

**Dated the 1st day of December 2020**

**GOLD MOUNTAINS (H.K.) INTERNATIONAL MINING COMPANY LIMITED**

Lender

And

**KAMOA HOLDING LIMITED**

Borrower

And

**KAMOA COPPER S.A.**

Kamoa Copper

And

**IVANHOE MINES LTD.**

Ivanhoe Mines

And

**ZIJIN MINING GROUP CO., LTD.**

Zijin

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**USD200,000,000  
SECURED TERM LOAN FACILITY  
AGREEMENT**

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27/F Alexandra House  
18 Chater Road  
Central, Hong Kong  
(Ref: CCT/Z.00549.00001)

## Contents

Clause	Page
1 DEFINITIONS AND INTERPRETATION .....	1
2 THE FACILITY .....	10
3 PURPOSE .....	10
4 CONDITIONS PRECEDENT .....	10
5 DRAWDOWN .....	11
6 REPAYMENT .....	12
7 PREPAYMENT AND CANCELLATION .....	14
8 INTEREST .....	15
9 TAX GROSS UP AND INDEMNITIES .....	17
10 TERMS OF IVANHOE LINE OF CREDIT .....	19
11 OTHER INDEMNITIES .....	20
12 COSTS, EXPENSES AND FEES .....	22
13 REPRESENTATIONS .....	22
14 INFORMATION UNDERTAKINGS .....	26
15 UNDERTAKINGS .....	26
16 EVENTS OF DEFAULT .....	29
17 CHANGES TO THE OBLIGORS .....	32
18 DISCLOSURE OF INFORMATION .....	32
19 APPLICATION OF PROCEEDS .....	32
20 PAYMENT MECHANICS .....	34
21 NOTICES .....	35
22 CALCULATIONS AND CERTIFICATES .....	37
23 PARTIAL INVALIDITY .....	37
24 REMEDIES AND WAIVERS .....	38
25 AMENDMENTS AND WAIVERS .....	38
26 COUNTERPARTS .....	38
27 GOVERNING LAW .....	38
28 MISCELLANEOUS .....	38
29 ARBITRATION .....	38
Schedule 1 CONDITIONS PRECEDENT (Conditions precedent to Drawdown) .....	40
Schedule 2 DRAWDOWN REQUEST .....	43

**This Agreement** is made on the 1st day of December 2020.

**BETWEEN**

- (1) **GOLD MOUNTAINS (H.K.) INTERNATIONAL MINING COMPANY LIMITED** (金山(香港)國際礦業有限公司), a company incorporated in Hong Kong and having company number 0931321 and with its registered address at Unit 7503A, Level 75, International Commerce Centre 1 Austin Road West, Kowloon, Hong Kong ("**Lender**"), which is a subsidiary of Zijin (as defined below);
- (2) **KAMOA HOLDING LIMITED**, a company incorporated in Barbados and having company number 34125 and with its registered address at 2/F, Cédar Building, Wildey Business Park, St. Michael, Barbados, BB14006 ("**Borrower**");
- (3) **KAMOA COPPER S.A.**, a société anonyme with board of directors with a share capital of 500,000 USD, registered at the Registre du Commerce et du Crédit Mobilier of Lubumbashi under No. 14-B-1683 and at national identification under No. 6-118-N37233J, having its registered office 1148-6 Avenue de la Libération, Quartier Golf les Battants, Commune et Ville de Lubumbashi, Province du Haut-Katanga, in the Democratic Republic of Congo ("**Kamoa Copper**");
- (4) **IVANHOE MINES LTD.**, a company continued under the laws of British Columbia, Canada and having company number 0949887 and with its registered address at 654 – 999 Canada Place, Vancouver, British Columbia, Canada, V6C 3E1, whose class A common shares are listed on the Toronto Stock Exchange under the ticker symbol IVN ("**Ivanhoe Mines**"); and
- (5) **ZIJIN MINING GROUP CO., LTD.** (紫金礦業集團股份有限公司), a joint stock limited company established in the PRC with limited liability and with its registered address at 1 Zijin Road, Shanghang County, Fujian Province, the PRC, whose shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 02899) and the Shanghai Stock Exchange (stock code: 601899) ("**Zijin**").

**IT IS AGREED** as follows:

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement:

**"Agreed Rate of Exchange"** has the meaning assigned to it in Clause 1.2(e).

**"ARGO Agreement"** means the Amended and Restated Shareholder, Governance and Option Agreement entered into among Ivanhoe Mines (as defined below), Ivanhoe Mines US LLC, Zijin, the Lender, Crystal River Global Limited and the Borrower dated 7 December 2016.

**"Authorisation"** means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

**"Availability Period"** means the period of three years from the first Drawdown Date.

**"Business Day"** means a day (other than a Saturday or Sunday) on which banks are open for general business in Hong Kong and London, United Kingdom.

**"Charged Property"** means the quantity of ore stockpile on surface within the boundaries of the Project licensed area and which has been extracted from the subsurface of the Project licensed area;

**"Closing Date"** means ten (10) Business Days after the last of the initial conditions precedent as set out in Clause 4.1 of this Agreement has been met, which shall be no later than 31 December 2020 or such other date as may be agreed between Lender, Borrower, Ivanhoe Mines and Zijin;

**"Code"** means the US Internal Revenue Code of 1986.

**"Commercial Production"** means the operation of the processing plant at the Project, but does not include bulk sampling or milling for the purpose of testing or milling by a pilot plant, and will be deemed to have commenced on the 1st day of the month following the first immediately preceding month during which ore has been processed in the processing plant (i) in the case of Phase 1, at an average rate of not less than 85% of the 3.8 mtpa nameplate capacity for the initial module of the processing plant, and (ii) in the case of Phase 2, provided Commercial Production for Phase 1 has been completed and is ongoing, at an average rate of not less than 85% of the 3.8 mtpa nameplate capacity for the second 3.8 mtpa module, and in each case for each of 15 consecutive calendar days in that immediately preceding month.

**"Commitment"** means, in relation to the Lender, USD200 million of principal amount, to the extent not cancelled, reduced or transferred by the Lender under this Agreement, and includes such additional funding upon the occurrence of a Funding Increase Event from time to time.

**"Confidential Information"** means all information relating to an Obligor, the Finance Documents or the Facility of which the Lender becomes aware or which is received by the Lender in relation to, or for the purpose of, the Finance Documents or the Facility from an Obligor or any of its advisers, in whatever

form, but excludes information that:

- (a) is or becomes public information; or
- (b) is identified in writing at the time of delivery as non-confidential by an Obligor or any of its advisers; or
- (c) is known by the Lender before the date the information is disclosed to it or is lawfully obtained by the Lender after that date, from a source which is, as far as the Lender is aware, unconnected with an Obligor and which, in either case, as far as the Lender is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

**"Contested Tax"** means a Tax payable by an Obligor where an Obligor is contesting liability to pay that Tax in good faith, and has reasonable grounds to do so.

**"Default"** means an Event of Default or any event or circumstance specified in Clause 16 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

**"Delegate"** means any delegate, attorney or trustee appointed by the Lender.

**"Drawdown"** means a utilisation of the Facility.

**"Drawdown Date"** means the date specified in the Drawdown Request on which Drawdown is proposed to be made, or such later date as directed by the Lender, which should be a Business Day in either case.

**"Drawdown Request"** means a notice substantially in the form set out in Schedule 2 (*Drawdown Request*).

**"DRC"** means the Democratic Republic of Congo.

**"Excess Free Cash Flow"** means the excess, if any, of annual revenue earned in the financial year immediately preceding the financial year in which Excess Free Cash Flow is being calculated, net of treatment, refining, transportation, royalty and tax charges, and after deducting or making allowance for:

- (a) for the financial year immediately preceding the financial year in which Excess Free Cash Flow is being calculated:
  - (i) all operating and capital expenditure incurred in such year;
  - (ii) income, value added and any other taxes owing or paid for such year;
- (b) for the financial year in which Excess Free Cash Flow is being calculated:
  - (i) any principal and interest paid or payable on third party

indebtedness (such as the equipment financing) for the year;

- (ii) working capital allowance, being equivalent to 25% of the previous year's revenue, net of treatment, refining, transportation, royalty and tax charges; and
- (c) a minimum cash balance, being equivalent to 25% of the forecasted operating and capital expenditure from the current year's Annual Program and Budget, as such term is defined in the ARGO Agreement,

but subject to any adjustment required by, or any modification resulting from, the application of Article 269, paragraph 3 of the 2018 Mining Code and provisions of the Central Bank of Congo.

**"Expropriation Event"** means the unlawful termination, withdrawal, cancellation, cessation or denial of rights under, each exploitation and exploration licence constituting the Project in a single act by the relevant governmental authority in DRC.

**"Event of Default"** means any event or circumstance specified as such in Clause 16 (*Events of Default*).

**"Extended Interest Rate"** has the meaning as assigned to it in Clause 8.3(c).

**"Extended Maturity Date"** means with the mutual agreement of the Lender and Ivanhoe Mines, up to two (2) anniversary years after the Initial Maturity Date, which will then be the seventh (7th) anniversary from the first Drawdown Date.

