholder”), a company established under the laws of the Cayman Islands with number 354407 whose registered office is at PO Box 309, Ugland House, Grand Cayman, KY1-1104.

BACKGROUND:

The Parties have resolved to constitute this deed to issue convertible loan notes with an aggregate nominal amount of up to US\$50,000,000 (the “Convertible Loan Notes”).

IT IS AGREED as follows:

1. **Definitions and Interpretation**

1.1 **Definitions**

The following definitions apply in addition to the definitions set out elsewhere in this Instrument.

“Adjustment Event” means any consolidation, sub-division, re-classification or pro-rata cancellation of the Ordinary Shares; or any reduction of capital; or any issue of Ordinary Shares (or rights to subscribe for Ordinary Shares) whether by way of capitalisation or bonus issue, or distribution of Ordinary Shares to holders of Ordinary Shares, or by way of payment of a scrip dividend on the Ordinary Shares or otherwise (save for an issue of Ordinary Shares pursuant to any management, director or employee share incentive scheme or Conversion Shares under this Instrument).

“Admission” means the admission of the Conversion Shares to trading on AIM becoming effective pursuant to Rule 6 of the AIM Rules.

“Affiliate” means, with respect to any person, any other person who, directly or indirectly, Controls, is (at any time) under common Control with, or is (at any time) Controlled by, that person.

“AIM” means AIM, a market operated by the London Stock Exchange.

“AIM Rules” means the London Stock Exchange’s AIM Rules for Companies, as amended from time to time.

“Announcement Date” means the date on which the Company announced the Contemplated Transactions.

“Anti-Financial Crime Laws” means all Laws in force applicable to a member of the Group concerning:

- (A) bribery or corruption;

- (B) money laundering;
- (C) fraud; and/or
- (D) terrorist financing,

howsoever called, and whether or not local and/or extraterritorial in effect.

“Araguaia Project” means the Araguaia ferronickel project located south of the Carajás Mining District in the Pará State, north east Brazil, including any expansion thereof.

“Araguaia Royalty Agreement” means the Royalty Agreement dated 28 August 2019 between Nickel Production Services B.V., as Grantor, OMF Fund III (MG) LTD, as Royalty Holder, Horizonte Minerals PLC, as Parent, Araguaia Niquel Metais LTDA, as MineCo, and Horizonte Exploration Ltd, Horizonte Minerals (IOM) Ltd, Horizonte Nickel (IOM) LTD, Cluny (IOM) Ltd and Typhon Brasil Mineracao LTDA, as Grantor Guarantors, as amended from time to time.

“Articles” means the articles of association of the Company from time to time.

“Authority” means any government department, national, provincial or local government, government or statutory authority under a Law which has a right to impose a requirement (whether administrative, legislative, executive or otherwise), or whose consent is required with respect to any matter or thing arising under, or affected by, this Instrument.

“Available Cash” means:

- (A) In the period prior to the Project Completion Date, zero;
- (B) In the period from the Project Completion Date until the first Repayment Date after the Project Completion Date, the aggregate of all amounts that the Project Company is able to distribute or make available, having regard to its obligations of and the restrictions on it under the Project Finance Arrangements and to applicable Law, less any Taxes payable by the Project Company or any of its direct or indirect holding companies in distributing such amounts to the Company; and
- (C) On each subsequent Repayment Date, the aggregate of all amounts that the Project Company is able to distribute or make available in the preceding Quarter, having regard to its obligations of and the restrictions on it under the Project Finance Arrangements and to applicable Law, less any Taxes payable by the Project Company or any of its direct or indirect holding companies in distributing such amounts to the Company.

“Board” means the board of directors of the Company as constituted from time to time.

“Business Day” means a day that is not a Saturday, Sunday or any other day which is a statutory holiday or a bank holiday in London, England or New York.

“Cash Sweep Calculation Certificate” shall have the meaning given to that term in the Senior Financing Agreements.

“Closing Date” means the date on which the Convertible Loan Notes are issued to the Orion Original Noteholder.

“CoC Event” means a person or persons acquiring Control of the Company.

“Confidential Information” means all confidential, non-public or proprietary information of a Party regardless of how the information is stored or delivered, which is exchanged between the Parties before, on or after the date of this Agreement in connection with this Agreement, other than information:

- (A) which is in or becomes part of the public domain other than through breach of this Agreement or an obligation of confidence owed to the disclosing Party; or
- (B) which the recipient can prove by contemporaneous written documentation was already known by it at the time of disclosure to it, unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality.

“Contemplated Transactions” means:

- (A) the issue of equity shares in the Company;
- (B) the transactions contemplated in this Instrument;
- (C) the Project Finance Arrangements;
- (D) the Vermelho Royalty Agreement; and
- (E) cost overrun facilities to fund fully the construction and commissioning of the Araguaia Project.

“Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether (A) through ownership of voting securities, (B) through the power to appoint or remove a director, a manager or an executive officer, (C) by contract or (D) otherwise and “Controlled by” shall be construed accordingly.

“Conversion” means the conversion of Convertible Loan Notes pursuant to and in accordance with clause 4.

“Conversion Certificate” means a certificate setting out the number of Conversion Shares (calculated in accordance with clause 4.2(B)) to be issued to a Noteholder pursuant to clause 4.2(C)(1)(a).

“Conversion Notice” means a written notice to be delivered by a Noteholder to the Company pursuant to clause 4.2 to convert that Noteholder’s Outstanding Loan Note Amount into Conversion Shares, substantially in the form set out in Schedule 2.

“Conversion Notice Date” has the meaning given to that term in clause 4.2(A).

“Conversion Price” means an amount in pence equal to 125 per cent of the Subscription Price.

“Conversion Rights” has the meaning given in clause 4.1.

“Conversion Shares” means the fully paid Ordinary Shares issued pursuant to a Conversion.

“Convertible Loan Note Certificate” means a certificate in respect of Convertible Loan Notes substantially in the form set out in Schedule 1.

“Convertible Loan Notes” means the convertible loan notes with an aggregate nominal amount of up to US\$50,000,000 that may be issued by the Company and constituted by this Instrument.

“Cost Overrun Facility” means the US\$25,000,000 cost overrun facility to be entered into between the Project Company and the Orion Original Noteholder or its Affiliate.

“CREST” means the computer-based system established under the Regulations which enables title to units of relevant securities (as defined in the Regulations) to be evidenced and transferred without a written instrument and in respect of which Euroclear is the Operator (as defined in the Regulations).

“Debt Service Amount” means, in respect of a Repayment Date, the aggregate of the Repayment Amount plus accrued but unpaid interest on the Outstanding Loan Note Amount for the preceding Quarter and any unpaid Shortfall Amounts in respect of previous Repayment Dates.

“Deed of Accession” means a deed of accession in the form set out in Schedule 3.

“Deed of Subordination” means the deed of subordination between, amongst others, the lenders under the Project Finance Arrangement, the Noteholders and the La Mancha Noteholders which shall restrict the Noteholders, at any time before the Project Completion Date, from taking any action set out in clauses 16.4(B), 16.4(C) and 16.4(D) unless (a) there is an Event of Default pursuant to clause 16.1(D)) (save where such insolvency proceedings have been commenced by the Noteholders), or (ii) where the lenders under the Project Finance Arrangements have been repaid in full, or (iii) otherwise with the consent of the lenders under the Project Finance Arrangements.

“Default Interest Rate” means 15 per cent per annum.

“Eligible Transferee” means a Person who is not subject to any Sanctions and who is in compliance with Anti-Financial Crime Laws (as if such Person was subject to all Anti-Financial Crime Laws).

“Encumbrance” means any mortgage, debenture, pledge, hypothec, lien, charge, deed of trust, trust arrangement, assignment by way of security, contractual right of set-off, consignment, lease, hypothecation, security interest, including a purchase money security interest, or other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation.

“Environmental and Social Action Plan” has the meaning given to it in Performance Standard 1 of the IFC Performance Standards, as amended, supplemented or replaced, in whole or in part, from time to time.

“Equity Securities” means the Ordinary Shares and any other voting or equity shares issued by the Company and outstanding from time to time, including any other capital stock, equity interest or other ownership interest or other similar right, any preferred share, note or debt security having or containing equity features, and any option, warrant or other security or right which is directly or indirectly convertible into or exercisable or exchangeable for any of the foregoing.

“Euroclear” means Euroclear UK and Ireland Limited (formerly CRESTCo Limited).

“Event of Default” has the meaning given to that term in clause 16.1.

“Finance Lease” means any lease or hire purchase contract, a liability under which would, in accordance with GAAP, be treated as a balance sheet liability.

“Financial Indebtedness” means any indebtedness for or in respect of:

- (A) moneys borrowed or otherwise owed;
- (B) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (C) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (D) the amount of any liability in respect of any Finance Lease;
- (E) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (F) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (G) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (H) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (I) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (A) to (H).

“Forex VWAP” means the average exchange rate for US dollars to pounds sterling published by oanda.com for the 15 Trading Days prior to the Announcement Date.

“Good Mining Practice” means, in relation to any decision or undertaking, the exercise of a degree of diligence, skill, care and prudence which would reasonably be expected to be observed by skilled and experienced professionals in the Brazilian and international mining industries engaged in the same type of undertaking under the same or similar circumstances.

