

# INVESTMENT AND SHAREHOLDERS' AGREEMENT

by and between

**ALANDRA OY,**

**Kiviralli Oy,**

**Tetra Ekberg Oy,**

**Eurobattery Minerals AB**

and

**Vulcan Hautalampi Oy**

regarding

**Vulcan Hautalampi Oy**

DATED

**11 May 2020**

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## 1 PARTIES

- 1.1. This investment and shareholders' agreement (the "**Agreement**") regarding Vulcan Hautalampi Oy is made and entered into on 11 May 2020 by and between the following Parties:
- (i) ALANDRA OY (Business ID: 2302290-7), a limited liability company incorporated under the laws of Finland, having its registered address at Vanha-Juvantie 54 A, FI-51820 Hatsola, Finland ("**Alandra**");
  - (ii) Kiviralli Oy (Business ID: 0366300-2), a limited liability company incorporated under the laws of Finland, having its registered address at Runonlaulajantie 64, FI-51900 Juva, Finland ("**Kiviralli**");
  - (iii) Tetra Ekberg Oy (Business ID: 2787629-9), a limited liability company incorporated under the laws of Finland, having its registered address at Mäntylahdentie 50 A, FI-79910 Kerma, Finland ("**Tetra**");
  - (iv) Eurobattery Minerals AB (Registration number: 556785-4236), a public limited liability company incorporated under the laws of Sweden, having its registered address at Strandvägen 7A, 114 50 Stockholm, Sweden; and
  - (v) Vulcan Hautalampi Oy (Business ID: 2300988-4), a limited liability company incorporated under the laws of Finland, having its registered address at Vanha-Juvantie 54 A, 51820, Hatsola, Finland (the "**Company**").
- 1.2. The entities identified in (i)-(iii) are hereinafter referred to collectively as the "**Founders**" and each separately as a "**Founder**". The entity identified in (iv) is hereinafter referred to as the "**Financier**". The entities identified in (i)-(iv) are hereinafter referred to collectively as the "**Shareholders**" and each separately as a "**Shareholder**". For the sake of clarity, the Financier shall be deemed as a Shareholder of the Company only if it executes the First Option (as defined below) in accordance with the terms of this Agreement. The Shareholders, Financier and the Company are hereinafter referred to collectively as the "**Parties**" and each separately as a "**Party**".

## 2 BACKGROUND AND PURPOSE

- 2.1. Upon entering into this Agreement, the Parties agree on certain investments in the Company by the Financier, certain changes to the shareholding in the Company as well as rights and obligations of the Shareholders and on the management of the Company. The objective of the Parties is, among other things, to: (i) develop the Company in a way that the value of the Shares and the Net Metals Royalty will raise as valuable as possible by the timely establishment of an operating Mine with Commercial Production; or (ii) exit the Company or the Mine in a timely manner.
- 2.2. The Parties represent and warrant that they have carefully and independently evaluated the rights and obligations arising out of this Agreement and the risks and possibilities relating to this Agreement.

## 3 DEFINITIONS

- 3.1. As used in this Agreement, unless expressly otherwise stated, the following terms and expressions shall have the following meanings:

- 3.2. **Accounting Principles** means the generally accepted accounting principles in Finland, which are subject to the Finnish Accounting Act (1336/1997, as amended) and the Finnish Accounting Decree (1339/1997, as amended), in each case as consistently applied by the

- Company for annual statutory reporting purposes.
- 3.3. **Acquiring Party** has the meaning set out in Section 13.4.1.
- 3.4. **Affiliate** means any Person that directly or indirectly controls, is controlled by, or is under common control with, a Party. For the purposes of the preceding sentence, "control" shall have the meaning regulated in the Accounting Principles.
- 3.5. **Agreement** means this investment and shareholders' agreement together with all the Schedules attached hereto.
- 3.6. **Allowable Deductions** means all reasonable costs, charges and expenses paid or incurred by the Company for or with respect to Products as set out below:
- (a) actual costs of transportation (including loading, freight, security, surveyor fee, handling, port fees, demurrage, delay, and forwarding expenses incurred by reason of or in the course of transportation) of Products from the Mine to the place of Sale;
  - (b) reasonable costs of insurance for the Products; and
  - (c) reasonable actual charges for treatment and processing but not any costs, charges and expenses related to the Mine's own treatment and processing, such as mining, milling, concentrating, smelting, processing and treatment,
- provided that whether Products are processed on or off the Mine property in a facility wholly or partially owned by the Company, Founders, Financier or any of their Affiliates or other Person that is not at arm's length to the aforesaid Parties, Allowable Deductions will not include any costs that are in excess of those that would be incurred on an arm's length basis at fair market terms, or which would not be Allowable Deductions if those Products were processed by an independent third Person. To the extent the Company, Founders, Financier or any of their Affiliates receive any discounts on a group level or otherwise from any Allowable Deductions, such discounts shall be proportionately calculated to reduce the amount of the