**"Facility"** means the term loan facility made available under this Agreement as described in Clause 2 (*The Facility*).

**"FATCA FFI"** means a foreign financial institution as defined in section 1471 (d)(4) of the Code.

**"Feasibility Study"** means a comprehensive technical and economic study of the selected development option for the Project that includes appropriately detailed assessments of applicable considerations used to convert mineral resources to mineral reserves (including but not restricted to mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors) together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable), the results of which study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the Project.

**"Finance Document"** means:

- (a) this Agreement;

- (b) any Transaction Security Documents;
- (c) the Shareholders Deed of Undertakings;
- (d) the Drawdown Request; and
- (e) any other document designated as such by the Lender and the Obligors.

**"Funding Increase Event"** means either of the following events:

- (a) when the Phase 2 Project Finance (as defined below) is not available to be drawn down by 31 December 2020 (the **"Project Finance Target Closing Date"**); or
- (b) Commercial Production for Phase 1 has not occurred 31 July 2021 (the **"Phase 1 Target Start Date"**).

**"Governmental Agency"** means any government or any governmental agency, semi- governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute).

**"Grace Period for Principal"** means the period from the Closing Date to the date which is six (6) months after Commercial Production for Phase 2 has commenced, but if Commercial Production for Phase 2 has not commenced by 31 July 2023, then the Grace Period for Principal shall end on 31 July 2023.

**"Grace Period for Interest"** means the period from the Closing Date to the first Interest Payment Date following the date that on which both of (i) Commercial Production for Phase 2; and (ii) positive Excess Free Cash Flow, have occurred.

**"Hong Kong"** means Hong Kong Special Administrative Region of the People's Republic of China.

**"Hong Kong Stock Exchange"** means The Stock Exchange of Hong Kong Limited;

**"Initial Maturity Date"** means the fifth (5th) anniversary of the first Drawdown Date.

**"Interest Payment Date"** means, in relation to a Loan, each date determined in accordance with Clause 8.2 (*Interest Payment Dates*).

**"Interest Rate"** has the meaning as assigned to it in Clause 8.3(a).

**"Ivanhoe Line of Credit"** has the meaning as assigned to it in Clause 7.3(a).

**"LIBOR"** means the London Interbank Offered Rate. In this Agreement, it means the percentage rate per annum for USD which shall be determined by reference to the rate displayed on the British Bankers' Association Interest Settlement Rate for such currency which is displayed on page "LIBOR01" on

the Thomson Reuters Monitor (or any equivalent successor to such page, as mutually agreed by the Lender and the Borrower) for the relevant interest period at approximately 11:00 a.m. (London time) on the first London Business Days of each relevant interest period. If any such rate is below zero, LIBOR will be deemed to be zero. If, however, the calculation of the London Interbank Offered Rate has been discontinued, and for any reason an alternative rate has not been mutually agreed by the Lender and the Borrower, the London Interbank Offered Rate will be equal to such rate when the London Interbank Offered Rate was last available on the Reuters LIBOR01 page.

**"Listing Rules"** means the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange.

**"Loan"** means a loan made or to be made under the Facility or the principal amount outstanding for the time being of that loan.

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the business, operations, property, or condition (financial or otherwise) of an Obligor;
- (b) the ability of an Obligor to perform its obligations under the Finance Documents; or
- (c) the validity or enforceability of, or the effectiveness or ranking of the Transaction Security granted or purported to be granted pursuant to any of the Transaction Security Documents.

**"Month"** means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

**"mtpa"** means million tonnes per annum.

**"Obligors"** means the Borrower and Kamo Copper, and an "Obligor" means either one of them.

**"Party"** means a party to this Agreement.

**"Phase 1"** means the installation and operation of the initial processing plant at the Project, such plant to have a capacity of 3.8 mtpa.

**"Phase 2"** means the accelerated expansion of the processing plant at the

Project by the addition of a second module to bring processing capacity at the Project from 3.8 mtpa to 7.6 mtpa.

**"Phase 2 Project Finance"** means a bank-led project finance debt of up to USD600 million for the balance of capital expenditure for Phase 2 (other than equipment financing), which is not financed by the Commitment under this Agreement.

**"Principal Payment Date"** means 31 of January of each calendar year as well as the Initial Maturity Date and Extended Maturity Date (if applicable).

**"Project"** means the Kamoakakula copper deposit within the Central African Copperbelt in the DRC's southern Lualaba province, approximately 25 kilometres west of the town of Kolwezi held by a joint venture between the Borrower, the government of the DRC, in which Ivanhoe Mines and the Lender each hold an indirect 39.6% interest, Crystal River Global Limited holds an indirect 0.8% interest and the DRC government holds a direct 20% interest.

**"PRC"** means the People's Republic of China (which, for the purpose of this Agreement, does not include the Hong Kong, the Macao Special Administrative Region and Taiwan).

**"Receiver"** means a receiver or receiver and manager of the whole or any part of the Charged Property.

**"Relevant Jurisdiction"** means, in relation to an Obligor:

- (a) its jurisdiction of incorporation;
- (b) the jurisdiction where the asset subject to or intended to be subject to the Transaction Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Transaction Security Documents entered into by it.

**"Secured Liabilities"** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of an Obligor to the Lender under each Finance Document.

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

**"Shanghai Stock Exchange"** means the stock exchange based in Shanghai, the PRC

**"Shareholders Deed of Undertakings"** means the deed of undertakings to be executed concurrently with the execution of this Agreement by Ivanhoe Mines

and by Zijin in a form mutually agreed by Ivanhoe Mines and Zijin.

**"Tax"** means any tax, levy, impost, duty, fee or costs or any other charge or withholding of a similar nature or any other imposts and assessments, imposed by federal, state, provincial, municipal or local authorities (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same, and fees for the supply of government services, such as, but not limited to, registration fees charged by public registries) but excluding any tax on the income of the Lender.

**"Tax Deduction"** has the meaning given to such term in Clause 9.1 (*Tax definitions*).

**"Toronto Stock Exchange"** means the stock exchange in Toronto, Ontario, Canada.

**"Transaction Security"** means the Security created or evidenced or expressed to be created or evidenced under the Transaction Security Documents.

**"Transaction Security Documents"** means the non-possessory pledge over the Charged Property pursuant to the Pledge Agreement Relating to the Pledge on Stocks of Mining Commodities to be executed by Kamo Copper in favour of the Lender as continuing security for the repayment of all monies due and owing from time to time under this Agreement, together with the "S1" official form in respect of the registration of the pledge.

**"Unpaid Sum"** means any sum due and payable but unpaid by the Borrower under the Finance Documents.

**"US"** means the United States of America.

**"US dollars", "US\$" or "USD"** means the lawful currency for the time being of the US.

**"USD LIBOR (12 months)"** means the 12 months US Dollar LIBOR rate.

**"%"** means per cent.

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Agreement to:
- (i) the **"Lender"**, the **"Borrower"**, the **"Obligors"** and any **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
  - (ii) **"assets"** includes present and future properties, revenues and rights of every description;
  - (iii) a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or

restated;

- (iv) "**including**" shall be construed as "including without limitation" (and cognate expressions shall be construed similarly);
  - (v) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
  - (vi) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
  - (vii) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (viii) a provision of law is a reference to that provision as amended or re-enacted; and
  - (ix) a time of day is a reference to Hong Kong time unless expressly stated to be any other time in any other place.
- (b) Section, Clause and Schedule headings are for ease of reference only.
  - (c) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.
  - (d) A Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "continuing" if it has not been waived.
  - (e) Where this Agreement specifies an amount in a given currency (the "**specified** currency") "**or its equivalent**", the "**equivalent**" is a reference to the amount of any other currency which, when converted into the specified currency utilising the International Monetary Fund's published daily exchange rates<sup>1</sup> (the "**Agreed Rate of Exchange**") for the purchase of the specified currency with that other currency at or about 11.00 a.m. on the relevant date, is equal to the relevant amount in the specified currency.

Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third

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<sup>1</sup> [https://www.imf.org/external/np/fin/data/rms\\_mth.aspx?SelectDate=2020-06-30&reportType=REP](https://www.imf.org/external/np/fin/data/rms_mth.aspx?SelectDate=2020-06-30&reportType=REP)

Parties) Ordinance (Cap 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement except that each shareholder of the Lender shall have the benefit of this Agreement and each may seek to enforce any benefit or right granted to it under this Agreement. Notwithstanding any term of this Agreement, the consent of any person who is not a Party is not required for any variation (including any release or compromise of any liability under) or termination of this Agreement.