“Group Company” means each of the Company, its Affiliates and its subsidiaries and “Group” means all of them.

“IFC Performance Standards” means the International Finance Corporation’s Environmental and Social Performance Standards, contained in the English text 2012 edition of the International Finance Corporation’s Sustainability Framework, as amended, supplemented or replaced, in whole or in part, from time to time.

“Instrument” means this deed.

“Interest Rate” means 11.75 per cent per annum.

“Investment Agreement” means the investment agreement between the Company and Orion Mine Finance Fund III LP dated entered into on or about the date of this Agreement.

“Investment Agreement Warranties” means the warranties set out in paragraphs 3, 8 to 19 (inclusive), 21 to 24 (inclusive), 27 and 28 of the Investment Agreement.

“La Mancha Convertible Loan Note Instrument” means the convertible loan note instrument entered into between the La Mancha Original Noteholder and the Company on or about the date of this Instrument.

“La Mancha Convertible Loan Notes” means the convertible loan notes issued by the Company and constituted by the La Mancha Convertible Loan Note Instrument.

“La Mancha Debt Service Amount” shall have the meaning given to the term “Debt Service Amount” in the La Mancha Convertible Loan Note Instrument.

“La Mancha Noteholders” means:

- (A) the La Mancha Original Noteholder; and
- (B) any other person who becomes a holder of any Convertibles Loan Notes in accordance with clause 14 (*Transfer*) of the La Mancha Convertible Loan Note Instrument,

which in each case has not ceased to be a holder of any La Mancha Convertible Loan Notes in accordance with the terms of the La Mancha Convertible Loan Note Instrument.

“La Mancha Original Noteholder” means La Mancha Investments S.à.r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg, registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under registration number B253567 whose registered office is at 31-33, Avenue Pasteur, L-2311 Luxembourg, Grand-Duchy of Luxembourg .

“La Mancha Outstanding Loan Note Amount” shall have the meaning given to the term “Outstanding Loan Note Amount” in the La Mancha Convertible Loan Note Instrument.

“Law” means all applicable legislation, statutes, directives, regulations, judgments, decisions, permits, decrees, notices, directives, policies, orders, by-laws and other legislative measures or decisions, treaties, conventions and other agreements between states, or between states and supranational bodies and rules of common or civil law, in each case, having the force of law and having effect in any jurisdiction and which applies to any matter or thing arising under, or affected by, this Instrument.

“Loan Note Issuance” means the issue by the Company of Convertible Loan Notes.

“London Stock Exchange” means London Stock Exchange plc.

“Material Adverse Effect” means an event or occurrence which has a material adverse effect on:

- (A) the assets, liabilities, results of operations, condition (financial or otherwise), business, or prospects of the Company or the Group taken as a whole; or
- (B) the legality, validity, binding effect or enforceability against the Company of this Instrument.

"Maturity Date" means the later of (a) 30 September 2032 or (b) to the extent the Senior Financing Agreements have been entered into as of Second Completion, 3 months after the final maturity date (howsoever defined) of the ECA tranche of the Senior Financing Agreements at that time.

"Noteholder Register" means the register of Noteholders referred to in, and maintained in accordance with, clause 13.

"Noteholder" means:

- (A) the Orion Original Noteholder; and
- (B) any other person who becomes a holder of any Convertibles Loan Notes in accordance with clause 14 (*Transfer*),

which in each case has not ceased to be a holder of any Convertible Loan Notes in accordance with the terms of this Instrument.

"Ordinary Share" means an ordinary share of £0.01 in the issued share capital of the Company.

"Orion Portion" means, at any time, the nominal amount of the Convertible Loan Notes in issue at that time pursuant to this Instrument expressed as a percentage of the aggregate nominal amount of the Convertible Loan Notes in issue at that time pursuant to this Instrument and the La Mancha Convertible Loan Notes in issue at that time pursuant to the La Mancha Convertible Loan Note Instrument.

"Outstanding Loan Note Amount" means, in respect of a Noteholder's Convertible Loan Notes, the nominal amount of that Noteholder's Convertible Loan Notes together with all capitalised interest and accrued interest outstanding from time to time.

"Party" means the Company, each Noteholder and the Payment Agent.

"Person" means any individual, firm, company or other body corporate, any unincorporated association, any other legal entity or a person's executors or administrators.

"Project Company" means Araguaia Niquel Metais Ltda.

"Project Completion" has the meaning given to that term in the Senior Financing Agreements.

"Project Completion Date" means:

- (A) the first day of the calendar month immediately following the first period of four consecutive calendar months during which the aggregate production per month of processed Nickel Products (as defined in the Araguaia Royalty Agreement) produced from and processed at the Araguaia Project is equal to or greater than 1,208 tonnes per calendar month (being 14,500 tonnes per annum divided by 12 calendar months), as confirmed in writing by the Independent Engineer (as defined in the Araguaia Royalty Agreement); or
- (B) to the extent that the common terms agreement or facility agreement (as applicable) in respect of the Project Finance Arrangements is in effect, the "Project Completion Date" (or equivalent term) in such agreement;

"Project Finance Arrangements" means the project financing arrangements provided by export credit agencies and banks in relation to the Araguaia Project, and any refinancing thereof.

"Project Finance Lenders" means the senior secured lenders in respect of the Project Financing Arrangements.

"Quarter Date" means 31 March, 30 June, 30 September and 31 December.

"Regulations" means the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time.

"Relevant Convertible Loan Notes" means the amount of a Noteholder's Outstanding Loan Note Amount to be converted into Conversion Shares as set out in a Conversion Notice.

"Repayment Amount" means, on any Repayment Date, the nominal amount of the Convertible Loan Notes together with all capitalised interest as at the Project Completion Date multiplied by the percentage set out in respect of that Repayment Date in Schedule 4 (*Repayment Schedule*).

"Repayment Date" means a repayment date as set out in Schedule 4 (*Repayment Schedule*).

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by any governmental body, the U.S. Departments of State or Commerce in the United States of America, Her Majesty's Treasury, the United Nations Security Council, the European Union or OFAC or pursuant to any Sanctions Laws and Regulations.

"Sanctions Laws and Regulations" means (a) any US sanctions administered by the US State Department or the Office of Foreign Assets Control of the US Department of the Treasury (including, without limitation, the designation as a "specially designated national or blocked person" thereunder); (b) any sanctions or requirements imposed by, or based upon the obligations or authorities set forth in, the Iran Sanctions Act, the US Trading With the Enemy Act, the US International Emergency Economic Powers Act, the US United Nations Participation Act, the US Syria Accountability and Lebanese Sovereignty Act, the Iran Threat Reduction and Syria Human Rights Act or the Iran Freedom and Counter-Proliferation Act, all as amended, or any similar act administered and/or enforced by the US Department of State or US Department of the Treasury, or of the foreign assets control regulations of the U.S. Department of the Treasury (including, without limitation, 31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto; and (c) any sanctions or measures imposed by the United Nations Security Council, the European Union (or any member state thereof), Her Majesty's Treasury or any other legal or governmental authority.

"Second Completion" has the meaning given in the Investment Agreement.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or other agreement or arrangement having similar effect.

"SEDAR" means the System for Electronic Document Analysis and Retrieval at www.sedar.com, maintained by the Canadian Securities Administrators.

"Senior Financing Agreements" means the common terms agreement and related finance documents and security documents implementing the Project Finance Arrangements.

“Shortfall Amount” has the meaning given to it in clause 6.4;

“Subscription Price” means, in respect of an Ordinary Share, the price per share at which Orion subscribed for shares in the Company pursuant to the Investment Agreement.

“Tax” or “Taxation” means any tax, and any duty, contribution, impost, levy or charge in the nature of tax, and any fine, penalty, inflation adjustment, surcharge or interest connected therewith, including (without prejudice to the foregoing) corporation tax, thin capitalization penalty tax, rejected expenses penalty tax, and in general, income taxes, tax falling to be deducted or withheld from or accounted for in respect of any payment, mining royalty tax, national insurance and social security contributions, capital gains tax, donation tax, inheritance tax, value added tax, customs excise and import duties, stamp, registration, documentary and other transfer taxes or duties, land tax, municipal licence, business licence tax, rates, and any other payment whatsoever which a member of the Group is or may be or become bound to make to any person and which is or purports to be in the nature of taxation or otherwise by reason of any Taxation statute.

“Trading Day” means a day on which the AIM market is open for the trading of securities.

“Trading Value” means, on any given day, the volume of shares in the Company traded on any relevant exchange multiplied by the volume weighted average trading price.

“Transaction Documents” means this Instrument, all amendments thereto, any Convertible Loan Note Certificates and any other documents that the Parties agree are Transaction Documents for the purposes of this Instrument.

“Vermelho Project” means the Vermelho nickel and cobalt project in Para, Brazil, including any expansion thereof and any demonstration, testing or pilot plant and associated facilities.

“Vermelho Project Company” means Trias Brasil Mineração Ltda, a company incorporated under the laws of Brazil (CNPJ number 23.282.280/000173) whose registered office is at Rua Paraíba, nº 1465, sala 1102 – Parte, bairro Savassi, em Belo Horizonte/MG, CEP 30.130-148, Brazil.

“Vermelho Royalty Agreement” means the royalty agreement in agreed form between, amongst others, the Company, the Vermelho Project Company and OMF Fund III (Cr) Ltd.