		Allowable Deductions.
3.7.	<b>Amended Articles</b>	has the meaning set out in Section 12.1.1.
3.8.	<b>Articles</b>	means the articles of association of the Company, as amended from time to time (including the Amended Articles).
3.9.	<b>Asset Sale</b>	means the sale of all or a portion of the Mine, or any material Licenses, assets or business of the Company.
3.10.	<b>Board</b>	means the Board of Directors of the Company.
3.11.	<b>Business Day</b>	means a day on which banks are generally open for business in Finland, excluding Saturdays, Sundays and public holidays.
3.12.	<b>Business Plan</b>	means the business plan of the Company, initially as attached hereto as <b>Schedule 4.1</b> .
3.13.	<b>Clawback Option</b>	has the meaning set out in Section 8.1.1.
3.14.	<b>Clawback Transfer Notice</b>	has the meaning set out in Section 8.1.4.
3.15.	<b>Commercial Production</b>	means the exploitation of Products, or any part, from the Mine, profitable or not, and achievement of a crushing, grinding and flotation mill throughput averaging 60% of the designed mining and milling rate over a week period.
3.16.	<b>Companies Act</b>	means the Finnish Companies Act (2006/624), as amended or re-enacted from time to time.
3.17.	<b>Company</b>	has the meaning set out in Section 1.1(v).
3.18.	<b>Confidential Information</b>	means, in addition to the content and Schedules of this Agreement, any confidential information regarding the Company (including all confidential information regarding its customers and partners) and any financial, non-public Mineral Resource Estimates, technical or other information that is meant to be confidential, ideas, methods, Intellectual Property Rights, whether the information has been expressed in written form, orally or in another form, and all other information regarding the Company that is not public, notwithstanding the manner how the Shareholder or a Party or their representative(s) have received it and whether or not such information has been marked as confidential or not.
3.19.	<b>Consideration Shares</b>	has the meaning set out in Section 7.1.1.

- 3.20. **Drag-Along Right** has the meaning set out in Section 13.3.1.
- 3.21. **Earn-In Period** has the meaning set out in Section 13.3.1.
- 3.22. **Effective Date** means 27 May 2020, or such other date the Parties may agree in writing.
- 3.23. **Equity Investments** has the meaning set out in Section 6.2.1.
- 3.24. **EUR** means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty Establishing the European Community, as amended.
- 3.25. **Exploration Expenditures** means costs paid by the Company related to direct exploration, mining and capital development costs, such costs including but not limited to: (1) drilling, test-mining and bulk sampling; (2) other exploration such as electromagnetic or airborne surveys; (3) Mineral Resource Estimates; (4) feasibility studies (including pre-feasibility studies); (5) any guarantees or collaterals given based on environmental laws, Mining Acts or other laws (such as water or dam safety acts); (6) acquisition of land to the extent it belongs to the mining permit area, mining permit area to be extended or auxiliary area; (7) environmental impact assessment and other environmental consultant costs; (8) building the Mine and its infrastructure and related earthmoving works; (9) any landowner (or escrow) payments in accordance with the Mining Acts; (10) any decision or public hearing fees charged by the Mining Authority or environmental authorities related to the Licenses; (11) any fees, costs and services (including legal fees) necessary to keep the Licenses in good standing; (12) any fees (including legal fees) related to appeals from the Licenses; (13) any mining district proceeding costs or usufruct right compensations; (14) reasonable salaries (including mandatory employment pension contributions, mandatory social contributions or similar) of employees of the Company and the managing director pursuant to the terms of the MD Agreement as well as any consulting costs (15) any social license to operate related costs; (16) permitting costs (and related service costs) under applicable laws (such as mine safety permits and construction permits); (17) restoration and after-care costs under the Mining Acts or environmental laws (18) any

		reasonable administration costs of the Company (including reasonable legal costs); and (19) any loan repayment, interest or cost (such as from Business Finland).
3.26.	<b>Financier</b>	has the meaning set out in Section 1.2.
3.27.	<b>First Option</b>	has the meaning set out in Section 6.3.1.
3.28.	<b>First Tranche Payments</b>	has the meaning set out in Section 6.3.1.
3.29.	<b>First Tranche Shares</b>	has the meaning set out in Section 6.3.1.
3.30.	<b>Founder(s)</b>	has the meaning set out in Section 1.2.
3.31.	<b>Fundamental Warranties</b>	means the representations and warranties set out in Sections 2.1, 3.1, 3.2, and Section 6.1 and 6.2 in respect of the Property (as defined in <b>Schedule 6.2.1</b> ), and Section 15 of <b>Schedule 6.2.1</b> attached hereto.
3.32.	<b>General Meeting</b>	means the ordinary or extraordinary shareholders' meetings of the Company or corresponding resolution made among the Shareholders without meeting.
3.33.	<b>Indemnified Losses</b>	has the meaning set out Section 9.12.1.
3.34.	<b>Indemnified Parties</b>	has the meaning set out Section 9.12.1.
3.35.	<b>Independent Auditor</b>	means an independent bona-fide audit firm knowledgeable in the mining industry, as agreed upon by the Parties.
3.36.	<b>Intellectual Property Rights</b>	means copyrights (excluding any moral rights), copyright related rights, trademarks, domain-names, utility models, logos and trade names, product descriptions, patents, innovations, discoveries, trade secrets, ideas, methods, rights in designs, computer software, and scientific, technical and product information relating to the Company or arising from the business of the Company, regardless of whether registered or not and including application for grant of any of the foregoing and all rights or forms of protection having equivalent or similar effect to any of the foregoing, which may now or at any time hereafter exist anywhere in the world.
3.37.	<b>Licenses</b>	means the mining concession (Mining Register number: K7802), any reservation, claim, exploration or mining permit, environmental permit, water permit, construction permit, mine safety permit or any other permit owned by the Company or to be owned by the Company in the future related to the exploration and mining