## **2 THE FACILITY**

- 2.1 Subject to the terms of this Agreement, the Lender makes available to the Borrower, a term loan facility in an amount equal to the Commitment.
- 2.2 The size of the Commitment can be increased upon occurrence of a Funding Increase Event or as agreed in writing between the Lender and Ivanhoe Mines.
- 2.3 The Borrower shall notify the Lender in writing of the occurrence of a Funding Increase Event no later than 10 Business Days before the Project Finance Target Closing Date or the Phase 1 Target Start Date, as the case may be. After receiving such notice, the Lender and Ivanhoe Mines may mutually agree in writing whether and how much to increase the Commitment.

## **3 PURPOSE**

### **Purpose**

- (a) The Borrower shall apply all amounts borrowed by it under this Agreement towards the funding of Phase 2, which it is acknowledged will not be fully funded from the Loans under this Agreement.
- (b) For the avoidance of doubt, all amounts borrowed by the Borrower under this Agreement and/or under an Ivanhoe Line of Credit will not constitute a "Phase 1 Project Financing" or a "Subsequent Project Financing" or a "Ivanhoe Project Financing" for purposes of the ARGO Agreement and as such, no rights or benefits will accrue to Zijin or Ivanhoe Mines under the terms of the ARGO Agreement, or a revised version thereof or any amendments thereto (including without limitation (i) the right to exercise the 1% Option, as defined in the ARGO Agreement; or (ii) the preferential right to negotiate for the Project's offtake), by the Lender providing or making available the Commitment or by Ivanhoe Mines providing or making available the Ivanhoe Line of Credit, as the case may be.

## **4 CONDITIONS PRECEDENT**

### **4.1 Initial conditions precedent**

The Borrower may not deliver a Drawdown Request unless the Lender has received all of the documents and other evidence listed in Schedule 1 (*Conditions precedent*) in form and substance satisfactory to the Lender or

otherwise waived by the Lender. The Lender shall notify the Borrower promptly upon being so satisfied.

#### 4.2 Further conditions precedent

- (a) The Lender will be obliged to comply with Clause 5.3 (*Availability of Loan*) on the first Drawdown Date only if:
  - (i) It has received a duly executed and completed Drawdown Request by the Borrower;
  - (ii) no Event of Default is continuing or would result from the proposed Loan and, in the case of any other Loan, no Default is continuing or would result from the proposed Loan; and
  - (iii) the representations to be made by the Obligors under Clause 13 (*Representations*) are true and correct in all material respects.
- (b) The Lender will be obliged to comply with Clause 5.3 (*Availability of Loan*) only if on the date of any subsequent Drawdown Requests and on any proposed Drawdown Date:
  - (i) It has received a duly executed and completed a Drawdown Request by the Borrower;
  - (ii) no Event of Default is continuing or would result from the proposed Loan and, in the case of any other Loan, no Default is continuing or would result from the proposed Loan; and
  - (iii) the representations to be made by the Obligors under Clause 13 (*Representations*) are true and correct in all material respects.

#### 4.3 Transaction Security

It is a condition precedent to the Lender completing the transactions contemplated under the Finance Documents that the Obligors shall execute the Transaction Security Documents and the same are executed by the Obligors for good and valuable consideration.

### 5 DRAWDOWN

#### 5.1 Delivery of a Drawdown Request

The Borrower may utilise the Facility, in one or more Drawdowns, by delivery to the Lender of duly completed Drawdown Requests not later than 11:00 a.m. on the date falling ten (10) Business Days prior to the proposed Drawdown Date (or such shorter period as the Lender may agree in writing), provided that (i) the first Drawdown Request may be delivered on the Closing Date; and (ii) such Drawdown Request should be consistent with the Annual Program and Budget as defined in the ARGO Agreement and the approval procedures in the ARGO Agreement for such Annual Program and Budget.

## 5.2 Completion of Drawdown Request

- (a) A Drawdown Request is irrevocable and will not be regarded as having been duly completed unless:
  - (i) the proposed utilisation date shall be the Drawdown Date.
  - (ii) the currency specified in a Drawdown Request must be US dollars;
  - (iii) it is for an amount which, when aggregated with the principal amount of earlier Drawdown Requests, does not exceed the total Commitment available under this Agreement; and
  - (iv) it is signed and submitted by the Borrower.
- (b) Only one Loan may be requested in each Drawdown Request.

## 5.3 Availability of Loan

- (a) If the conditions set out in Clause 4.1 (*Initial Conditions Precedent*), Clause 4.2 (*Further Conditions Precedent*), Clause 5.1 (*Delivery of a Drawdown Request*) and Clause 5.2 (*Completion of Drawdown Request*) have been met, the Lender shall make the Loan available by the Drawdown Date.
- (b) Any undrawn and uncanceled portion of the Facility at the end of the Availability Period shall be cancelled automatically at 5:00 p.m. on the last day of the Availability Period.

## 5.4 Cancellation

- (a) The Borrower may cancel the Facility in whole or in part without fee or penalty during the Availability Period with at least 30 days' prior written notice to the Lender. Any amount cancelled cannot be reinstated.
- (b) Any notice of cancellation, once given, shall be irrevocable and the Borrower shall not be entitled to reinstate the Facility which has been cancelled.

## 6 REPAYMENT

- 6.1 Subject to the right of the Borrower to repay the Loan and any accrued but unpaid interest at any time in whole or in part pursuant to Clause 7.1, the outstanding principal amount of the Loan and any accrued but unpaid interest shall be repaid by the Borrower in accordance with Clause 6.3 and Clause 8 (with respect to interest) below on or before the Initial Maturity Date, or if extended pursuant to Clause 6.2, by no later than the Extended Maturity Date.
- 6.2 At the request of the Borrower, the Lender may, after obtaining the prior mutual written approvals of both Zijin and Ivanhoe Mines, extend the repayment date by up to two years such that the outstanding Loan and any accrued but unpaid

interest shall be repaid by the Borrower in accordance with the provisions of Clause 6.3 by the Extended Maturity Date at such interest rate as stated in Clause 8.3(c). If the Borrower makes a request to extend the repayment beyond the Initial Maturity Date, the Borrower shall make such a request to the Lender in writing as soon as practicable but in any event no later than 10 Business Days before the Initial Maturity Date.

- 6.3 The Lender agrees that the Borrower shall repay the Loan and any accrued interest thereon by using its annual Excess Free Cash Flow applied in accordance with this Clause 6.3. Except as otherwise provided in this Clause 6, the Borrower shall utilise 100% of annual Excess Free Cash Flow as follows:
- (a) First, on each Interest Payment Date when interest is required to be repaid, to repay any accrued but unpaid interest on the Loan due and payable under this Agreement as well as any accrued but unpaid interest on any outstanding Ivanhoe Line of Credit, if any, under this Agreement;
  - (b) Second, on each Interest Payment Date when interest is required to be repaid, to repay interest that has been capitalised to the Loan but unpaid, as well as any accrued but unpaid capitalised interest on any outstanding Ivanhoe Line of Credit, if any, under this Agreement;
  - (c) Third, on each Principal Repayment Date when the Loan is required to be repaid, to repay the outstanding principal amount of the Loan under this Agreement and any outstanding principal amount of the Ivanhoe Line of Credit, if any, pro rata (to the relative principal balances, of the Loan under this Agreement and the Ivanhoe Line of Credit, then outstanding); and
  - (d) Fourth, the remaining cash flow (if any) may be used to repay other shareholder loans and to pay dividends but subject to the ARGO Agreement.
- 6.4 Kamo Copper agrees and undertakes to return Excess Free Cash Flow to the Borrower in such amounts and at such times as is necessary such that the Borrower shall be in a position to repay the Loan under this Agreement with Excess Free Cash Flow in accordance with this Agreement.
- 6.5 After the Grace Period for Principal, the Excess Free Cash Flow will be applied to repay outstanding principal amounts on the Loan and any Ivanhoe Line of Credit in accordance with Clause 6.3 for the financial year ending 31 December in each year on the Principal Payment Date of the immediately following year.
- 6.6 After the Grace Period for Interest, the Excess Free Cash Flow will be applied to repay accrued but unpaid interest on the Loan and any Ivanhoe Line of Credit on each Interest Payment Date as provided for in 8.2(a) and in accordance with Clause 6.3.

- 6.7 The Borrower shall not re-borrow any part of the principal amount of the Loan or any Ivanhoe Line of Credit which has been repaid
- 6.8 The Lender agrees that no repayment of any principal amount is required during the Grace Period for Principal, but interest will accrue, be calculated and be payable in accordance with Clause 8 during the Grace Period for Principal and interest may then be due and payable during the Grace Period for Principal.

## **7 PREPAYMENT AND CANCELLATION**

### **7.1 Voluntary prepayment of Loans**

The outstanding Loan and any accrued but unpaid interest may be prepaid at any time in whole or in part by the Borrower without penalty, by giving a prior written notice of 10 Business Days to the Lender. If the notice period is shorter than 10 Business Days, a penalty of 0.5 per ten thousandths per day over the prepayment amount will apply.