1.2 Interpretation

The following rules of interpretation apply unless the context requires otherwise:

- (A) a reference to a document in the “agreed form” is a reference to a document in a form approved by, and for the purposes of identification signed by or on behalf of, each party;
- (B) headings are for convenience only and do not affect interpretation;
- (C) the singular includes the plural and vice versa;
- (D) a gender includes all genders;
- (E) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;

- (F) mentioning anything after “includes”, “including”, “for example”, or similar expressions, does not limit what else might be included;
- (G) references in this Instrument to “this Instrument” or any other documents are to this Instrument or those documents as amended, supplemented or replaced from time to time and include any document which amends, supplements or replaces them;
- (H) any reference in this Instrument to a “Party” shall include a reference to that Party’s assigns expressly permitted under this Instrument, successors, and if applicable, and to the fullest extent permitted by applicable Law, to any administrator, administrative receiver, liquidator, manager or receiver or other similar officer appointed from time to time in respect of that Party;
- (I) any reference to a “person” shall be construed as a reference to any individual, firm, company, corporation, undertaking, government, state, agency of a state, association, partnership, organisation, foundation or trust (whether or not having separate legal personality), and includes a reference to that person’s legal personal representatives, successors and permitted assigns;
- (J) references to “clauses” and “Schedules” are to clauses of and Schedules to this Instrument;
- (K) the Schedules are incorporated in this Instrument;
- (L) any choice, permission, election, discretion or consent of the Noteholders may be exercised or given by the Noteholders in their absolute discretion save as expressly provided in this Instrument; and
- (M) any reference to any statute or statutory provision means that statute or statutory provision as it has been amended, extended, consolidated, re-enacted or replaced (whether before or after the date of this Instrument) and includes any order, regulation, instrument or other subordinate legislation made under the relevant statute, provided in all cases that, as between the parties, no such amendment, extension or re-enactment made after the date of this agreement shall apply for the purposes of this agreement to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any party.

1.3 Payments

All payments required to be made by a Party to any other person under this Instrument shall be made in immediately available funds to the account specified to the paying Party by that other person from time to time.

1.4 Deed of Subordination

The Noteholders acknowledge the terms of the Deed of Subordination.

2. Status of the Convertible Loan Notes

- 2.1 The principal amount of the original Convertible Loan Notes constituted by this Deed is limited to US\$50,000,000.

- 2.2 The Convertible Loan Notes issued to the Orion Original Noteholder shall be issued at a discount, such that the Orion Original Noteholder shall only be required to pay 94.25% of the principal amount of such Convertible Loan Notes to the Company.
- 2.3 The Convertible Loan Notes shall be issued on the date of Second Completion pursuant to the Investment Agreement.
- 2.4 The Convertible Loan Notes may be issued in amounts or integral multiples of US\$1.00.
- 2.5 The Convertible Loan Notes when issued and outstanding shall rank *pari passu*, equally and rateably, without discrimination or preference among themselves.
- 2.6 The Convertible Loan Notes shall be issued and held subject to and with the benefit of the provisions of this Instrument. All such provisions shall be binding on the Company and the Noteholders and all persons claiming through or under them respectively and shall enure for the benefit of all Noteholders.

3. **Use of proceeds**

The Company shall, and shall procure that each member of its Group shall, apply the proceeds of the Loan Note Issuance towards the cost of the development, construction and commissioning of the Araguaia Project.

4. **Conversion**

4.1 **Conversion Rights**

At any time prior to the Maturity Date, any Noteholder may convert, in amounts or multiples of US\$1,000, any of its Outstanding Loan Note Amount into Conversion Shares in accordance with this clause 4 (the "Conversion Rights").

4.2 **Conversion process**

- (A) A Noteholder may exercise its Conversion Rights, at any time prior to the Maturity Date, by delivering to the Company a Conversion Notice specifying the Relevant Convertible Loan Notes (the date on which such notice is delivered, the "Conversion Notice Date").
- (B) The number of Conversion Shares to be issued by the Company to a Noteholder following exercise of its Conversion Rights shall be determined by dividing the amount of the Relevant Convertible Loan Notes specified in a Conversion Notice (translated into pounds sterling at the Forex VWAP) by the Conversion Price, provided that if the resultant number contains a fraction, the number of Conversion Shares shall be rounded down to the next nearest whole number.
- (C) Following receipt of a Conversion Notice from a Noteholder, the Company shall:
 - (1) provide to that Noteholder:
 - (a) a Conversion Certificate;
 - (b) a copy of the board resolutions pursuant to clause 4.5(B); and
 - (c) a copy of the draft application form to be submitted to AIM in respect of the Admission of that Noteholder's Conversion Shares; and

- (2) upon acceptance by that Noteholder of the Conversion Certificate which, in the absence of manifest error, shall be accepted as soon as reasonably practicable and in any event within three Trading Days, promptly effect the conversion of the Relevant Convertible Loan Notes in accordance with clause 4.5 and in any event within three Trading Days of such acceptance by the Noteholder, and the Company shall issue such Conversion Shares at such time.

4.3 Anti-dilution protections

- (A) Subject to clause 4.3(C), each time an Adjustment Event occurs, the Conversion Price and/or number of Conversion Shares will be reduced or, as the case may be, increased, conditional on and with effect from the date of the relevant Adjustment Event; so that after the adjustment the total number of Conversion Shares which the Outstanding Loan Note Amount would give rise to on Conversion carries (in each case, as nearly as possible) the same entitlement to participate in the profits and assets of the Company (including on liquidation) and the same proportion of the voting rights attached to all the issued and outstanding Ordinary Shares (on a fully diluted basis) as if there had been no such Adjustment Event.
- (B) When the Company becomes aware of a fact that may give rise to an adjustment under clause 4.3(A), the Company will promptly notify the Noteholders of the specifics of the fact that may give rise to such adjustment, and of the adjustment. Noteholders holding at least 10 percent of the Outstanding Loan Note Amount may give notice to the Company of any disagreement with the Company's calculation, such notice to be given within 15 Trading Days of the notice of the adjustment. The matter shall be referred to the Company's auditors for determination. The auditors shall act as experts and not arbitrators and their decision shall be final.
- (C) An adjustment under clause 4.3(A) shall not apply to:
 - (1) the grant of any options or other awards, or the issue of any Equity Securities upon exercise of options or awards granted (whether before or after the date of this Instrument), pursuant to any share option scheme or other executive incentivisation scheme of the Company which is in existence on the date of this Instrument or subsequently approved by the Board or the Company in general meeting; or
 - (2) the issue of any Equity Securities pursuant to bona fide compensation arrangements with the directors, officers, employees, consultants and service providers of the Group.

4.4 Inability to convert the Convertible Loan Notes

Where any amount of Relevant Convertible Loan Notes contained in a Conversion Notice is incapable of Conversion due to any legal or regulatory restrictions, including where the Company does not have the requisite corporate authority to issue any number of Conversion Shares as at the date falling three Trading Days after the relevant Conversion Notice Date, the Noteholder shall have the right, at its discretion, to demand immediate repayment of the Relevant Convertible Loan Notes (which shall be satisfied in full by such repayment) for an aggregate amount in cash equal to the closing price of an Ordinary Share as of the date the demand was made, multiplied by the number of Conversion Shares which would have been issued to the Noteholder had the Company obtained the requisite corporate authority at the relevant Conversion Notice Date.

4.5 Conversion Shares

- (A) In effecting the Conversion in accordance with this Instrument, the Company shall issue the Conversion Shares to the Noteholder such that:
- (1) the Noteholder's name shall be entered into the register of members of the Company as the holder of the Conversion Shares (or the Conversion Shares shall be, at the election of the Noteholder, credited to such CREST account as the Noteholder may specify in writing to the Company);
 - (2) the Noteholder shall receive full legal and beneficial ownership rights to the Conversion Shares; and
 - (3) the Company's books and records shall be updated accordingly,
- in each case, conditional only upon Admission. The Company shall apply for Admission of the Conversion Shares promptly so that the Conversion Shares are admitted as soon as practicable after the acceptance of the Conversion Certificate and the issue of the Conversion Shares and in any event within two Trading Days after the acceptance of the Conversion Certificate.
- (B) The Company shall procure the passing of a resolution of the Board approving the issue of the Conversion Shares to that Noteholder.
- (C) The Conversion Shares shall on Admission rank *pari passu* in all respects with the Ordinary Shares which are held by all holders of Ordinary Shares immediately before Admission.
- (D) Once the Conversion Shares have been issued to the Noteholder, the Noteholder shall be bound by the Articles.

4.6 Conversion on a CoC Event

- (A) If an offer (whether structured by way of a takeover offer or scheme of arrangement) is made to holders of Ordinary Shares (or all such holders other than the offeror or persons acting in concert) to acquire Control of the Company, then the Company shall, on such offer being announced, inform the Noteholders of such offer and its terms.
- (B) The Noteholders may elect to, at any time prior to such CoC Event occurring, exercise the Conversion Rights in relation to any Convertible Loan Notes which remain in issue on the occurrence of a CoC Event such that the holders of the resulting Conversion Shares shall be entitled to receive the same consideration per Ordinary Share as the other shareholders selling Ordinary Shares in connection with the CoC Event.
- (C) Where a Noteholder does not elect to exercise its Conversion Rights, then, subject to clause 5.1 below, which shall take precedence in respect of a CoC Event after the fifth anniversary of the Closing Date, the Convertible Loan Notes held by that Noteholder shall be redeemed in full and all outstanding principal and interest due to that Noteholder shall be paid to that Noteholder within 10 days of the CoC Event having occurred.