- operations of the Company.
- 3.38. **Lock-up Undertaking** means the lock-up undertaking attached hereto as **Schedule 7.1.1(vii)**.
- 3.39. **Loss** means any direct loss, deficiency, liability, damage, cost, or expense incurred or suffered by the Financier or the Company, as the case may be, without duplication, it being understood that the term "Loss" shall not include any indirect damages (including but not limited to loss of profit, turnover or business opportunities).
- 3.40. **Majority Owner(s)** has the meaning set out in Section 13.3.3.
- 3.41. **MD Agreement** means the managing director agreement attached hereto as **Schedule 12.5.1**.
- 3.42. **Mine** means the mining concession (Mining Register number: K7802) in north-east of Finland owned by the Company, aiming to develop it into an operating mine together with (i) any successor, substitute or replacement titles or rights; (ii) any present or future mineral or mining titles or rights resulting from the renewal, extension, modification, substitution, conversion, renaming, division or variation of such titles or rights or any additional rights derived therefrom; or (iii) any present or subsequently acquired Licenses or applications of Licenses, or other tenure or mineral property.
- 3.43. **Mineral Resource Estimate(s)** means reports submitted to the Mining Authority pursuant to Section 14 of the Mining Act (2011/61, as amended), NI 43-101 National Instrument as adopted by the Canadian Securities Administrators, whether concerning "inferred mineral resource", "indicated mineral resource", "measured mineral resource" or equivalent as defined in NI 43-101 or any internationally recognised equivalent, for example: SAMREC CODE - South African Mineral Committee (South Africa); REPORTING CODE - (UK / Western Europe); JORC Code (Australasian Code for Reporting of Exploration Results); SME GUIDE - Society for Mining, Metallurgy and Exploration (USA); CERTIFICATION CODE - (Chile); and PERC (Pan European Reserves and Resources Code).
- 3.44. **Mining Authority** means the Finnish Safety and Chemicals Agency.

- 3.45. **Mining Register** means Finnish mining register maintained by the Mining Authority.
- 3.46. **Mining Acts** means the Mining Act (2011/621, as amended), the Mining Act (1965/503, as amended) and all applicable decrees rendered based on such acts.
- 3.47. **Minority Owner(s)** has the meaning set out in Section 13.3.3.
- 3.48. **Net Metals Return** has the meaning set out in Section 9.1.1.
- 3.49. **Net Metals Royalty** has the meaning set out in Section 9.1.1.
- 3.50. **Nominee** has the meaning set out in Section 7.2.1.
- 3.51. **Observer Member** has the meaning set out in Section 0.
- 3.52. **Options** has the meaning set out in Section 5.2.1, including the First Option, Second Option and Third Option.
- 3.53. **Party/Parties** has the meaning set out in Section 1.2.
- 3.54. **Person** means any individual, corporation, partnership, joint venture, association, company, trust, unincorporated organization or other form of enterprise, or any government or any agency or political subdivision thereof.
- 3.55. **Pledge** has the meaning set out in Section 9.8.1.
- 3.56. **Products** has the meaning set out in Section 9.1.1.
- 3.57. **Quarterly Statement** has the meaning set out in Section 9.2.1.
- 3.58. **Quarterly Budget** means each respective quarterly budget, drafted prior to each respective financial quarter by the Board (failing which, by the representative(s) of the Financier in the Board of the Company) and approved by the representative(s) of the Financier in the Board of the Company, containing at least: (i) the dates of each periodic Equity Investment to be invested by the Financier to the Company to cover Exploration Expenditures; and (ii) budgeted and predicted Exploration Expenditures as well as any and all other expenditures to be paid or expected to be paid by the Company in the respective quarter, it being understood that the approval by the representative(s) of the Financier in the Board of the Company shall not be required in respect of items of the quarterly budget which operate to increase the liquidity of the Company during the relevant quarter.
- 3.59. **Royalty Holder(s)** has the meaning set out in Section 9.1.1.
- 3.60. **Sale** means the transfer of title to Products by or