### **7.2 Restrictions on prepayments and refinancing**

- (a) Any notice of cancellation or prepayment given by any Party under this Clause 7 shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.
- (b) Any prepayment under this Agreement shall be made to the Lender together with accrued interest on the amount prepaid.
- (c) The Borrower shall not re-borrow any part of a Loan which is prepaid or repaid.
- (d) The Borrower shall not repay or prepay all or any part of the Loan except at the times and in the manner expressly provided for in this Agreement.

### **7.3 Refinancing with Ivanhoe Line of Credit**

- (a) The Lender agrees that the Borrower may refinance any part of the Facility with a shareholder loan extended by Ivanhoe Mines US LLC ("**Ivanhoe Line of Credit**"), a subsidiary of Ivanhoe Mines, at its sole and unfettered discretion, at any time and from time to time prior to the Initial Maturity Date or the Extended Maturity Date (as applicable), in an amount up to 50% of the then outstanding principal amount and the accrued but unpaid interest amount under this Agreement.
- (b) If a shareholder loan under an Ivanhoe Line of Credit is exactly 50% of the outstanding principal amount and the accrued but unpaid interest amount under this Agreement, the Ivanhoe Line of Credit will then be

used promptly by the Borrower to reduce the then outstanding principal amount and the accrued but unpaid interest amount under this Agreement at that time. As such, subject to Clause 10.6 below, the outstanding amount under the Loan in this Agreement and the Ivanhoe Line of Credit will then be equal and at such time the Loan under this Agreement and the Ivanhoe Line of Credit will both be deemed shareholder loans to the Borrower in terms of the ARGO Agreement and added to existing shareholder loan accounts, and the Lender will release all Transaction Security related to the Loan under this Agreement and the Transaction Security Documents and this Agreement will immediately terminate and be of no further force or effect. For the avoidance of any doubts, this Clause 7.3(b) shall not affect the Zijin Phase 2 Offtake Rights (as defined below) under Clause 15.7(d) or the Ivanhoe Phase 2 Offtake Rights (as defined below) under Clause 10.6 below.

- (c) If, on the contrary, a shareholder loan under an Ivanhoe Line of Credit is less than 50% of the then outstanding principal amount and the accrued but unpaid interest amount under this Agreement, the Ivanhoe Line of Credit will be used promptly by the Borrower to reduce the principal and interest outstanding on the Loan under Clause 7.1 of this Agreement to the maximum extent possible, and the Loan under this Agreement and the Ivanhoe Line of Credit will both remain outstanding in respect of their then respective balances.
- (d) For the avoidance of doubt, no prepayment penalties will apply (including the penalty contemplated by Clause 7.1) to any shareholder loan extended by Ivanhoe Mines US LLC and designated by Ivanhoe Mines US LLC as an Ivanhoe Line of Credit.

## **8 INTEREST**

### **8.1 Payment of interest**

- (a) The Borrower must pay accrued interest at the Interest Rate or the Extended Interest Rate, as the case may be, on the outstanding principal amount of the Loan and any interest accrued and unpaid or payable but unpaid under this Clause 8 on each Interest Payment Date in accordance with Clause 6.3.
- (b) For the avoidance of any doubt, interest shall be calculated in the same manner as set out in Clause 8.3 below during the Grace Period for Interest but such interest calculated on each of such dates as set out in Clause 8.3(a) below shall not be paid in cash by the Borrower on an Interest Payment Date occurring during the Grace Period for Interest, but shall instead be accrued and capitalised by the Lender on each such dates and added to the principal amount of the Loan.
- (c) After the Grace Period for Interest, the Borrower must pay accrued interest on the outstanding principal amount of the Loan on each Interest Payment Date. If any accrued interest remains unpaid on each Interest

Payment Date after the Grace Period for Interest, such interest shall be accrued and capitalised by the Lender on each of such dates as set out in Clause 8.3(a) below and added to the principal amount of the Loan.

## 8.2 Interest Payment Dates

- (a) Each of 31 January, 30 April, 31 July and 31 October of each calendar year will be an Interest Payment Date, but provided that the first Interest Payment Date when interest shall be paid in cash shall only be the first of such dates to occur following the Grace Period for Interest, and will then continue to occur until the principal amount and interest under the Loan in this Agreement are fully repaid.
- (b) For the avoidance of any doubt, the Initial Maturity Date and Extended Maturity Date (if applicable), shall each also be an Interest Payment Date.
- (c) If an Interest Payment Date or a Principal Repayment Date does not fall on a Business Day, then the Interest Payment Date or Principal Repayment Date shall be the first preceding Business Day.

## 8.3 Calculation of interest

- (a) Interest shall be calculated from the Drawdown Date and on each of 31 January, 30 April, 31 July and 31 October in each calendar year.
- (b) The rate of interest on the Loan is ten per cent per annum (10% p.a.) (the "**Interest Rate**") as from the Drawdown Date up to and including the Initial Maturity Date and shall accrue and be calculated as compounded interest on each of 31 January, 30 April, 31 July and 31 October in each calendar year.
- (c) If the repayment date is extended to the Extended Maturity Date, the rate of interest on the Loan during the extension period, that is the period between the Initial Maturity Date and up to and including the Extended Maturity Date, will be USD LIBOR (12 months) + 10% (the "**Extended Interest Rate**"), and shall accrue and be calculated as compounded interest on each of 31 January, 30 April, 31 July and 31 October in each calendar year.
- (d) The interest payable for each Loan under Clause 8.3(a) or 8.3(c), as the case may be is calculated on daily balances on the basis of a 365 day year and for the actual number of days elapsed from and including the Drawdown Date of the relevant Loan to the date of accrual, capitalisation, prepayment or repayment of such Loan under this Agreement.

## 8.4 Default interest

- (a) For the avoidance of any doubt, nothing in this Clause 8.4 shall apply to any amount payable by the Borrower under a Finance Document which

is due and payable but remains unpaid before the Initial Maturity Date or the Extended Maturity Date, as the case may be.

- (b) If the Borrower fails to pay any amount payable by it and due under a Finance Document on or before Initial Maturity Date or the Extended Maturity Date, as the case may be, interest shall accrue on the Unpaid Sum from the Initial Maturity Date or the Extended Maturity Date, as the case may be to the date of actual payment (both before and after judgment) at a rate which is 150 per cent of the Interest Rate or Extended Interest Rate, as applicable.
- (c) Subject to Clause 8.4(e) below, any default interest accruing under this Clause 8.4 (the "**Default Interest**") shall be immediately payable by the Borrower on demand by the Lender.
- (d) Default Interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each month applicable to that Unpaid Sum but will remain immediately due and payable.
- (e) The Lender at its sole discretion may grant a grace period to, extend or otherwise waive the payment of any Default Interest.

## **9 TAX GROSS UP AND INDEMNITIES**

### **9.1 Tax definitions**

- (a) In this Clause 9.1:

"**Tax Credit**" means a credit against, relief or remission for, or repayment of any Tax.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Finance Document.

"**Tax Payment**" means an increased payment made by the Borrower to the Lender under Clause 9.2 (*Tax gross-up*) or a payment under Clause 9.3 (*Tax indemnity*).

- (b) Unless a contrary indication appears, in this Clause 9.1 a reference to "determines" or "determined" means a determination made in the absolute discretion of the person making the determination.

### **9.2 Tax gross-up**

- (a) Any withholding tax on payment of interest in connection with or in respect to this Agreement or the completion of the transactions described herein that become payable under any applicable law shall be assumed and paid by the Borrower at its own cost and expense. Accordingly, all payments to be made by the Borrower to the Lender under the Finance Documents shall be made free and clear of and without any Tax Deduction unless the Borrower is required to make a

Tax Deduction, in which case the sum payable by the Borrower (in respect of which such Tax Deduction is required to be made) shall be increased (grossed-up) to the extent necessary to ensure that the Lender receives a sum net of any deduction or withholding equal to the sum which it would have received had no such Tax Deduction been made or required to be made.

- (b) The Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Lender accordingly. Similarly, on becoming so aware and in respect of a payment payable to the Lender, the Lender shall notify the Borrower.
- (c) If the Borrower is required to make a Tax Deduction, the Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- (d) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower shall deliver to the Lender evidence reasonably satisfactory to the Lender that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

### 9.3 Tax indemnity

- (a) Without prejudice to Clause 9.2 (*Tax gross-up*), if the Lender is required to make any payment of or on account of Tax under the laws of Barbados or the Democratic Republic of Congo (and for certainty excluding any Tax on the income of the Lender or any of its affiliates) on or in relation to any sum received or receivable under the Finance Documents (including any sum deemed for purposes of such Tax to be received or receivable by the Lender whether or not actually received or receivable) or in connection with or in respect to this Agreement, any Transaction Security Documents or the completion of the transactions described herein, or if any liability in respect of any such Tax payment, document or transaction is asserted, imposed, levied or assessed against the Lender, the Borrower shall, within three Business Days of demand of the Lender, promptly indemnify the Lender against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith.
- (b) If the Lender intends to make a claim under this Clause 9.3, it shall notify the Borrower at least 5 Business Days prior to the due date of the payment or liability subject of the claim, or if the payment or liability is overdue, immediately upon becoming aware of that fact.