5. **Early Redemption**

5.1 At any time after the fifth anniversary of the Closing Date, the Company may, on thirty (30) days' prior written notice to the Noteholders (the "Redemption Notice Period"), elect to redeem all of the Convertible Loan Notes by paying to each Noteholder an amount equal to 105% of their respective Outstanding Loan Note Amounts, if:

(A) a CoC Event occurs; or

(B) the:

(1) volume weighted average trading price on AIM exceeds 200% of the Conversion Price; and

(2) aggregate average daily Trading Value exceeds US\$2,500,000,

(3) in each case for the 30 Trading Days prior to such notification.

5.2 For the avoidance of doubt, nothing in this clause 5 shall:

(A) prejudice the Noteholders rights pursuant to clause 4.6(B);

(B) prevent the Noteholders from exercising their Conversion Rights during the Redemption Notice Period.

6. **Repayment and prepayment**

6.1 Unless the Noteholders shall have exercised their Conversion Rights pursuant to and in accordance with clause 4 and subject to clause 5 and the following provisions of this clause 6, the Company shall redeem the Convertible Loan Notes and repay to each Noteholder on the Maturity Date their respective Outstanding Loan Note Amounts.

6.2 Except as otherwise expressly stated in this Instrument, the Company may not redeem the Convertible Loan Notes (in whole or in part) prior to the Maturity Date without the prior written consent of the Noteholders.

6.3 Subject to clause 6.4, the Company shall, on each Repayment Date be liable to pay to the Noteholders an amount equal to the Debt Service Amount.

6.4 On each Repayment Date:

(A) the Company shall pay an amount equal to the lesser of the Orion Portion of the Available Cash and the Debt Service Amount as follows:

(1) First, in relation to any Repayment Date other than the first Repayment Date, to the Noteholders pro rata across all Convertible Loan Notes towards any outstanding Shortfall Amount;

(2) Second, to the Noteholders pro rata across all Convertible Loan Notes towards interest accrued in accordance with clause 8.1(B);

(3) Third, to each Noteholder by way of redemption of the Convertible Loan Notes, towards the Repayment Amount in respect of that Repayment Date as set out in Schedule 4; and

if the Available Cash exceeds the aggregate of the Debt Service Amount and the La Mancha Debt Service Amount for that Repayment Date, ("**Excess Cash**"), then the Company shall apply an amount equal to 85% of the Orion Portion of any remaining Excess Cash to the Noteholders by way of redemption of the Convertible Loan Notes towards prepayment of Repayment Amounts in inverse order of Repayment Date.

6.5 If on any Repayment Date, the Orion Portion of the Available Cash is not sufficient to repay the Debt Service Amount in full, such unpaid amount (a "Shortfall Amount") shall be deferred to be paid on the next Repayment Date on which the Orion Portion of the Available Cash is sufficient to make such payment in accordance with clause 6.4.

6.6 In order to support the obligations of the Company pursuant to this clause 6 and clause 6 of the La Mancha Convertible Loan Note Instrument, the Company shall procure that, subject to the obligations of and restrictions on the Project Company under the Project Finance Arrangements and to applicable Law, the Project Company and its intermediate holding companies shall, on a quarterly basis, distribute or otherwise make available to the Company an amount which, after making any deductions for Taxes payable by the Project Company and each such intermediate holding company in respect of such distributions or other payments, would leave an amount equal to the amount which (i) would have been due if no such deductions for Taxes had been required, and (ii) would enable the Company, in respect of the relevant quarter, to satisfy its obligations under each of clause 6.4 and clause 6.4 of the La Mancha Convertible Loan Note Instrument.

7. Prepayment option on disposal

7.1 Following any disposal (whether direct or indirect) in whole or in part of the Company's interests in the Araguaia Project or the Vermelho Project, whether by way of asset sale or share sale or otherwise and or following any other disposal in respect of which the Company (or its subsidiaries), which realises US\$10,000,000 of net disposal proceeds after (a) taking account of any mandatory prepayment amounts under any Project Finance Arrangements or any project or development financing arrangements in relation to the Vermelho Project, if applicable, (b) taking account of any part of such disposal proceeds which are to be applied towards replacement of the assets which have been disposed of, and (c) excluding the proceeds from any transactions in respect of which the net proceeds are to be invested into the Vermelho Project, the Company shall, no later than 10 Business Days after signing any definitive agreement in respect of such disposal give written notice to all Noteholders of such disposal and giving brief particulars of the expected net disposal proceeds. Each Noteholder may, at its sole discretion, at any time prior to the date falling 30 days after the date of such notification by notice in writing to the Company, require that the net proceeds of such disposal are (on receipt by the Company, the Project Company, the Vermelho Project Company or any of the Project Company's or Vermelho Project Company's intermediate holding companies) deemed to be Available Cash and, subject to any Project Finance Arrangements or any project or development financing arrangements in relation to the Vermelho Project, the Orion Portion thereof is applied towards prepayment of the Outstanding Loan Note Amounts in accordance with Clause 6.4.

8. Interest

8.1 On and from the date on which the Convertible Loan Notes are issued, and until the date on which the Convertible Loan Notes shall have been repaid by the Company or otherwise converted pursuant to this Instrument, interest shall accrue on the Outstanding Loan Note Amount as follows:

- (A) prior to Project Completion, interest shall accrue in arrears and be capitalised on each Quarter Date; and

- (B) on and from Project Completion, interest shall accrue and (1) shall be paid to the Noteholders on each Repayment Date in arrears in accordance with clause 6.4 or (2) to the extent not so paid, shall be capitalised on each Repayment Date, (and notice of each such capitalisation shall be given to the Noteholders together with an explanation therefor),

in each case, at the Interest Rate, or, where an Event of Default has occurred, at the Default Interest Rate.

- 8.2 Interest will be calculated on the basis of a 360-day year, consisting of 12 months of 30 days each and for the actual number of days elapsed.

9. **Procedure on redemption and unclaimed moneys**

- 9.1 The Company undertakes that it shall make any repayment or payment pursuant to clause 6 *pari passu* among the Noteholders and on *pari passu* basis between the Noteholders and the La Mancha Noteholders *pro rata*, the *pro rata* share being calculated by reference to the number of outstanding Convertible Loan Notes (in the case of the Noteholders) and La Mancha Convertible Loan Notes (in the case of the La Mancha Noteholders) held by the payee, expressed as a percentage of the aggregate nominal amount of Convertible Loan Notes and La Mancha Convertible Loan Notes in issue at the relevant time..
- 9.2 Each of the Noteholders (and the Payment Agent on behalf of the Noteholders) undertakes that it shall only accept any repayment or payment pursuant to clause 6 which are made in accordance with clause 9.1.
- 9.3 The Company shall cancel all redeemed Convertible Loan Notes and may not reissue or resell those Convertible Loan Notes.
- 9.4 Each Noteholder shall, not later than the Maturity Date, deliver to the Company their respective Convertible Loan Note Certificate(s) for cancellation or an indemnity (in form and substance reasonably satisfactory to the Board) if the Convertible Loan Note Certificate(s) cannot be produced. Upon delivery and against a receipt (if the Company so requires) for the moneys payable in respect of the Convertible Loan Notes, the Company shall pay or shall procure payment to the Noteholder of those moneys due in respect of the Convertible Loan Notes under clause 5.
- 9.5 If a Noteholder fails to comply with clause 9.4, the Company may pay all amounts payable in respect of that Noteholder's Convertible Loan Notes into a separate interest-bearing bank account, provided that:
- (A) the payment of such amounts into such bank account shall not constitute the Company a trustee in respect of those amounts and such payment shall be deemed for all intents and purposes to be a payment to the Noteholder in respect of that Noteholder's Convertible Loan Notes and the Company shall be discharged from all obligations in respect of those Convertible Loan Notes;
 - (B) the Company shall not be responsible for the safe custody of those amounts or related interest thereon; and
 - (C) the Noteholder shall be entitled to interest accrued (pursuant to the relevant account mandate) on those amounts,

and all amounts payable in respect of the relevant Convertible Loan Notes shall be paid to the Noteholder as soon as reasonably practicable after its compliance with clause 9.4, provided further that if any amounts remain unclaimed in respect of interest on any

Convertible Loan Notes after a period of five years, and in respect of the principal amount of any Convertible Loan Notes after a period of ten years, in each case, from the date of payment of such amounts into such account, the Noteholder shall cease to be entitled to any amounts and such amounts shall belong to the Company.