		on behalf of the Company or any Affiliate of the Company to a Person, whether or not an Affiliate of the Company, and is also deemed to include any loss prior to any transfer or deemed transfer of title to Products; and is also deemed to include any Products stockpiled for more than one (1) year.
3.61.	<b>Second Option</b>	has the meaning set out in Section 6.4.3.
3.62.	<b>Second Tranche Payments</b>	has the meaning set out in Section 6.4.3.
3.63.	<b>Second Tranche Shares</b>	has the meaning set out in Section 6.4.3.
3.64.	<b>Selling Shareholder(s)</b>	has the meaning set out in Section 13.3.1.
3.65.	<b>Service Agreement</b>	has the meaning set out in Section 16.1.
3.66.	<b>Share(s)</b>	means, in addition to a share of any series, all securities entitling to Shares in the Company, e.g. convertible loans and option rights, and any other special rights or instruments which entitle to subscribe to or convert into Shares in the Company as well as any contractual subscription and redemption rights based on which the Shares in the Company can be acquired (however excluding the contractual rights based on this Agreement).
3.67.	<b>Shareholder(s)</b>	has the meaning set out in Section 1.2.
3.68.	<b>Share Certificates</b>	means Share certificates, interim certificates, option certificates or similar securities.
3.69.	<b>Share Pledge Agreement</b>	means the share pledge agreement attached hereto as <b>Schedule 11.1.1.</b>
3.70.	<b>Share Purchase Agreement</b>	means the long-form share purchase agreement attached hereto as <b>Schedule 6.3.1.</b>
3.71.	<b>Signing Date</b>	means the signing date of this Agreement, as set out in Section 1.1.
3.72.	<b>STA</b>	means the short-form share transfer agreement, including only fundamental representations and warranties, attached hereto as <b>Schedule 6.4.3.</b>
3.73.	<b>Surrender Notice</b>	has the meaning set out in Section 9.9.2.
3.74.	<b>Tag-Along Notice</b>	has the meaning set out in Section 13.4.2.
3.75.	<b>Third Option</b>	has the meaning set out in Section 6.5.2.
3.76.	<b>Third Tranche Payments</b>	has the meaning set out in Section 6.5.2.
3.77.	<b>Third Tranche Shares</b>	has the meaning set out in Section 6.5.2.
3.78.	<b>Transfer Notice</b>	has the meaning set out in Section 13.4.1.

- 3.79. **Transfer** means, with respect to any Shares or any interest therein, (i) to offer, sell, grant any pledge, option right or warrant to purchase any option or lend or otherwise transfer or dispose of, directly or indirectly, any such Shares or interests therein; or (ii) enter into any Share swap or other arrangement that transfers to any third party, in whole or in part, any of the economic rights of any Shares or interests therein, whether any such transaction described in clause (i) or (ii) above is to be settled in cash, by delivery of any shares or interests in any other legal entity or otherwise. When used as a noun, the term "**Transfer**" shall have the correlative meaning.
- 3.80. **Transferring Shareholder** has the meaning set out in 13.4.1.
- 3.81. **Warranties** means all other the representations and warranties given to the Financier by the Company than Fundamental Warranties, as set out in **Schedule 6.2.1** attached hereto.

#### **4 GENERAL OBLIGATIONS, CLOSING, ETC**

##### **4.1. General obligations**

- 4.1.1 The Shareholders agree to contribute to that the Company would be successful and that it would be able to achieve the objectives set forth in the Business Plan of the Company (as amended by the Board from time to time).
- 4.1.2 Each Shareholder undertakes, also through the members of the Board or other representatives appointed by it, at the General Meetings, at the meetings of the Board and in any other occasion to exercise its voting rights and to act otherwise in a way necessary to ensure the proper realization of and compliance with the terms of this Agreement and the Articles (as amended from time to time). For the avoidance of doubt, the above does not mean that the Shareholders need at all times to be present or represented at the General Meeting or at the Board meeting.

##### **4.2. Period between the Signing Date and the Effective Date**

- 4.2.1 During the period between the Signing Date and the Effective Date, the Founders undertake that the Company shall:
- (i) operate the Company's business in the ordinary course of business and in accordance with the first Quarterly Budget;
  - (ii) not make or permit any distribution or transfer of value or assets, or any payment, guarantee or undertaking, or any transfer of rights or other benefits outside the ordinary course of business from the Company to or for the benefit of any of the Founders or any of their affiliates;
  - (iii) not acquire or sell, or agree to acquire or sell any share, assets or other interest in any company, partnership or other venture, or merge with a company;
  - (iv) not create, amend or agree to create or amend any claim, charge, pledge, mortgage, lien, option, retention of title, right of pre-emption, right of first refusal or security interest of any kind over any of its assets or sell, license or

otherwise dispose of any asset other than in the ordinary course of business;

- (v) not enter into dissolution or winding-up proceedings or any merger or demerger;
- (vi) not issue, allot, redeem or repurchase any shares, options, warrants, convertibles or other rights to purchase shares of the Company or any securities convertible into or exchangeable for such shares;
- (vii) not incur any additional borrowings or other indebtedness or amend the terms of any indebtedness;
- (viii) not enter into any guarantee, indemnity or other agreement to secure any obligation of the Founders, any affiliate of the Founders or any third party or incur any liability under any such guarantee, indemnity or other agreement in existence as of the Signing Date;
- (ix) not enter into or amend or terminate a material agreement, arrangement or obligation to which it is a party;
- (x) not agree or undertake to do any of the actions set out in Sections 4.2.1(i)-(ix) above.

#### 4.3. **Closing**

4.3.1 Closing shall take place on the Effective Date, or on any other date mutually agreed between the parties in writing, at the offices of Bird & Bird Advokat, Norrlandsgatan 15, Stockholm, Sweden.

4.3.2 Prior to closing:

- (i) subject to the Financier's discretion pursuant to Section 6.1.1 (b), the Financier shall procure that an extraordinary shareholders' meeting is held in the Financier for the purpose of the issuance of Consideration Shares at closing, if any;
- (ii) the Financier shall calculate the value of any Consideration Shares to be issued at closing, if any, pursuant to Section 7.1.1(i);
- (iii) the Financier shall provide to the Company the name and other relevant details of the individual nominated by the Financier to the Board of the Company pursuant to Section 12.1.2(i); and
- (iv) each of the Founders shall provide to the Financier in writing delivery instructions for Consideration Shares subscribed for pursuant to Section 4.3.44.3.4(i), if any, including information regarding the relevant Founder's securities VP-account or nominee account; and
- (v) each of the Founders shall provide to the Financier in writing payment instructions for the Financier's payment pursuant to Section 4.3.3(i), including bank account number and IBAN.