### 9.4 Tax credit

If the Borrower makes a Tax Payment and:

- (a) a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and
- (b) the Lender has obtained that Tax Credit,

the Lender shall pay an amount to the Borrower which will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Borrower. The Lender will use reasonable endeavours to obtain the benefit of any available tax credit or tax refund.

## 9.5 Stamp taxes

The Borrower shall:

- (a) pay all stamp duty, registration and other similar Taxes payable in respect of any Finance Document, and
- (b) within three (3) Business Days of demand, indemnify the Lender against any cost, loss or liability that the Lender incurs in relation to any stamp duty, registration or other similar Tax paid or payable in respect of any Finance Document.

## 10 TERMS OF IVANHOE LINE OF CREDIT

### 10.1 Maturity

The outstanding principal amount of an Ivanhoe Line of Credit, if extended, and any accrued but unpaid interest shall be repaid by the Borrower on or before the Initial Maturity Date or the Extended Maturity Date (as applicable).

### 10.2 Interest

Interest on an Ivanhoe Line of Credit will be paid by the Borrower at the Interest Rate or the Extended Interest Rate, as the case may be, on the outstanding principal amount of such Ivanhoe Line of Credit, calculated on the exact same terms and at the exact same times as interest calculated and paid on the Loan pursuant to Clause 8 (including, for the avoidance of doubt, the provisions of Clause 8 relating to Default Interest).

### 10.3 Repayment

The provisions of Clause 6 of this Agreement will be applied to any Ivanhoe Line of Credit.

### 10.4 Ranking

An Ivanhoe Line of Credit shall rank *pari passu* with the Loan under this Agreement including *inter alia* interest and ranking.

## 10.5 **No Cash Call**

An Ivanhoe Line of Credit is not subject to a cash call made in accordance with the ARGO Agreement, or a revised version thereof or amendments thereto, but is subject to a minimum notice period of 10 Business Days.

## 10.6 **Offtake**

Notwithstanding Clause 7.3(b) above, an Ivanhoe Line of Credit that is exactly 50% of the outstanding principal amount and the accrued but unpaid interest amount under this Agreement shall entitle Ivanhoe Mine US LLC or Ivanhoe Mine to a preferential right to negotiate and 'right to match' for 50 % of the 1/3 of the offtake available from Phase 2 production for the remaining period of three years from the commencement of Commercial Production for Phase 2 (the "**Ivanhoe Phase 2 Offtake Rights**") but subject to the obligations of Ivanhoe Mines and Zijin in the Deed of Undertaking and in compliance with the ARGO Agreement.

## 10.7 **Other Terms and Conditions**

An Ivanhoe Line of Credit shall contain such other terms and conditions as are no less favourable to Ivanhoe Mines and Ivanhoe Mines US LLC as the terms of the Loan under this Agreement are to the Lender, except that the Ivanhoe Line of Credit will not be subject to any Security.

## 11 **OTHER INDEMNITIES**

### 11.1 **Currency indemnity**

(a) If any sum due from the Borrower under the Finance Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

- (i) making or filing a claim or proof against the Borrower; or
- (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall as an independent obligation, within three (3) Business Days of demand, indemnify the Lender to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between:

- (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency; and
- (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- (b) The Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

## 11.2 Other indemnities

The Borrower shall, within three (3) Business Days of demand, indemnify the Lender against any cost, loss or liability incurred by the Lender as a result of:

- (a) the occurrence of any Event of Default;
- (b) any enquiry, investigation, subpoena (or similar order) or litigation with respect to the Borrower or with respect to the transactions contemplated or financed under this Agreement;
- (c) a failure by the Borrower to pay any amount due under a Finance Document on its due date or in the relevant currency; or
- (d) funding, or making arrangements to fund, a Loan requested by the Borrower in the Drawdown Request but not made by reason of the operation of any one or more of the provisions of this Agreement.

## 11.3 Indemnity to the Lender

The Borrower shall promptly (and in any event within ten (10) days of a demand by the Lender) indemnify the Lender against any cost, loss or liability incurred by it:

- (a) as a result of:
  - (i) any failure by the Borrower to comply with obligations under Clause 12 (*Costs, Expenses and Fees*);
  - (ii) the taking, holding, protection or enforcement of the Transaction Security;
  - (iii) the exercise of any of the rights, powers, discretions and remedies vested in the Lender and each Receiver and Delegate by the Finance Documents or by law; or
  - (iv) any default by the Borrower in the performance of any of the obligations expressed to be assumed by it in the Finance Documents.

## 11.4 Priority of indemnity

The Lender and every Receiver and Delegate may, in priority to any payment to the Lender, indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in Clause 11.3 (*Indemnity to the Lender*) and shall have a lien on the Transaction Security and the proceeds of enforcement of the Transaction Security for all money payable

to it.

### 11.5 **Mitigation**

The Lender shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to Clause 9 (*Tax gross-up and indemnities*) or Clause 11 (*Other indemnities*).

## 12 **COSTS, EXPENSES AND FEES**

The Borrower shall, within twenty (20) Business Days of demand, pay to the Lender and Ivanhoe Mines or settle to the satisfaction of the Lender and Ivanhoe Mines), all legal fees, agency fees, service fees and other fees reasonably incurred by each of the Lender and Ivanhoe Mines, subject to a maximum in respect of such expenses of USD150,000 for each party, in connection with the negotiation, preparation, printing, execution and perfection of the Finance Documents.

## 13 **REPRESENTATIONS**

Each Obligor represents and warrants to the Lender on the date of this Agreement the following representations and warranties:

### 13.1 **Status**

- (a) The Borrower is a corporation or company, duly incorporated, validly existing and in good standing under the laws of Barbados.
- (b) Kamo Copper is a corporation or company, duly incorporated, validly existing and in good standing under the laws of DRC.
- (c) Each Obligor has the power to own its assets and carry on its business as it is being conducted.
- (d) No Obligor is a FATCA FFI.

### 13.2 **Binding obligations**

- (a) The obligations expressed to be assumed by it in each Finance Document are, legal, valid, binding and enforceable obligations.
- (b) Without limiting the generality of Clause 13.2(a) above, each Transaction Security Document to which it is a party creates the security interests which that Transaction Security Document purports to create and those security interests are valid and effective.

### 13.3 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by,

the Finance Documents and the granting of the Transaction Security do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets, save the ARGO Agreement, the requirements of which will have been met by the Closing Date.

#### 13.4 **Power and authority**

Each Obligor has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

#### 13.5 **Validity and admissibility in evidence**

Except for registration of the Transaction Security Documents in accordance with Clause 13.6 (*Registration requirements*), all Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and
- (b) to make the Finance Documents to which it is a party admissible in evidence in its Relevant Jurisdiction.

#### 13.6 **Registration requirements**

Except for:

- (a) entering the Transaction Security Documents on the Register of Charges of the Borrower if the Borrower maintains such a register; and
- (b) filing and registration of the Transaction Security Documents on the Trade Register ("**RCCM**") of the Democratic Republic of Congo,

the Borrower is not required to file, register or record any Finance Document in any public place or elsewhere.

#### 13.7 **Governing law and enforcement**

- (a) The choice of law specified as the governing law in each Finance Document (other than this Agreement) will be recognised and enforced in its Relevant Jurisdictions.
- (b) Any judgment obtained in Hong Kong, in relation to this Agreement and, if applicable, the Transaction Security Document will be recognised and

enforced in its Relevant Jurisdictions.

### 13.8 **Deduction of Tax**

It is not required under the law applicable where it is incorporated or resident or at the address specified in this Agreement to make any deduction for or on account of Tax from any payment it may make under any Finance Document.

### 13.9 **No filing or stamp taxes**

Except for registration fees and stamp duties associated with the registration of the Transaction Security Documents in accordance with Clause 13.6 and as otherwise set forth in Clause 13.6 (*Registration requirements*), as well as stamp duty for this Agreement under the laws of Barbados, it is not necessary under the laws of its Relevant Jurisdictions that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents.

### 13.10 **No default**

- (a) No Event of Default is continuing or might reasonably be expected to result from the making of a Drawdown.
- (b) No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or to which its assets are subject which might have a Material Adverse Effect.

### 13.11 **Ranking**

The Loan under this Agreement will be subordinated in right of payment only to any senior facility at the Borrower level extended by financial institutions and will rank in priority to all existing or future shareholder loans advanced from the shareholders of the Borrower in accordance with the terms of the ARGO Agreement, except (as provided in Clause 10) an Ivanhoe Line of Credit which will rank *pari passu* with the Loan under this Agreement and except as provided in Clause 7.3(b).

### 13.12 **No proceedings pending or threatened**

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency been started or threatened against it, the Charged Property or the transactions contemplated in the Finance Documents or (in any other case) which has or could reasonably be expected to have a Material Adverse Effect.

### 13.13 **Authorised Signatures**

Any person specified as its authorised signatory under Schedule 1 (*Conditions Precedent*) is authorised to sign the Drawdown Request (in the case of the

Borrower only) and other notices on its behalf.