10. **Payment of amounts in respect of the Convertible Loan Notes**

- 10.1 Subject to clause 10.3, the Company shall pay principal moneys, interest and any other amounts payable in respect of Convertible Loan Notes by bank or other funds transfer system, or by such method as the Noteholder in respect of which the payment is to be made may in direct writing. The Noteholder shall, at the request of the Company, give an effective receipt for principal moneys, interest and any other amounts paid in respect of its Convertible Loan Notes.
- 10.2 The Noteholders shall, at the request of the Company, give an effective receipt for principal moneys, interest and any other amounts paid in respect of its Convertible Loan Notes.
- 10.3 If the due date for payment of any amount in respect of Convertible Loan Notes falls on a day that is not a Business Day, payment of such amount shall be made on the Business Day immediately following such due date and the Noteholder shall not be entitled to any further interest or other payment in respect of the delay in payment.
- 10.4 All payments to be made by the Company to a Noteholder under this Deed shall be made free of any withholding, deduction, counterclaim or set-off of any kind, subject to any deduction or withholding for or on account of Tax required by Law in respect of the Convertible Loan Notes.
- 10.5 When any amounts become due to be paid by the Company in connection with the Convertible Loan Notes, the Company shall unconditionally pay to the Payment Agent the relevant amount and the Payment Agent shall effect payment to the Noteholders, and any payment made by Company or Payment Agent to Noteholders shall be in satisfaction of the relevant covenant to pay by the Company.

11. **Withholding tax**

If the Company is required by Law to withhold or deduct Tax or any other amount from any amount payable to or deemed paid to a Noteholder:

- (A) the Company shall pay the amount required to be withheld or deducted to the relevant Authority within the time allowed for such payment or deemed payment and shall furnish to the Noteholder all corresponding documentation and an official receipt of the relevant Authority for the amount withheld or deducted or if such receipts are not issued by the Authority concerned, a certificate of deduction or equivalent evidence relating to such amount; and
- (B) the Company shall pay such additional amounts as are necessary to ensure that after making the deduction or withholding, the Noteholder receives the full amount which it would have received if such withholding or deduction had not been made.

12. **Certificates**

- 12.1 Each Noteholder (or the joint holders of any Convertible Loan Notes) shall be entitled to receive, without charge, a Convertible Loan Note Certificate for the Convertible Loan Notes registered in its name.

- 12.2 Where any Convertible Loan Notes are held jointly, the Company shall not be bound to issue more than one Convertible Loan Note Certificate in respect of such Convertible Loan Notes and delivery of a Convertible Loan Note Certificate to the person who is first named in the Noteholder Register as Noteholder shall be sufficient delivery to all joint holders of such Convertible Loan Notes.
- 12.3 Each Convertible Loan Note Certificate shall:
- (A) bear a denoting number; and
 - (B) be issued and executed by the Company as a deed substantially in the form set out in Schedule 1.
- 12.4 In the case of repayment or transfer of part only of a Noteholder's Convertible Loan Notes, the Convertible Loan Note Certificate(s) in respect of such Convertible Loan Notes shall be either:
- (A) endorsed with a memorandum of the nominal amount of the Convertible Loan Notes so redeemed or transferred and the date of such repayment or transfer; or
 - (B) cancelled and (without charge) replaced by a new Convertible Loan Note Certificate for the balance of the principal amount of the Convertible Loan Notes not then repaid or transferred.
13. **The Noteholder Register**
- 13.1 The Company shall keep and maintain the Noteholder Register at its registered office.
- 13.2 There shall be entered in the Noteholder Register:
- (A) the names and addresses of the Noteholders;
 - (B) the principal amount of the Convertible Loan Notes held by each Noteholder and the principal monies paid up on them;
 - (C) the date of issue of each Convertible Loan Note and the date on which the name of each Noteholder is entered in the Noteholder Register in respect of the Convertible Loan Notes registered in its name;
 - (D) the denoting number of each Convertible Loan Note Certificate issued and, where available, the Forex VWAP and the Conversion Price applicable thereto; and
 - (E) the date(s) of all transfers, Conversions and changes of ownership of any of the Convertible Loan Notes.
- 13.3 The Company shall promptly amend the Noteholder Register to record any change to the name or address of a Noteholder that is notified in writing to the Company by that Noteholder.
- 13.4 The Noteholders or any of them, or any person authorised by a Noteholder, shall be at liberty at all reasonable times and on reasonable notice in writing during office hours to inspect the Noteholder Register and to take copies of or extracts from it or any part of it.

- 13.5 Every Noteholder shall be recognised by the Company as entitled to its Convertible Loan Notes free from any equity, set-off or cross-claim against the original or an intermediate holder of such Convertible Loan Notes.

14. **Transfer**

- 14.1 Convertible Loan Notes are freely transferable in accordance with this clause 14. A Noteholder may transfer its Convertible Loan Notes by written instrument in any usual or common form in minimum amounts and multiple integrals of US\$5,000 or the whole of that Noteholder's holding of Convertible Loan Notes

- (A) on or prior to the Closing Date (provided that no Event of Default has occurred and is continuing), any person with the prior written consent of the Company (such consent not to be unreasonably withheld or delayed); and
- (B) after the Closing Date or at any time following an Event of Default which is continuing, any person,

provided that, prior to or simultaneously with such transfer, the transferee shall have acceded to this Instrument by way of a Deed of Accession and the Deed of Subordination, in each case in the same capacity as the transferring Noteholder. Subject to such Noteholder's compliance with the terms of the Instrument, the Company shall approve and arrange registration of a transfer of Convertible Loan Notes by a Noteholder.

- 14.2 Every instrument of transfer shall be signed by the transferor and the transferee. The transferor is deemed to remain the owner of the Convertible Loan Notes to be transferred until the name of the transferee is entered into the Noteholder Register.

15. **Variation of rights**

- 15.1 All or any of the rights for the time being attached to the Convertible Loan Notes may from time to time (whether or not the Company is being wound up) be altered (a) with the written consent of the Company; and (b) either (i) the written consent of Noteholders holding not less than a majority of the outstanding Convertible Loan Notes; or (ii) by passing a Resolution. In relation to the passing of a Resolution for the purposes of this clause 15, the provisions of the Articles as to general meetings of the Company shall *mutatis mutandis* apply to any separate meeting of Noteholders as though the Convertible Loan Notes were a class of shares forming part of capital of the Company and as if such provisions were expressly set out in full in this Instrument but so that:

- (A) the necessary quorum shall be Noteholders (present in person or by proxy) holding or representing not less than one third in principal amount of Convertible Loan Notes for the time being outstanding, unless the business of such meeting to be considered includes proposals to:
 - (1) modify the Maturity Date; or
 - (2) reduce or cancel the principal amount of the Convertible Loan Notes; or
 - (3) alter the method of calculating the amount of Ordinary Shares receivable on Conversion; or
 - (4) change the currency of payment of the Convertible Loan Notes; or

- (5) modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass a Resolution,
 - (6) in which case, the necessary quorum will be Noteholders holding or representing not less than a majority of the Convertible Loan Notes for the time being outstanding;
- (B) every Noteholder present in person at any such meeting shall be entitled on a show of hands to one vote and every such Noteholder present in person or by proxy at any such meeting shall be entitled to one vote for every US\$1,000 of Convertible Loan Notes;
 - (C) any Noteholder or Noteholders present in person or by proxy and holding 10 per cent or more of the principal amount of the outstanding Convertible Loan Notes for the time being may demand or join in demanding a poll; and
 - (D) subject to 15.1(A), if at any adjourned meeting a quorum is not present then those Noteholders who are then present in person or by proxy shall form a quorum.
- 15.2 “Resolution” for the purposes of this clause 15 means a resolution proposed at a meeting of Noteholders duly convened and held, and passed by a majority of the votes cast on a poll.

16. **Default**

16.1 **Events of Default**

Each of the following shall constitute an “Event of Default”.

- (A) the Company breaches or otherwise fails to comply with any of its payment, repayment or conversion obligations under this Instrument or the Convertible Loan Note Certificates; or
- (B) the Company makes any representation or warranty under this Instrument which is incorrect or incomplete when made or deemed to be made or, to the extent such representation or warranty is not already qualified by materiality, such representation or warranty is incorrect or incomplete in any material respect when made or deemed to be made and in each case the circumstances so misrepresented are not corrected within twenty (20) days after notice from the Noteholders to the Company specifying such breach and requiring the underlying circumstances to be rectified; or
- (C) the Company breaches or otherwise fails to comply in any material respect with any of its obligations under this Instrument or the Convertible Loan Note Certificates other than those set out in clause 16.1(A) above;
- (D)
 - (1) any of the Company, the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary:
 - (a) is unable to pay its debts when they fall due or stops, suspends or threatens to stop or suspend payment of all or a substantial part of its debts as they mature; or

- (b) applies for or consents to the appointment of an administrator, administrative receiver, liquidator, manager or receiver or other similar officer in respect of such Person or over the whole or substantially all of the undertaking, property, assets or revenues of such Person; or
- (c) proposes or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or substantially all the debts of any such Person,

except, in the case of (b) and (c), for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger, consolidation or other similar arrangement (i) on terms previously approved in writing by Noteholders holding not less than 60 percent of the outstanding Convertible Loan Notes, or (ii) in the case of any Affiliate of the Company, not arising out of the insolvency of such Affiliate and under which all or substantially all of its assets are transferred to another member or members of the Group or to a transferee or transferees which immediately upon such transfer become(s) a subsidiary of the Company;

(2)