4.3.3 At closing, the Financier, acting through its board of directors, shall:

- (i) pay EUR 16,667, or, where no Consideration Shares are issued at closing, EUR 83,334, in cash to each of the Founders;
- (ii) subject to the Financier's discretion pursuant to Section 6.1.1 (b), resolve on the allotment of Consideration Shares subscribed for pursuant to Section 4.3.44.3.4(i) and the approval of payment for Consideration Shares subscribed by set-off;
- (iii) file for registration of subscribed and allotted Consideration Shares with the Swedish Companies Registration Office; and

(iv) execute the Share Pledge Agreement.

4.3.4 At closing, each of the Founders shall:

- (i) subject to the Financier's discretion pursuant to Section 6.1.1(b), execute subscription in respect of Consideration Shares pursuant to Section 6.1.1 (b) and in connection therewith request that payment for such Consideration Shares are paid by set-off;
- (ii) execute the Lock-up Undertaking in respect of the Consideration Shares subscribed pursuant to Section 4.3.4(i);
- (iii) at the shareholders meeting in the Company elect the individual nominated by the Financier as director of the Board of the Company and vote in favour of the adoption of the Amended Articles; and
- (iv) execute the Share Pledge Agreement.

4.3.5 At closing, the Board of the Company shall:

- (i) procure that an extraordinary shareholders' meeting is held in the Company for the purpose of the election of a director pursuant and the adoption of the Amended Articles pursuant to Section 4.3.4(iii);
- (ii) file for the registration of the Amended Articles and director elected pursuant to Section 4.3.4(iii), with the Finnish Trade Register;
- (iii) appoint Markus Ekberg as managing director of the Company;
- (iv) execute the MD Agreement; and
- (v) update the shareholder register of the Company to record the pledge pursuant to the Share Pledge Agreements.

4.3.6 At closing, Markus Ekberg shall execute the MD Agreement.

4.3.7 It is agreed that the events constituting closing shall be regarded as one transaction so that, if one of the closing events set forth in Sections 4.3.3-4.3.6 does not occur, closing shall only be deemed to have taken place if the Financier (in case of non-compliance by any of the Founders, the Board of the Company or Markus Ekberg) or a majority of the Founders (in case of non-compliance by the Financier), confirm in writing that it is accepted that closing takes place (without prejudice to, all rights or remedies available, including the right to claim damages).

## **5 OWNERSHIP**

### **5.1. Ownership of Shares Prior to the Exercise of the Options**

5.1.1 As at the Signing Date, the share capital of the Company is EUR 3,750 and there are 1,500,000 Shares in the Company. The Shares do not have any nominal value. The shareholding of the Company as per the Signing Date and the Effective Date is as follows:

<b>Shareholder</b>	<b>Number of Shares and Votes</b>	<b>Shareholding / %</b>
Alandra	500,000	33,33%
Kiviralli	500,000	33,33%
Tetra	500,000	33,33%
<b>In total</b>	<b>1,500,000</b>	<b>100,00%</b>

### **5.2. Options**

5.2.1 The Financier shall be offered to purchase Shares from the Founders in accordance

with the First Option set out in Section 6.3, Second Option set out in Section 6.4 and Third Option set out in Section 6.5 (collectively the "**Options**"). In addition to the express obligations pursuant to this Agreement, the Financier, the Founders and the Company each undertake to do any and all such other things as are necessary or advisable for the due consummation of the transfers of Shares as envisaged pursuant to the Options.

- 5.2.2 The Parties understand that the Founders may only demand that the Financier shall pay the First Tranche Payments, Second Tranche Payments and Third Tranche Payments, but the Financier does not have under any circumstances an obligation to pay the First Tranche Payments, Second Tranche Payments and Third Tranche Payments and there are no measurable limits to determine whether such payments will be made to the Founders.

## **6 OPTIONS**

### **6.1. Option Premium**

- 6.1.1 In consideration for the Founders granting the Options to the Financier, the Financier shall on the Effective Date pay EUR 16,667 in cash to each of the Founders (i.e., in total EUR 50,001) and either (a) pay in cash to each of the Founders EUR 66,667 (i.e., in total EUR 200,001) or (b) if the Financier so decides in its sole discretion and its corporate organs have so approved, issue Consideration Shares amounting to EUR 66,667 in value to each of the Founders (i.e., in total EUR 200,001 in value).

- 6.1.2 It is agreed and acknowledged between the Parties that the Founders are entitled to the cash payments and possible Consideration Shares (without any repayment obligation) set out in Section 6.1.1 even if the Financier would not purchase or is not allowed to purchase the First Tranche Shares as set out below in Section 6.3. The Financier acknowledges that the aforesaid is reasonable in view of the purpose of this Agreement and the intent of the Parties.