**13.14 Good title to the Charged Property**

- (a) The Charged Property is owned by Kamo Copper and Kamo Copper as title holder under the laws of the DRC has title to its interests in the Charged Property free of any Security other than the Transaction Security Documents.
- (b) Kamo Copper has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the Charged Property necessary to carry on its business as presently conducted.

**13.15 Non-reliance**

- (a) Each Obligor has made its own independent decision:
  - (i) to enter into the Finance Documents; and
  - (ii) as to whether the terms of the Finance Documents are appropriate or proper for it,

in each case based upon its own judgment and independent professional advice.

- (b) Each Obligor is not relying on any communication (written or oral) of the Lender:
  - (i) as investment or legal advice;
  - (ii) as a recommendation to enter into the Finance Documents; or
  - (iii) in respect of the accounting, regulatory or Tax treatment to be applied to the Finance Documents and the transactions contemplated by the Finance Documents.
- (c) Each Obligor is capable of assessing the merits of and understanding (on their own behalf or as a result of having received independent professional advice), and understands and accepts, the terms, conditions and risks of the Finance Documents and the transactions contemplated by the Finance Documents.

**13.16 Times when representations made**

The representations and warranties set out in this Clause 13 (*Representations*) are:

- (a) in respect of each Obligor, made on the date of this Agreement;
- (b) deemed to be made by each Obligor by reference to the facts and circumstances then existing on the date of the Drawdown Request and

are repeated on each Drawdown Date.

## **14 INFORMATION UNDERTAKINGS**

The undertakings in this Clause 14 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

### **14.1 Notification of default**

- (a) An Obligor shall notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- (b) Promptly upon a request by the Lender, the Obligors shall supply to the Lender a certificate signed by its respective director or senior officers on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

## **15 UNDERTAKINGS**

The undertakings in this Clause 15 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

### **General undertakings**

#### **15.1 Authorisations**

- (a) The Obligors shall promptly:
  - (i) obtain, comply with and do all that is necessary to maintain in full force and effect; and
  - (ii) supply certified copies to the Lender of,  
  
any Authorisation required to enable it to perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of any Finance Document.
- (b) The Obligors shall promptly make the registrations and comply with the other requirements specified in Clause 13.6 (*Registration requirements*).

#### **15.2 Compliance with laws**

The Obligors shall comply in all respects with all laws to which it may be subject.

#### **15.3 Application of FATCA**

The Obligors shall not become a FATCA FFI.

#### 15.4 **Payment of Taxes and outgoings**

- (a) The Obligors shall pay all Taxes when due, other than Contested Taxes.
- (b) The Obligors shall pay all Contested Taxes when the terms of any final determination or settlement require those Contested Taxes to be paid.

#### 15.5 **Further assurance**

- (a) The Obligors shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender may specify (and in such form as the Lender may require in favour of the Lender or its nominee(s)):
  - (i) to perfect the Security created or intended to be created under or evidenced by the Transaction Security Documents (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security) or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law; and
  - (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.
- (b) The Obligors shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents.

#### 15.6 **Charged Property**

The Obligors shall take all reasonable steps required such that the quantity of the Charged Property shall not be less than 2 million metric tonnes at the time of commencement of Commercial Production for Phase 2.

#### **Special undertakings**

#### 15.7 **The Borrower's undertakings**

The Borrower undertakes to the Lender as follows:

- (a) The Borrower undertakes to open an account with a bank in Hong Kong designated by the Lender, and this account will be included in the Lender's cash pool and subject to the Lender's supervision. In addition, if requested by the Lender or Ivanhoe Mines US, the Borrower will provide viewing rights an account opened by the Borrower under this Agreement.
- (b) As soon as Ivanhoe Mines extends the Ivanhoe Line of Credit, if

requested by Ivanhoe Mines, the Borrower undertakes to open an account with a bank designated by Ivanhoe Mines US LLC. This account will be included in Ivanhoe's cash pool and subject to Ivanhoe Mines' supervision.

- (c) The Borrower undertakes to ensure that if it is to obtain a loan from any third party in the future (including the Phase 2 Project Finance), the interest rate under that loan shall be no higher than the interest rate under the Loan in this Agreement as set out in Clause 8; or if the said interest rate is higher, the same interest rate shall then be applied to the Loan under this Agreement and the Ivanhoe Line of Credit.
- (d) The Borrower undertakes to provide to the Lender upon completion of Phase 2 development and upon commencement of Commercial Production for Phase 2, a preferential right to negotiate and 'right to match' for 1/3 of the offtake available from Phase 2 production for a period of three years from the commencement of Commercial Production for Phase 2 (the "**Zijin Phase 2 Offtake Rights**") but subject to the obligations of Ivanhoe Mines and Zijin in the Deed of Undertaking and in compliance with the ARGO Agreement. If an Ivanhoe Line of Credit that is exactly 50% of the outstanding principal amount and the accrued but unpaid interest amount under this Agreement, the Zijin Phase 2 Offtake Rights shall be reduced to 50% of the 1/3 of the offtake available from Phase 2 production for the remaining period of the three years from the commencement of Commercial Production for Phase 2.
- (e) Without conflict with the existing security (if any), the Borrower undertakes to grant security to third-party financial institutions only for the purpose of Phase 2 Project Finance approved by the shareholders holding in the aggregate no less than 80.01% of the then total issued and outstanding shares of the Borrower, and to the extent that the total amount of the said security is limited to the value of the portion of assets corresponding to Ivanhoe Mines' shareholding percentage in the Borrower..

## 15.8 **Kamoa Copper's undertakings**

Kamoa Copper agrees to, as the legal and beneficial owner of the Charged Property, enter into the Transaction Security Documents and charge the Charge Property to the Lender as continuing security for the repayment of all monies due and owing from time to time under this Agreement. Kamoa Copper undertakes to the Lender as follows:

- (a) Kamoa Copper undertakes to ensure that if it is to obtain a loan from any third party in the future (including the Phase 2 Project Finance), the interest rate under that loan shall be no higher than the interest rate under the Loan in this Agreement as set out in Clause 8, or if the said interest is higher, the same interest rate shall then be applied to the Loan under this Agreement and the Ivanhoe Line of Credit .
- (b) Kamoa Copper undertakes to give effect to the Zijin Phase 2 Offtake

Rights as necessary or required to give effect to them but subject to the obligations of Ivanhoe Mines and Zijin in the Deed of Undertaking and in compliance with the ARGO Agreement.

- (c) Without conflict with the existing security (if any) and/or with any future security for the purpose of financing Kamo Copper's equipment, Kamo Copper undertakes to grant security to third-party financial institutions only for the purpose of Phase 2 Project Finance approved by the shareholders holding in the aggregate no less than 80.01% of the then total issued and outstanding shares of the Borrower, and to the extent that the total amount of the said security is limited to the value of the portion of assets corresponding to Ivanhoe Mines' shareholding percentage in Kamo Copper.

## **16 EVENTS OF DEFAULT**

Each of the events or circumstances set out in the following sub-clauses of this Clause 16 (other than Clause 16.10 (**Acceleration**)) is an Event of Default.

### **16.1 Non-payment**

- (a) Subject to Clause 16.1(c), the Borrower fails to pay on any due date any amount payable pursuant to this Agreement, and which is not remedied within 90 days following such due date.
- (b) Subject to Clause 16.1(c), the Borrower fails to repay all outstanding principal and any accrued but unpaid interest by the Initial Maturity Date or Extended Maturity Date (as applicable), and which is not remedied within 90 days following such due date.
- (c) It shall not be an event of default if the reason for the failure to pay is as a result of the application of Article 269, paragraph 3 of the 2018 Mining Code and provisions of the Central Bank of Congo.

### **16.2 Expropriation**

The occurrence of an Expropriation Event.

### **16.3 Other obligations**

An Obligor does not comply in any material respect with any provision of this Agreement or the Transaction Security Documents (other than those referred to in Clause 16.1 (Non-payment)):

- (a) but provided that utilization or drawdown of the ore stockpile that constitutes the Charged Property in accordance with any mining or development plan approved by Zijin and Ivanhoe Mines shall not be considered non-compliance by any Obligor of its undertaking in Clause 15.6; or
- (b) except if the failure to comply (including in respect of Clause 16.1 (Non-

payment)) results from the failure of the Lender, Ivanhoe Mines or any of their affiliates taking such action, or failing to take such action, as is necessary or required for an Obligor to comply, including the granting of any approvals or consents under the ARGO Agreement.

#### **16.4 Insolvency**

- (a) An Obligor is or is presumed, or deemed to be, unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness, other than in the ordinary course of business.
- (b) A moratorium is declared in respect of any indebtedness of an Obligor.

#### **16.5 Insolvency proceedings**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, striking-off, winding-up, dissolution, administration, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of an Obligor;
- (b) a composition or arrangement with any creditor of an Obligor, or an assignment for the benefit of creditors generally of an Obligor or a class of such creditors; or
- (c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, provisional liquidator or supervisor or other similar officer in respect of an Obligor or any of its respective assets.