- (a) an administrator, administrative receiver, manager or receiver or other similar officer is duly appointed, an order is made by a competent court or a resolution is proposed or passed or other proceeding is commenced for the winding-up or dissolution or administration of the Company the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary, and such appointment, order or resolution is not discharged within ten (10) Business Days, or the Company the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary suspends, ceases or threatens to suspend or cease to carry on all or substantially all of its business or operations; or
- (b) the Company the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary sells or disposes of all or a substantial part of its assets or business whether as a single transaction or a number of transactions, related or not, other than a disposal of the assets or business of the Company the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary, as the case may be, on arm's length terms,

except, in any such case, for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger, consolidation or other similar arrangement (i) on terms previously approved in writing by Noteholders holding not less than 60 percent of the outstanding Convertible Loan Notes, or (ii) in the case of any Affiliate of the Company, not arising out of the insolvency of such Affiliate and under which all or substantially all of its assets are transferred to another member or members of the Group or to a transferee or transferees which immediately upon such transfer become(s) a subsidiary of the Company; or

- (3) a distress, attachment or execution is levied against, or an encumbrancer takes possession of all or a substantial part of the property or assets of the Company or all or a substantial part of the property or assets of the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary which is not discharged within ten (10) Business Days; or
- (E) This Instrument or any of the Convertible Loan Note Certificates has become, or is claimed (other than in a vexatious or frivolous proceeding by a third party) by any person other than a Noteholder or any of its Affiliates to be, wholly void, voidable or unenforceable or partly void, voidable or unenforceable in any material respect; or
- (F) the abandonment, physical destruction or expropriation of all or substantially all of the Araguaia Project; or
- (G) the Project Finance Arrangements, the La Mancha Convertible Loan Note Instrument and any material Financial Indebtedness of the Company, the Project Company, any direct or indirect holding company of the Project Company, the Vermelho Project Company or any other material subsidiary (other than the Vermelho Royalty Agreement for so long as it is held by OMF Fund III (CR) Ltd) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (H) failure to comply with the undertaking at Clause 17.2(G); or
- (I) failure to comply with the undertaking at Clause 17.2(H); or
- (J) failure to comply with the undertaking at Clause 17.2(I); or
- (K) failure to comply with the undertaking at Clause 17.2(J); or
- (L) failure to comply with the undertaking at Clause 17.2(K).

16.2 Noteholder's right to investigate

If a Noteholder considers (acting reasonably) that an Event of Default has occurred:

- (A) the Noteholder may investigate such purported Event of Default;
- (B) the Company shall co-operate with the Noteholders in such investigation in so far as it is reasonably able to do so;
- (C) the Company shall pay all reasonable costs in connection with any investigation by the Noteholders.

16.3 Notification by Company

The Company shall, promptly upon becoming aware, notify the Noteholders of the occurrence of any Event of Default, giving full details.

16.4 Rights of the Noteholders upon default

If an Event of Default occurs and is continuing, the Noteholders may:

- (A) cancel any available commitment (upon which no further Convertible Loan Notes may be issued pursuant to this Instrument);
- (B) declare that all or any part of the principal amount, or any other amounts under the Convertible Loan Notes shall become repayable in full by the Company on demand at the option of the Noteholders holding not less than a majority of the outstanding Convertible Loan Notes, together with all accrued interest (including capitalised interest) up to and including the date of repayment;
- (C) declare that all or any part of the principal amount, or any other amounts under the Convertible Loan Notes are immediately due and repayable in full by the Company, together with all accrued interest (including capitalised interest) up to and including the date of repayment;
- (D) take any other rights, remedies, powers or discretions under this Instrument or under applicable law,

provided that at any time before Project Completion (as defined in the Senior Financing Agreements), the Noteholder may only take the actions set out in clauses 16.4(B), (C) and (D) above to the extent that (i) there is an Event of Default pursuant to clause 16.1(D)) (save where such insolvency proceedings have been commenced by the Noteholders), or (ii) where the lenders under the Project Finance Arrangements have been repaid in full, or (iii) or otherwise with the consent of the lenders under the Project Finance Arrangements in accordance with the Deed of Subordination.

17. **Warranties and undertakings**

Warranties

- 17.1 The Company warrants to each Noteholder on the date of this Instrument, and at the date of issue of any Convertible Loan Notes, that:

General

- (A) The Company has been duly incorporated and is validly subsisting and is in good standing under the laws of the jurisdiction in which it is incorporated, and it has the power and authority to enter into this Instrument and to issue the Convertible Loan Notes on the terms of this Instrument and to perform its obligations under this Instrument and the Convertible Loan Notes.
- (B) It has taken all necessary corporate, shareholder and other action to authorise the execution, delivery and performance of this Instrument.
- (C) The obligations expressed to be assumed by it in this Instrument are, in each case, legal and valid obligations, binding on it in accordance with the terms of this Instrument.
- (D) All consents, licences, approvals, authorisations, filings and registrations required in connection with the entry into, and performance of, this Instrument by it have been obtained and are in full force and effect.
- (E) The execution and delivery of this Instrument, and the performance by it of its obligations under this Instrument do not, and will not, contravene any law, regulation,

official or judicial order or any mortgage, bond or other instrument or document to which it is a party or which is binding on it or any of its assets.

- (F) Upon Conversion of any Convertible Loan Notes, the applicable Noteholder will acquire good and marketable title to the relevant Conversion Shares free of any mortgage, lien, charge encumbrance or adverse interest whatsoever.
- (G) Each of the Investment Agreement Warranties is true in all respects.

Undertakings

17.2 The Company undertakes to each Noteholder that:

- (A) It will perform and observe the obligations imposed on it by this Instrument, and will comply with the provisions of the Convertible Loan Note Certificates.
- (B) It will maintain its corporate existence; keep proper books of account and records; maintain its good standing status (if applicable) at all times in all jurisdictions where it carries on business.
- (C) It shall procure that no direct or indirect holding company of the Project Company (other than the Company) shall create, incur, assume, or otherwise become directly or indirectly liable upon or in respect of, or suffer to exist, any Financial Indebtedness, other than (i) guarantees arising under or in relation to any development or project finance in respect of the Araguaia Project (including the Project Finance Arrangements (and any refinancing or replacement of such financing) and the Araguaia Royalty Agreement), (ii) any Financial Indebtedness owing by a direct or indirect holding company of the Project Company to any other Group Company which is a direct or indirect parent of the Project Company and (iii) the Financial Indebtedness owing by the Project Company to the Vermelho Project Company, provided such Financial Indebtedness is finally and irrevocably discharged by 31 May 2022, and provided always that nothing in this clause 17.2(C) shall prevent the amount borrowed pursuant to the Project Finance Arrangements from being increased to £550,000,000;
- (D) the Company shall not, and shall procure that no direct or indirect holding company of the Project Company shall create, incur, assume or suffer to exist any Encumbrance upon all or any part of its assets, whether now owned or hereafter acquired, other than:

- (1) Encumbrances created over shares in:
 - (a) the Project Company; and
 - (b) direct and indirect holding companies in the Project Company;
- (2) any other assets of such direct or indirect holding companies of the Project Company which may be pledged in favour of any party providing development or project finance to the Project Company (or in the case of the Araguaia Royalty Agreement or any refinancing or replacement of the Project Finance Arrangements, to any other Group Company) in respect of the Araguaia Project, including the Project Finance Arrangements (and any refinancing or replacement of such financing) and the Araguaia Royalty Agreement;
- (E) The Company shall not, and shall procure that no direct or indirect holding company of the Vermelho Project Company shall create, incur, assume or suffer to exist any Encumbrance upon all or any part of its assets, whether now owned or hereafter acquired, other than Encumbrances granted in favour of any party providing development or project finance to any Group Company in respect of the Vermelho Project (and any refinancing or replacement of such financing), including the Vermelho Royalty Agreement;
- (F) In relation to the Vermelho Project, the Company, the Vermelho Project Company and/or any direct or indirect parent of the Vermelho Project Company shall be permitted to enter into and incur Financial Indebtedness in any form of secured or unsecured development financing or project financing to develop the Vermelho Project (and any refinancing or replacement of the same).

For the avoidance of doubt, any Group Company which is both a direct or indirect holding company of the Project Company and the Vermelho Project Company shall be entitled to rely on the exceptions applying to both the Vermelho Project and the Araguaia Project in clauses 17.2(C), 17.2(D), 17.2(E) and 17.2(F).

- (G) The Project Company shall, on or before Second Completion (i) provide evidence that the Brazilian National Mining Agency has granted to the Project Company a sufficient extension to commence construction of the Araguaia Project, in response to the Project Company's requests lodged with the Brazilian National Mining Agency in respect of Mining Rights Nos. 850421/2004, 850514/2004, 850516/2004 and 850517/2004 in April 2021 or (ii) Araguaia has effectively commenced construction of the Araguaia Project before any response by the Brazilian National Mining Agency (ANM) regarding the Project Company's requests lodged with the Brazilian National Mining Agency in respect of Mining Rights Nos. 850421/2004, 850514/2004, 850516/2004 and 850517/2004 in April 2021.
- (H) By no later than 31 October 2022, the Company will deliver, or procure such delivery, to the Noteholders of evidence that final consent for the construction of the power line that will supply energy to the Araguaia Project, has been granted by the Brazilian National Heritage Agency (Iphan) and is in full force and effect.
- (I) The Company will, from time to time, enter into and maintain, or procure the entry into and maintenance of, power purchase arrangements in full force and effect for the Project Company to acquire electric power to supply all of the electricity needed for operation of the Araguaia Project in accordance with the mine plan approved by the relevant Authorities in respect of the Araguaia Project, and shall, promptly upon entry into such arrangements, deliver copies of the same to the Noteholders.