### **6.2. Equity Investments**

- 6.2.1 Subject to Section 6.2.2, it is agreed between the Parties that on or before the second (2<sup>nd</sup>) anniversary of the Effective Date, the Financier shall have made periodic voluntary capital contributions to the unrestricted equity fund of the Company (the "**Equity Investments**") amounting to in total of EUR 2,000,000 to be used by the Company exclusively for Exploration Expenditures in accordance with the relevant Quarterly Budget(s). In consideration of the Financier making the Equity Investments pursuant to the terms of this Agreement, the Company gives the Warranties set out in **Schedule 6.2.1** and the Founders gives the Warranties set out in Section 19 of **Schedule 6.2.1** to the Financier on the Signing Date and the Effective Date.

- 6.2.2 The Financier shall be entitled to immediately terminate this Agreement (it being understood that the Financier, in its sole discretion, may waive its rights under this Section 6.2.2) subject to 10 Business Days prior written notice to the Founders, upon the occurrence of (prior to the second anniversary date of the Effective Date):

- (i) any breach of the Fundamental Warranties (which, for the avoidance of doubt, shall be deemed to be given as per the Signing Date and Effective Date and repeated each time the Financier makes an Equity Investment);
- (ii) any breach by the Company of other Warranties or by the Founders of the Warranties set out in Section 19 of **Schedule 6.2.1** (such Warranties, for the avoidance of doubt, shall be deemed to be given as per the Signing Date and Effective Date and repeated each time the Financier makes an Equity Investment), and such breach causes or may reasonably be expected to cause Loss in excess of EUR 50,000;

- (iii) the Company's default under, or non-compliance with the terms of the loan granted to the Company by TEKES / Business Finland amounting to a maximum of EUR 556,000, causing partial early repayment or full early repayment of the said loan amount, and such default or non-compliance causes or may reasonably be expected to cause Loss in excess of EUR 50,000; or
  - (iv) any prohibition, inhibition or restriction in the development of the mining concession (Mining Register number: K7802) into an operating mine for the sole reason of Outokumpu Golf Club Association's use of the golf course area located at the mining lease area of the Keretti mine, and such prohibition, inhibition or restriction causes or may reasonably be expected to cause Loss in excess of EUR 50,000 (it being understood among the Parties that this Section 6.2.2(iv) shall not apply to any other circumstances, including but not limited to the Company not being granted mandatory, required or financially feasible permits under the Mining Acts, environmental laws, water laws, damn safety laws or other Laws, zoning reasons, any government, authority or municipality decision-making or changes of practices or interpretations by such decision-makers, changes in the Mining Acts or any other Laws or any similar reason).
- 6.2.3 Following the Financier's notice of termination pursuant to Section 6.2.2, the Share Pledge Agreement and this Agreement shall terminate (save for the Sections of this Agreement which are intended to survive any termination of this Agreement, including Sections 14, 15, 16, 17, 18 and 19). For the avoidance of doubt, following the occurrence of any of the events set out in Section 6.2.2(i), 6.2.2(ii), 6.2.2(iii) or 6.2.2(iv), the Financier shall not be obliged to make any Equity Investments, and shall not be entitled to exercise the First Option (unless waived by the Founders in writing). In the event that the First Tranche Shares are sold to the Financier under the Share Purchase Agreement and the Founders are required to pay indemnification resulting from the occurrence of circumstances set out in Section 8.3.1(i) and/or 8.3.1(ii) of the Share Purchase Agreement, it is agreed and acknowledged among the Parties that the Financier shall not be entitled to exercise, unless waived by the Founders in writing, the Second Option and Third Option.
- 6.2.4 Upon the occurrence of any of the events set out in Section 6.2.2(i), 6.2.2(ii), 6.2.2(iii) or 6.2.2(iv) prior to the second anniversary date of the Effective Date, the aggregate amount of any Equity Investments contributed to the Company pursuant to Sections 6.2.1 and 6.2.4 prior to such occurrence shall be repaid by the Company to the Financier as dividend, provided that the Company has failed to rectify the breach, if curable, within thirty (30) Business Days after having received a notice from the Financier. The Founders undertakes to take any all action that is required or advisable for the Company's payment of such dividend, including but not limited to voting for such dividend at the General Meeting, it being understood that the Company can pay dividends only if the Companies Act allows such a dividend payment. The Financier understands that the termination right set out in Section 6.2.2 and the dividend right set out in Section 6.2.4 is the sole and exclusive remedy available to the Financier for any breach of Section 6.2.2(i), 6.2.2(ii), 6.2.2(iii) or 6.2.2(iv), and no other remedy, including any right to claim damages or any remedy under Section 18, shall be available to the Financier.
- 6.2.5 The Equity Investments shall be invested by the Financier into the Company in accordance with such periodic payment schedules as agreed in the respective Quarterly Budget. Assuming that the Company has received Equity Investments in accordance with a respective Quarterly Budget, the Company shall pay Exploration Expenditures as agreed in the Quarterly Budget. It is agreed between the Parties that the Financier shall have a veto-right to all Exploration Expenditures not agreed in a respective Quarterly Budget, but not any veto-rights if an Exploration Expenditure

has been agreed in the Quarterly Budget. It is agreed between the Parties that the Founders are not obliged to send to the Financier any draw-down notices or any other requests for Equity Investments since each Equity Investment must be made in accordance with the periodic payment schedules agreed in advance in a Quarterly Budget. The first Quarterly Budget has been attached hereto as **Schedule 6.2.5**.