#### **16.6 Creditors' process**

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of an Obligor.

#### **16.7 Unlawfulness**

- (a) This Agreement or any material obligation under the Loan becomes unenforceable, invalid or illegal.
- (b) It is or becomes unlawful for an Obligor to perform any of its obligations under this Agreement or any Transaction Security created or expressed to be created or evidenced by the Transaction Security Documents ceases to be effective.
- (c) Any obligation or obligations of an Obligor under this Agreement or the

Transaction Security Documents are not or cease to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Lender under such documents.

- (d) Any Finance Document ceases to be in full force and effect or any Transaction Security ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Lender) to be ineffective.

#### **16.8 Repudiation and rescission of agreements**

An Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.

#### **16.9 Cessation of business**

An Obligor suspends or ceases to carry on all or a material part of its business provided that the temporary cessation of mining activities following Commercial Production for Phase 1 or the placing of a mine on 'care and maintenance' shall not be considered suspended or ceasing to carry on business for purposes of this Clause 16.9

#### **16.10 Acceleration**

On and at any time after the occurrence of an Event of Default which is continuing (and not remedied within any cure period where a cure period applies in respect of a default including the cure period expressly provided in the case of a default under Clause 16.1(a) and 16.1(b)) the Lender may by notice to an Obligor:

- (a) cancel any unused commitments (and reduce them to zero) under the Commitment, whereupon they shall immediately be cancelled (and reduced to zero); and /or
- (b) declare that all or part of the Loan, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (c) exercise any or all of its rights, remedies, powers or discretions to be given to it under the Finance Documents or given to it under any applicable law or regulation; and/or
- (d) request the relevant Obligor to remedy such Event of Default or take other remedial measures, in each case to the satisfaction of the Lender within the prescribed period of time as determined by the Lender; and/or
- (e) initiate arbitration proceedings in accordance with this Agreement

against an Obligor in relation to the Loan.

## **17 CHANGES TO THE OBLIGORS**

### **17.1 Assignment and transfers by the Obligors**

Neither the Lender nor any Obligor may assign or transfer any of its rights or obligations under any Finance Document.

## **18 DISCLOSURE OF INFORMATION**

The Lender may disclose:

- (a) to its employees, professional advisers, auditors, partners and representatives such Confidential Information on a need to know basis; and
- (b) to any person:
  - (i) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
  - (ii) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
  - (iii) to whom or for whose benefit that Lender charges, assigns or otherwise creates Security (or may do so);
  - (iv) who is a Party; or
  - (v) with the consent of the Obligors;

in each case, such Confidential Information on a need to know basis.

## **19 APPLICATION OF PROCEEDS**

### **19.1 Order of application**

Subject to Clause 19.2 (*Prospective liabilities*), all amounts from time to time received or recovered by the Lender pursuant to the terms of any Finance Document or in connection with the realisation or enforcement of all or any part of the Transaction Security (for the purposes of this Clause 19, the "**Recoveries**") shall be promptly applied by the Lender to the extent permitted by applicable law (and subject to the provisions of this Clause 19 (*Application of Proceeds*)), in the following order:

- (a) in discharging any sums owing to any Receiver or any Delegate;

- (b) in payment of all costs and expenses incurred by the Lender in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement;
- (c) in payment to the Lender for application in accordance with Clause 20.2 (Partial payments);
- (d) if an Obligor is not under any further actual or contingent liability under any Finance Document, in payment to any person to whom the Lender is obliged to pay under the Finance Documents in priority to the Obligor; and
- (e) the balance, if any, in payment to the Obligors.

## 19.2 **Prospective liabilities**

Following acceleration, the Lender may, in its discretion, hold an amount equal to not more than the amount remaining unpaid and outstanding, of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution and for so long as the Lender shall think fit (the interest being credited to the relevant account) for later application under Clause 19.1 (*Order of application*) in respect of:

- (a) any sum payable to the Lender, any Receiver or any Delegate; and
- (b) any part of the Secured Liabilities,

that the Lender reasonably considers, in each case, might become due or owing at any time in the future.

## 19.3 **Investment of proceeds**

Prior to the application of the Recoveries in accordance with Clause 19.1 (*Order of application*) the Lender may, in its discretion, hold all or part of those proceeds (but in an amount equal to not more than the amount remaining unpaid and outstanding), in an interest bearing suspense or impersonal account(s) in the name of the Lender with such financial institution and for so long as the Lender shall think fit (the interest being credited to the relevant account) pending the application from time to time of those moneys in the Lender's discretion in accordance with the provisions of this Clause 19.

## 19.4 **Currency Conversion**

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Lender may convert any money received or recovered by the Lender from one currency to another, at the Agreed Rate of Exchange.
- (b) The obligations of an Obligor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after

deducting the costs of conversion.

## 19.5 Permitted Deductions

The Lender shall be entitled, in its discretion:

- (a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement; and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Charged Property.

## 20 PAYMENT MECHANICS

### 20.1 Payments to the Lender

- (a) On each date on which an Obligor is required to make a payment under a Finance Document, the Obligor shall make the same available to the Lender (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Lender as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) Payment shall be made to such account:
  - (i) with such bank(s) as the Lender specifies, or
  - (ii) if required by the Lender, in the principal financial centre of the country of that currency with such bank as the Lender specifies or such other account as the Lender specifies.

### 20.2 Partial payments

- (a) If the Lender receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Lender shall apply that payment towards the obligations of the Obligors under the Finance Documents in the following order:
  - (i) first, in or towards payment pro rata of any unpaid fees, costs and expenses of, and other amounts owing to, the Lender, any Receiver or any Delegate under the Finance Documents;
  - (ii) secondly, in or towards payment pro rata of any accrued interest, fee (other than as provided in (i) above) or commission due but unpaid under the Finance Documents;
  - (iii) thirdly, in or towards payment pro rata of any principal due but unpaid under this Agreement; and
  - (iv) fourthly, in or towards payment pro rata of any other sum due but

unpaid under the Finance Documents.

- (b) The Lender may vary the order set out in Clause 20.2(a) above.
- (c) Clauses 20.2(a) and 20.2(b) above will override any appropriation made by the Borrower.

### **20.3 No set-off by the Obligors**

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

### **20.4 Business Days**

Any payment which is due to be made on a day that is not a Business Day shall be made on the preceding Business Day.

### **20.5 Currency of account**

The currency of account is US dollars and any payment from an Obligor under any Finance Document shall be made in US dollars.

### **20.6 Set-Off**

The Lender may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Lender) against any matured obligation owed by the Lender to the Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at the Agreed Rate of Exchange on the relevant date for the purpose of the set-off.

## **21 NOTICES**

### **21.1 Communications in writing**

Any communication to be made under or in connection with the Finance Documents (including service of any court documents such as a writ of summons, originating summons, summons or statutory demand) shall be made in writing and, unless otherwise stated, may be made by fax or letter or electronic communication under Clause 21.4.

### **21.2 Addresses**

The address, email and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of the Lender, that identified with its name below; and

- (b) in the case of an Obligor, that identified with its name below,  
or any substitute address, fax number or department or officer as the Party may notify to the other Parties by not less than five (5) Business Days' notice.

### 21.3 **Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will be effective:
- (i) if by way of fax, only when received in legible form; or
  - (ii) if by way of letter, only when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 21.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified with the Lender's signature below (or any substitute department or officer as the Lender shall specify for this purpose).
- (c) Any communication or document made or delivered to an Obligor in accordance with this Clause will be deemed to have been made or delivered by all the Obligors.
- (d) Any communication or document which becomes effective, in accordance with Clauses 21.3(a) to 21.3(c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

### 21.4 **Electronic communication**

- (a) Any communication to be made between any Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means to the extent that those Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if those Parties:
- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
  - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five (5) Business

Days' notice.

- (b) Any electronic communication made between those Parties will be effective only when actually received in readable form and in the case of any electronic communication made by a Party to the Lender.
- (c) Any electronic communication which becomes effective, in accordance with Clause 21.4(b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

## 21.5 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
  - (i) in English; or
  - (ii) if not in English, and if so required by the Lender, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

## 22 CALCULATIONS AND CERTIFICATES

### 22.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by the Lender are prima facie evidence of the matters to which they relate.

### 22.2 Certificates and determinations

Any certification or determination by the Lender of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

### 22.3 Day count convention

Any interest accruing under a Finance Document will accrue from day to day and is calculated on a calendar quarter basis and a year of 365 days.

## 23 PARTIAL INVALIDITY

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

## **24 REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under the Finance Documents shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any of the Finance Documents on the part of the Lender shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

## **25 AMENDMENTS AND WAIVERS**

Any term of the Finance Documents may be amended or waived only with the written consent of:

- (a) the Lender;
- (b) the Obligors;
- (c) Zijin; and
- (d) Ivanhoe Mines.

## **26 COUNTERPARTS**

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

## **27 GOVERNING LAW**

This Agreement is governed by Hong Kong law.