- (J) By no later than 30 June 2023, the Company will deliver, or procure such delivery, to the Noteholders of a copy of an executed port use agreement for the Project Company to use port facilities for imports required for production of Nickel Products (as defined in the Araguaia Royalty Agreement) and, to the extent required in relation to the relevant offtake arrangements entered into in relation to the Araguaia Project, export Nickel Products (as defined in the Araguaia Royalty Agreement), in accordance with the mine plan approved by the relevant Authorities in respect of the Araguaia Project and shall procure the maintenance of such arrangements (or any replacement or substitution of such arrangements) in place until the date falling seven years after the Araguaia Commercial Production Date.
- (K) The Company shall procure that the Project Company shall use its best endeavours to obtain consent in writing from the Brazilian National Institute for Colonization and Agrarian Reform (Incra), in connection the lands required for the construction of the power line, which are owned by Incra, within twelve months from the date of this Agreement, and to the extent not obtained by such date, to obtain such consent as soon as possible thereafter (including the taking of all available legal measures to obtain such consent). The Company shall provide the Noteholders with regular updates on its progress in obtaining such consent. .
- (L) In respect of real properties enrolled under Nos. 22.758, Book 02, page 001 and 25.058, Book 02, page 001 of the Real Estate Registry Office of Conceição do Araguaia, State of Pará, Brazil, which are known as “Fazenda Boa Esperanda” and “Fazenda Nossa Senhora de Fátima, respectively, to the extent that the Project Company’s existing use authorisation in respect of the water pipeline is not sufficient for the purposes of constructing the water pipeline (and only if such use authorisation is deemed as not sufficient), it shall use commercially reasonable endeavours to reach agreements in writing with the owners of such real properties and/or take appropriate legal action against such owners of such real properties prior to the intended construction date:

17.3 Sanctions

The Company shall not, and no Group Company nor any of their respective directors or officers shall be located in or organized or resident in a country, region or territory that is the subject or the target of Sanctions, and shall not knowingly engage in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any country that is or was the target of Sanctions.

17.4 Anti-Money Laundering and Anti-Financial Crime

The operations of the Company and each Group Company shall be conducted in compliance with applicable Anti-Financial Crime Laws and Anti-Money Laundering Laws.

17.5 ESG

The Company shall (provided that in relation to the Vermelho Project, such obligations shall only commence from the earlier to occur of (1) 2023 and (2) the completion of the Vermelho Project Company’s environmental and social impact assessment in relation to the Vermelho Project):

- (A) procure the development and implementation of an Environmental and Social Action Plan that will ensure compliance with Good Mining Practice and the use of best efforts to comply with IFC Performance Standards applicable to its mining operations and the Araguaia Project and Vermelho Project;

- (B) without prejudice to any other obligations under this Agreement, comply with Good Mining Practice and use its best endeavours to comply with IFC Performance Standards applicable to its mining operations and the Araguaia Project and Vermelho Project, in each case from time to time;
- (C) procure that an annual audit and gaps analysis report of its compliance with the IFC Performance Standards and Good Mining Practice are undertaken and completed no later than 1 July in each calendar year and that the Environmental and Social Action Plan is thereafter promptly updated to reflect the outcome, and address the findings, of such audit and report; and
- (D) review and promptly update from time to time the Environmental and Social Action Plan so as to ensure continued compliance with Good Mining Practice the use of best efforts to comply with IFC Performance Standards applicable to its mining operations and the Araguaia Project and Vermelho Project.

17.6 **Most favoured nation**

If, at any time after the date of this Agreement, the Company grants to any La Mancha Noteholder in relation to the La Mancha Convertible Loan Note Instrument, any covenants, events of default, cross-default provisions or termination events which are more restrictive on the Company or any of its Affiliates or any other terms which are more favourable to the La Mancha Noteholders than the Noteholders ("**Other Terms**") than those which are contained in this Agreement, then such Other Terms shall be deemed fully incorporated into this Agreement (with references to the La Mancha Noteholders deemed to be references to the Noteholders), as determined by the Noteholders in their sole discretion. The Company shall use its best efforts to notify any and all Other Terms to the Noteholders as soon as reasonably possible following such Other Terms being entered into, provided that the failure to so notify the Noteholders shall not invalidate the preceding sentence.

18. **Payment Agent**

The Company undertakes to procure that a payment agent acceptable to each of the Parties (acting reasonably) (the "**Payment Agent**") shall accede to (a) this Instrument by way of a Deed of Accession and (b) the Deed of Subordination, in the capacity of Payment Agent on or before the Project Completion Date.

19. **Access and Information**

Until the earlier of the Maturity Date and the termination of this Agreement, and to the extent permitted by Law, the Company shall provide to each Noteholder copies of the quarterly financial statements for the Company, copies of the information required to be provided pursuant to schedule 6 of each of the Araguaia Royalty Agreement and the Vermelho Royalty Agreement and such other information with respect to the business and assets of the Company as the lenders pursuant to the Senior Financing Agreements receive, unless a Noteholder from time to time requests not to receive such information.

The Company undertakes to the Orion Original Noteholder that if OMF Fund III (MG) Ltd sells, transfers, grants, assigns or otherwise disposes of the Royalty (as defined in the Araguaia Royalty Agreement) that the representative of OMF Fund III (MG) Ltd that is on the Technical Committee (as defined in the Araguaia Royalty Agreement) at the point of such sale, transfer, grant, assignment or disposal, or any substitute representative that OMF Fund III (MG) Ltd may nominate, shall be permitted to remain on the Technical Committee for so long as the Technical Committee remains in existence in accordance with the terms of the Araguaia Royalty Agreement, provided that (a) the Orion Original Noteholder has procured that each of such person(s) who acquire the Royalty from OMF Fund III (MG) Ltd

has waived any right it would have to nominate any representative to the Technical Committee and (b) the Orion Original Noteholder continues to hold more than fifty per cent. (50%) of the outstanding Convertible Loan Notes issued pursuant to this Agreement.

The Convertible Loan Notes are held subject to and with the benefit of the terms and conditions set out in this Instrument and are binding on the Company and the Noteholders and all persons claiming through or under them.

20. **Assignment**

20.1 The Company shall not assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any of its rights and obligations under this Instrument without the Noteholders' consent.

20.2 After the Closing Date, the Noteholder may assign or transfer all or any part of its rights and obligations to another party (provided such party is an Eligible Transferee) without the Company's consent);

20.3 Prior to the Closing Date, the Noteholder may assign or transfer all or any part of its rights and obligations to another party (provided such party is an Eligible Transferee):

(A) with the Company's consent (not to be unreasonably withheld or delayed); or

(B) if there is an Event of Default continuing, without the Company's consent.

21. **Notice**

21.1 Any notice or other communication to be given under this Instrument must be in writing and will be served by delivering it personally or sending it by pre-paid recorded delivery or registered post or by email to the address and for the attention of the relevant Party as noted in clause 21.3 (or as otherwise notified by that Party). Any notice will be deemed to have been received:

(A) if delivered personally, at the time of delivery;

(B) in the case of pre-paid recorded delivery or registered post, 48 hours from the date of posting;

(C) in the case of registered airmail, within three Business Days of the date of posting; and

(D) in the case of email, at the time of transmission.

21.2 If deemed receipt occurs before 9am on a Business Day the notice is deemed to have been received at 9am on that day and if deemed receipt occurs after 5pm, the notice is deemed to have been received at 9am on the next Business Day.

21.3 The addresses and emails of the Noteholders for the purposes of the Instrument are as set out in the Noteholder Register from time to time or such other address or email as may be notified in writing from time to time by the relevant Party to the other Party. The notice details for the Company are as follows:

Address: Rex House, 4-12 Regent Street, London SW1Y 4RG

For attention of: Simon Retter / Jeremy Martin

Email address: [Redacted - Confidential Information]

22. Confidentiality

22.1 Non-disclosure of Confidential Information

A Party shall not disclose Confidential Information except:

- (A) if the disclosure is expressly permitted by this Agreement;
- (B) to its employees, agents, officers, directors, auditor, professional advisers, partners, consultants, joint venturers or sub-contractors ("Representatives"), or the Representative of an Affiliate or of the parties to the Project Finance Arrangements, the royalty, the cost overrun facility, any equity funding in relation to the Araguaia Project, the La Mancha Convertible Loan Note Instrument or any project or development financing arrangements in relation to the Vermelho Project, who requires the information for the purposes of or related to this Agreement, the Convertible Loan Notes or any other funding relating to the Araguaia Project with the prior requirement that they keep the disclosed information confidential in accordance with this clause 22;
- (C) with the written consent of the Party who supplied the Confidential Information, which consent may be given or withheld in its absolute discretion;
- (D) if the Party, or an Affiliate of the Party, holding the Confidential Information is required to do so by Law, including by a recognised stock exchange, an Authority or in connection with legal proceedings relating to this Agreement; or
- (E) if disclosure is made on a confidential basis to:
 - (1) an actual or prospective transferee or assignee of the Party's rights and obligations under this Agreement; or
 - (2) an actual or prospective financier or acquirer of the Party or its Affiliates,and any of their professional advisers; provided each recipient of Confidential Information agrees to keep the disclosed information confidential in accordance with this clause 22.