### 6.3. **First Option**

6.3.1 Upon completion of the EUR 2,000,000 Equity Investments set out in Section 6.2.1 (it being understood that such Equity Investments must have been made on or prior to the second (2<sup>nd</sup>) anniversary of the Effective Date) and provided that the Financier has not materially breached the obligations set out in this Agreement, each Founder shall, upon the written exercise notice by the Financier to the Founders, transfer 200,000 Shares to the Financier, in total 600,000 Shares (collectively the "**First Tranche Shares**"), representing 40% of the outstanding Shares in the Company (the "**First Option**") in consideration for the simultaneous payment of (i) EUR 83,334 in cash to each of the Founders (i.e., in total of EUR 250,002), and (ii) either (a) pay in cash to each of the Founders EUR 333,334 (i.e., in total EUR 1,000,002) or (b) if the Financier so decides in its sole discretion and its corporate organs have so approved, issue Consideration Shares amounting to EUR 333,334 in value to each of the Founders (i.e., in total EUR 1,000,002 in value) (collectively the "**First Tranche Payments**"). The First Tranche Shares shall be transferred within sixty (60) days from the two-year (2) anniversary date of the Effective Date pursuant to the terms and conditions of the Share Purchase Agreement.

6.3.2 Subject to Section 6.2.2, it is acknowledged between the Parties that if any of the Equity Investments pursuant to Section 6.2.1 is paid and/or issued later than sixty (60) days, or as amended and agreed to by the Parties, from its due dates set out above or otherwise not in accordance with the terms and conditions set out above and the Financier has not paid and/or issued the relevant Equity Investment or not remedied such breach, if curable, within ten (10) Business Days of the receipt of a written notice by the Company and/or the other Parties, the Financier shall not be entitled to demand that the Founders shall transfer the First Tranche Shares and the Financier shall not become a Shareholder of the Company. In such a case, the entire transaction to the Financier set out in this Agreement shall be null and void as well as rescinded and the Founders and the Company shall be entitled to retain all payments received from the Financier without any repayment obligation. Furthermore, in such a case, the Parties are not entitled to demand that the Founders shall transfer the Second Tranche Shares or Third Tranche Shares and this Agreement shall terminate with respect to the Financier (save for Sections that will survive the termination of this Agreement as set out in Section 17.2). The Financier acknowledges that the aforesaid is reasonable in view of the purpose of this Agreement and the intent of the Parties.

6.3.3 In case the First Tranche Shares are sold to the Financier as set out above, the shareholding of the Company is follows:

Shareholder	Number of Shares and Votes	Shareholding / %
Financier	600,000	40%
Alandra	300,000	20%
Kiviralli	300,000	20%
Tetra	300,000	20%
<b>In total</b>	<b>1,500,000</b>	<b>100,00%</b>

### 6.4. **Second Option**

- 6.4.1 The Financier shall have the right to exercise the Second Option only if it has complied with the terms of the First Option as set out in Section 6.3.
- 6.4.2 On or before 36 months from the Effective Date, the Financier shall have made Equity Investments to the Company amounting to in total of EUR 500,000 to be used by the Company for Exploration Expenditures.
- 6.4.3 Upon completion of the EUR 500,000 Equity Investments set out in Section 6.4.2 and provided that the Financier has not materially breached the obligations set out in this Agreement, each Founder shall, upon the written exercise notice by the Financier to the Founders, transfer 150,000 Shares to the Financier, in total 450,000 Shares (collectively the "**Second Tranche Shares**"), representing 30% of the outstanding Shares in the Company (the "**Second Option**") in consideration for the simultaneous payment of (i) EUR 83,334 in cash to each of the Founders (i.e., in total EUR 250,002), and (ii) either (a) pay in cash to each of the Founders EUR 333,334 (i.e., in total EUR 1,000,002) or (b) if the Financier so decides in its sole discretion and its corporate organs have so approved, issue Consideration Shares amounting to EUR 333,334 in value to each of the Founders (i.e., in total EUR 1,000,002 in value) (collectively the "**Second Tranche Payments**"). The Second Tranche Shares shall be transferred within sixty (60) days from the third (3<sup>rd</sup>) anniversary date of the Effective Date pursuant to the terms of the STA.
- 6.4.4 It is agreed and acknowledged between the Parties that if any of the Second Tranche Payments is paid and/or issued later than sixty (60) days, or later as agreed by the Parties, from its due date set out above or otherwise not in accordance with the terms set out above, the Parties shall not be entitled to demand that the Founders shall transfer the Second Tranche Shares (or Third Tranche Shares). The Financier acknowledges that the aforesaid is reasonable in view of the purpose of this Agreement and the intent of the Parties.
- 6.4.5 In case the Second Tranche Shares are sold to the Financier, the shareholding of the Company is as follows:

Shareholder	Number of Shares and Votes	Shareholding / %
Financier	1,050,000	70%
Alandra	150,000	10%
Kiviralli	150,000	10%
Tetra	150,000	10%
<b>In total</b>	<b>1,500,000</b>	<b>100,00%</b>