## **28 MISCELLANEOUS**

28.1 This Agreement does not constitute an amendment, waiver, variation or any other change to the ARGO Agreement which shall remain in full force and effect, unamended by this Agreement, and to the extent of any inconsistency between this Agreement and the ARGO Agreement, the ARGO Agreement shall prevail.

28.2 To the extent required in order that the undertakings, covenants and other terms of this Agreement are completed and observed, each of Zijin and Ivanhoe shall take all such steps as required to, and shall cause, in the case of Zijin, the Lender, and in the case of Ivanhoe, Ivanhoe Mines US LLC, to do such actions and things as are necessary for the completion and observance of such undertakings, covenants and other terms.

## **29 ARBITRATION**

- 29.1 Any dispute, controversy, difference or claim arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it (a "**Dispute**") shall be referred to and finally settled by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted in accordance with these Rules.
- 29.2 The seat of arbitration shall be Hong Kong.
- 29.3 The number of arbitrators shall be three. The arbitration proceedings shall be conducted in English.
- 29.4 Any arbitral award shall be final and binding upon the Parties and shall be enforceable in any court of competent jurisdiction in accordance with its terms.
- 29.5 During the period when a Dispute is being resolved, the Parties shall in all respects other than the issue(s) in dispute continue their performance of this Agreement.
- 29.6 To the extent permitted by the Hong Kong International Arbitration Centre Administered Arbitrations Rules, the foregoing shall not preclude any Party from seeking interim relief or orders for interim preservation in any court of competent jurisdiction. Any such application to any court of law shall not demonstrate an intent to act inconsistently in any way with the agreement to settle disputes by arbitration set out in this Clause 28.

**Schedule 1**  
**CONDITIONS PRECEDENT**  
**(Conditions precedent to Drawdown)**

**1 The Borrower**

- (a) A certified true copy of a resolution of the board of directors of the Borrower:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf;
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, the Drawdown Request) to be signed and despatched by it under or in connection with the Finance Documents to which it is a party; and
  - (iv) resolving that it is in the Borrower's best interests to enter into the transactions contemplated by the Finance Documents to which it is a party.
  
- (b) A certified true copy of a resolution of the shareholders of the Borrower:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising the directors of the board to execute the Finance Documents to which it is a party;
  - (iii) authorising the directors of the board, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, the Drawdown Request) to be signed and despatched by it under or in connection with the Finance Documents to which it is a party; and
  - (iv) resolving that it is in the Borrower's best interests to enter into the transactions contemplated by the Finance Documents to which it is a party.
  
- (c) An original certificate of the Borrower (signed by a director) (1) confirming that borrowing or securing, as appropriate, the total Commitment would not cause any borrowing or security or similar limit binding on it to be exceeded and (2) certifying that each copy document relating to it specified in this Schedule 1 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.
  
- (d) Confirmation from the Borrower that, to its knowledge, it has not received

notice from any regulatory authority that it is in breach of any applicable laws of Barbados or any regulations in relation to the Finance Documents.

- (e) Certified copies of its register of directors and register of charges (if any).

## **2 Kamo Copper**

- (a) A certified true copy of a resolution of the board of directors of Kamo Copper:
  - (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;
  - (ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf;
  - (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices to be signed and despatched by it under or in connection with the Finance Documents to which it is a party; and
  - (iv) resolving that it is in its best interests to enter into the transactions contemplated by the Finance Documents to which it is a party.
- (b) Confirmation from Kamo Copper that, to its knowledge, it has not received notice from any regulatory authority that it is in breach of any applicable laws of the Democratic Republic of Congo or any regulations in relation to the Finance Documents.
- (c) Certified copies of its register of directors and register of charges (if any).

## **3 OTHER DOCUMENTS AND EVIDENCE**

- (a) The Shareholders Deed of Undertakings (in such form satisfactory to the Lender) duly executed by Ivanhoe Mines and Zijin has been delivered to the Lender.
- (b) The duly executed Transaction Security Documents have been delivered to the Lender.
- (c) Evidence that the Transaction Security Documents have been duly filed and registered as set forth in Clause 13.6.
- (d) A copy of any other Authorisation or other document, opinion or assurance which the Lender considers to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by any Finance Documents or for the validity and enforceability of any Finance Documents.
- (e) Evidence that all other fees, costs and expenses then due from the Borrower pursuant to Clause 12 (*Costs, Expenses and Fees*) have been

paid or will be paid by the Drawdown Date.

- (f) Evidence that the Finance Documents have been completed and executed.

#### **4 SECURITY AND OTHER FINANCE DOCUMENTS**

- (a) This Agreement duly executed by the Obligors.
- (b) An original of each of the following Transaction Security Documents, duly executed by the Obligors.

<b>The Obligors</b>	<b>Governing Law</b>	<b>Transaction Security Documents</b>
The Obligors	The laws of Barbados and/or the laws of the Democratic Republic of Congo	Transaction Security Documents

- (c) Evidence that the Transaction Security Documents have been duly filed and registered as set forth in Clause 13.6.

#### **5 OTHER**

- (a) No Event of Default, including cross-default, has occurred and is continuing or would result from the Drawdown and the Borrower has given a written undertaking to this effect.

**Schedule 2  
DRAWDOWN REQUEST**

From: **Kamoa Holding Limited**

To:

Dated:

Dear Sirs

**USD200 million Secured Term Loan Facility Agreement dated 1st December 2020 (the "Facility Agreement")**

**1** We refer to the Facility Agreement. This is a Drawdown Request. Terms defined in the Facility Agreement shall have the same meaning in this Drawdown Request.

**2** We wish to borrow a Loan on the following terms:

Proposed Drawdown Date:

Proposed Loan Amount: USD

**3** We understand the Drawdown Date shall be the date on which the Loan proceeds are actually disbursed.

**4** We confirm that each condition specified in Clause 4 (*Conditions Precedent*) is satisfied on the date of this Drawdown Request.

**5** You are instructed to deduct any fee in the amount of USD[\*] from the Proposed Loan Amount before the balance Loan proceeds shall be disbursed to us.

**6** The proceeds of the Loan should be credited to the following account:

Account Bank:

SWIFT Code:

Account Holder:

Account Number:

**7** This Drawdown Request is irrevocable.

Yours faithfully

**[Name of Director/Financial Controller]**  
[Director/Financial Controller] for and on behalf of  
***Kamoa Holding Limited***

**THIS AGREEMENT** has been entered into on the date stated at the beginning of this Agreement.

**The Lender**

**GOLD MOUNTAINS (H.K.) INTERNATIONAL MINING COMPANY LIMITED**

*sign here* ► (signed) "HUANG, Xiaohong"  
Name: HUANG, Xiaohong  
Authorised signatory

Address: REDACTED  
Attention: REDACTED  
Email: REDACTED  
Fax: REDACTED

**The Borrower**

**Executed by  
KAMOA HOLDING LIMITED**

*sign here* ► (signed) “QIU, Guozhu”  
QIU, Guozhu  
Director

Address: REDACTED  
Attention: REDACTED  
Email: REDACTED

in the presence of:

*witness signs here* ► (signed) “Jie Pang”  
Name of Witness: Jie Pang

*sign here* ► (signed) “CLOETE, Martie”  
CLOETE, Martie  
Director

in the presence of:

*witness signs here* ► (signed) “ZHOU, Peter”  
Name of Witness: ZHOU, Peter

**Kamoa Copper**

**Executed and Delivered as a Deed**

for and on behalf of

**KAMOA COPPER S.A.**

*sign here* ► (signed) "FARREN, Mark Sean"  
FARREN, Mark Sean  
General Manager

Address: REDACTED

Attention: REDACTED

Email: REDACTED

in the presence of:

*witness signs here* ► (signed) "ZHOU, Peter"  
Name of Witness: ZHOU, Peter  
Address of Witness: REDACTED  
Title of Witness: Executive Vice President, China

**Ivanhoe Mines**

**Executed and Delivered as a Deed**

for and on behalf of

**IVANHOE MINES LTD.**

*sign here* ► (signed) “ZHOU, Peter”  
ZHOU, Peter  
Executive Vice President, China

Address: REDACTED

Attention: REDACTED

Email: REDACTED

in the presence of:

*witness signs here* ► (signed) “CHEN, Maya”  
Name of Witness: CHEN, Maya  
Address of Witness: REDACTED  
Title of Witness: Investment Director of Investment & Corporate  
Development Department, China

**Zijin**

**Executed and Delivered as a Deed**

for and on behalf of

**ZIJIN MINING GROUP CO., LTD.**

*sign here* ► (signed) “ZOU, Laichang”  
ZOU Laichang  
Director and President

Address: REDACTED

Attention: REDACTED

Email: REDACTED

in the presence of:

*witness signs here* ► (signed) “CHEN, Maya”

Name of Witness: CHEN, Maya

Address of Witness: REDACTED

Title of Witness: Investment Director of Investment & Corporate  
Development Department, China