22.2 Disclosure by recipient of Confidential Information

A Party disclosing Confidential Information as permitted by this Agreement shall ensure that persons receiving Confidential Information from it do not disclose the Confidential Information except as permitted by this Agreement.

22.3 Return of Confidential Information

A Party who has disclosed Confidential Information to a prospective transferee, assignee or financier as provided for by this Agreement shall obtain from that person prior to disclosure an undertaking that, on the request of the disclosing Party, it will immediately deliver or re-deliver to that Party all documents or other materials containing or referring to the Confidential Information in its possession, power or control.

22.4 Survival of termination

This clause 22 continues to bind a Person notwithstanding that such Person ceases to be a Party to this Agreement or this Agreement expires or is terminated for any reason, until the period that ends two (2) years after the date of expiry or earlier termination (as applicable) of this Agreement.

22.5 Announcements and press releases

A Party shall not make press or other announcements or releases relating to this Agreement and the transactions the subject of this Agreement without the approval of the other Parties to the form and manner of the announcement or release, such approval not to be unreasonably withheld or delayed, unless and to the extent that the announcement or release is required to be made by the Party, or an Affiliate of the Party, by Law, including by a recognised stock exchange.

23. Third party rights

No person shall have a right under the Contract (Rights of Third Parties) Act 1999 to enforce any term of this Instrument, other than the La Mancha Noteholders shall have the right to enforce clauses 9.1 and 9.2.

24. Governing law and jurisdiction

24.1 Any dispute or claim arising out of or in connection with this Instrument or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

24.2 The Company and each Noteholder irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Instrument or its formation (including non-contractual disputes or claims).

[EXECUTION PAGE FOLLOWS SCHEDULES]

SCHEDULE 1 : FORM OF CONVERTIBLE LOAN NOTE CERTIFICATE

Horizonte Minerals plc (the “Company”)

(incorporated in England and Wales)

Convertible Loan Note

This Convertible Loan Note Certificate certifies that [*Noteholder*] (the “Noteholder”) is the registered holder of this Convertible Loan Note with the nominal amount specified below issued by the Company pursuant to the convertible loan note instrument dated [•] 2021 between the Company and [•] and [•] as original noteholders (the “Instrument”).

The Convertible Loan Note represented by this Convertible Loan Note Certificate is subject to the terms and conditions set out in the Instrument, including the following:

Maturity Date	[•]
Amount	US\$[•]

Expressions defined in the Instrument have the same meanings in this Convertible Loan Note Certificate.

The Company, for value received, promises to pay the Noteholder on the Maturity Date (or on such earlier date as the Outstanding Loan Note Amount may become repayable pursuant to the Instrument) the Outstanding Loan Note Amount in respect of the Convertible Loan Note represented by this Convertible Loan Note Certificate and (in accordance with the terms of the Instrument) promises to issue Conversion Shares on conversion of this Convertible Loan Note (as the case may be).

EXECUTED AS A DEED

for and on behalf of

HORIZONTE MINERALS PLC by

_____, a director

Print Name

)
)
)
)

Signature

in the presence of:

Witness Signature _____

Witness Name _____

Witness Occupation _____

Witness Address _____

Receipt of this Convertible Loan Note Certificate and acknowledgement and acceptance of its terms
by:

[NOTEHOLDER]

Signature: _____

Name: _____

Function: _____

SCHEDULE 2 : FORM OF CONVERSION NOTICE

Horizonte Minerals plc
Rex House
4-12 Regent Street
London SW1Y 4RG

Date: _____

Dear Sir or Madam

Conversion Notice

We refer to the convertible loan note instrument dated [•] 2021 (the “Instrument”) made by deed by Horizonte Minerals plc (the “Company”) and [•] and [•] as original noteholders. This is the Conversion Notice referred to in the Instrument.

Capitalised terms used but not otherwise defined in this Conversion Notice shall have the meaning given to them in the Instrument.

We hereby serve notice for the conversion of US\$[•] Convertible Loan Notes, being the Relevant Convertible Loan Notes referred to in the Instrument, in accordance with clause 4.2(A) of the Instrument, to be converted into such number of Conversion Shares as determined in accordance with clause 4.2(B) of the Instrument.

[NOTEHOLDER]

Signature: _____

Name: _____

Function: _____

SCHEDULE 3 : DEED OF ACCESSION

THIS DEED is dated

20[•]

BETWEEN

- (1) [•] of [•] (the "New Noteholder");
- (2) [•] of [•] (the "Outgoing Noteholder");
- (3) **HORIZONTE MINERALS PLC**, a public limited company incorporated under the laws of England and Wales (company number 05676866) whose registered office is at Rex House, 4-12 Regent Street, London SW1Y 4RG (the "Company");
- (4) The persons whose names and addresses appear in the schedule hereto (the "Other Noteholders"); and
- (5) [•] of [•] (the "Acceding Payment Agent")

BACKGROUND

- (A) The Company, the Outgoing Noteholder, the Other Noteholders [and the Payment Agent] are parties to a Convertible Loan Note dated [•] 2021 (the "Convertible Loan Note").
- (B) [The New Noteholder has become entitled to a transfer of Convertible Loan Notes in an aggregate principal amount of US\$[•] from [•] (the "Outgoing Noteholder").][The Acceding Payment Agent has agreed to become the Payment Agent for the purposes of the Convertible Loan Notes.]
- (C) It is a term of the Convertible Loan Note that [no transfer of Convertible Loan Notes shall be effected unless the transferee has first entered into a deed of adherence in the form of this Deed][a person acceptable to the parties shall accede to the Convertible Loan Note as Payment Agent by entering into a deed of adherence in the form of this Deed].

THE PARTIES AGREE THAT:

1. The [New Noteholder][Acceding Payment Agent] hereby covenants with each of the Company, [the Outgoing Noteholder,] the [Other] Noteholders [and the Payment Agent] that with effect from the date of this Deed the [New Noteholder] [Acceding Payment Agent] will be bound by and will observe and perform every provision of the Convertible Loan Note [by which the Outgoing Noteholder was bound in every way as if the New Noteholder was a party thereto and named as a Noteholder in that agreement][as Payment Agent in every way as if the Acceding Payment Agent was a party thereto and named as Payment Agent in that agreement.
2. Words and expressions used in this Deed shall have the same meaning as is given to them in the Convertible Loan Note unless the context otherwise expressly requires.
3. This Deed is made for the benefit of:
 - 3.1 the parties to the Convertible Loan Note; and

- 3.2 any other person or persons who may after the date of the Convertible Loan Note (and whether or not prior to or after the date of this Deed) assume any rights or obligations under the Convertible Loan Note and be permitted to do so by the terms thereof,

and this Deed shall be irrevocable.

4. This Deed and any non-contractual obligations arising from or in connection with it shall be governed by English law and this Deed shall be construed in accordance with English law.

IN WITNESS of which the [New Noteholder][Acceding Payment Agent] has executed this Deed on the date first above written.

EXECUTED as DEED by _____)
 [New Noteholder][Acceding Payment Agent])
 in the presence of _____)

Witness:

SCHEDULE TO DEED OF ADHERENCE

[insert list of Other Noteholders]

SCHEDULE 4 REPAYMENT SCHEDULE

Repayment Date	Percentage
31-Dec-24	3.23%
31-Mar-25	3.23%
30-Jun-25	3.23%
30-Sep-25	3.23%
31-Dec-25	3.23%
31-Mar-26	3.23%
30-Jun-26	3.23%
30-Sep-26	3.23%
31-Dec-26	3.23%
31-Mar-27	3.23%
30-Jun-27	3.23%
30-Sep-27	3.23%
31-Dec-27	3.23%
31-Mar-28	3.23%
30-Jun-28	3.23%
30-Sep-28	3.23%
31-Dec-28	3.23%
31-Mar-29	3.23%
30-Jun-29	3.23%
30-Sep-29	3.23%
31-Dec-29	3.23%
31-Mar-30	3.23%
30-Jun-30	3.23%
30-Sep-30	3.23%
31-Dec-30	3.23%
31-Mar-31	3.23%
30-Jun-31	3.23%
30-Sep-31	3.23%
31-Dec-31	3.23%
31-Mar-32	3.23%
30-Jun-32	3.23%
TOTAL	100%

EXECUTION PAGE TO CONVERTIBLE LOAN NOTE INSTRUMENT

IN WITNESS WHEREOF this Instrument has been executed as a deed and delivered on the date stated at the beginning.

EXECUTED AS A DEED	)	
for and on behalf of	)	
HORIZONTE MINERALS PLC by	)	"Jeremy Martin"
<u>Jeremy Martin</u> , a director	)	
Print Name		Signature

in the presence of:

Witness Signature	<u>"Simon Retter"</u>
Witness Name	<u>Simon Retter</u>
Witness Occupation	<u>CFO</u>
Witness Address	<u>Rex House, 4-12 Regent St., London, SW1Y 4RG</u>

EXECUTED AS A DEED	)	
for and on behalf of	)	
OMF Fund III (F) Ltd by	)	"Garth Ebanks"
<u>Garth Ebanks</u>	)	
Print Name		Signature

in the presence of:

Witness Signature	<u>"Liz Leon"</u>
Witness Name	<u>Liz Leon</u>
Witness Occupation	<u>Corporate Assistant</u>
Witness Address	[Redacted - Confidential Information]