#### 6.5. **Third Option**

- 6.5.1 The Financier shall have the right to exercise the Third Option only if it has complied with the terms of the First Option and Second Option set out above in Sections 6.3 and 6.4.
- 6.5.2 Provided that the Financier has not materially breached the obligations set out in this Agreement, each Founder shall, upon the written exercise notice by the Financier to the Founders, transfer 150,000 Shares to Financier, in total 450,000 Shares (collectively the "**Third Tranche Shares**"), representing 30% of the outstanding Shares in the Company (the "**Third Option**") in consideration for the simultaneous payment of (i) EUR 100,000 in cash to each of the Founders (i.e., in total EUR 300,000), and (ii) either (a) pay in cash to each of the Founders EUR 333,334 (i.e., in total EUR 1,000,002) or (b) if the Financier so decides in its sole discretion and its corporate organs have so approved, issue Consideration Shares amounting to EUR 333,334 in value to each of the Founders (i.e., in total EUR 1,000,002 in value) (collectively the "**Third Tranche Payments**"). The Third Tranche Shares shall be

transferred within sixty (60) days from the fourth (4<sup>th</sup>) anniversary date of the Effective Date pursuant to the terms of the STA. In case the Third Tranche Shares are sold to the Financier, the Financier owns 100% of the outstanding Shares in the Company.

6.5.3 Upon acquiring 100% of all Shares in the Company, the Company shall grant 0.3334% Net Metals Royalty to each Founder (in aggregate 1.0002% Net Metals Royalty) as set out in Section 9.

6.5.4 It is agreed and acknowledged between the Parties that if any of the Third Tranche Payments is paid and/or issued later than sixty (60) days, or later as agreed by the Parties, from its due date set out above or otherwise not in accordance with the terms set out above, the Parties shall not be entitled to demand that the Founders shall transfer the Third Tranche Shares. The Financier acknowledges that the aforesaid is reasonable in view of the purpose of this Agreement and the intent of the Parties.

## 6.6. **Commercial Production Payment**

6.6.1 Within sixty (60) days of declaring Commercial Production, the Financier shall:

- (i) pay EUR 166,667 in cash to each of the Founders (i.e., in total EUR 500,001); and
- (ii) either (a) pay in cash to each of the Founders EUR 500,000 (i.e., in total EUR 1,500,000) or (b) if the Financier so decides in its sole discretion and its corporate organs have so approved, issue Consideration Shares amounting to EUR 500,000 in value to each of the Founders (i.e., in total EUR 1,500,000 in value).

## 7 **CONSIDERATION SHARES AND BOARD SEAT IN FINANCIER**

### 7.1. **Consideration Shares**

7.1.1 Any issue of shares in the share capital of the Financier for the purpose of discharging certain payment obligations of the Financier pursuant to the terms of the Options or the option set out in Section 6.1.1 (the "**Consideration Shares**") shall be conditional upon the resolution of such issue by relevant corporate organs of the Financier in compliance with applicable corporate and securities laws as well as stock exchange regulation. For the purposes of this Agreement, the following shall apply to such issues of Consideration Shares:

- (i) the value of any Consideration Shares issued shall be calculated on the basis of the volume weighted average price during the 10 trading days immediately prior to the date for the relevant issue resolution;
- (ii) each Founder shall execute and deliver to the Financier subscriptions lists for the Consideration Shares the relevant Founder is entitled to subscribe for, and requesting to pay the subscription price therefor by set-off against the relevant Founder's right to receive the corresponding cash payment price;
- (iii) the board of directors of the Financier shall resolve on the allotment (Sw. *tilldelning*) of Consideration Shares subscribed by the Founders, and, subject to relevant requirements therefor being satisfied, the approval of the relevant Founder's request to pay by set-off;
- (iv) the Financier shall make requisite filings with the Swedish Companies Registration Office (Sw. *Bolagsverket*) for the due registration of the share increase resulting from the issuance and subscription of the Consideration Shares;
- (v) each Founder shall deliver to the Financier in writing delivery instructions for

any and all Consideration Shares subscribed for, including information regarding the relevant Founder's securities VP-account or nominee account;

- (vi) the Financier shall upon receipt of evidence from the Swedish Companies Registration Office (Sw. *Bolagsverket*) that the share increase resulting from the issuance and subscription of the Consideration Shares has been registered, instruct its issuing agent to create the Consideration Shares in the VPC-system and register the Consideration Shares on the Founders' respective securities VP-accounts or nominee accounts and notify the relevant stock exchange thereof; and
- (vii) each Founder shall immediately upon any subscription of Consideration Shares subject Consideration Shares so subscribed to a 270-day lock-up arrangement pursuant to the terms of the Lock-up Undertaking.

7.1.2 It shall be agreed and acknowledged among the Parties that as long as the Founders have any entitlement to Consideration Shares under this Agreement:

- (i) the Financier shall not make any voluntary de-listing decision regarding the Consideration Shares without the prior written consent of the Founders, such consent not to be withheld where de-listing would be required by the relevant stock exchange or where continued listing would be contrary to the terms of relevant stock exchange regulations or good stock market practice (Sw. *god aktiemarknadssed*), and otherwise not to be unreasonably withheld; and
- (ii) the Sellers, acting in concert or individually, shall not participate in any transaction, or series of transactions, involving Shares during the 30 trading days immediately prior to the date for any resolution to issue Consideration Shares pursuant to this Agreement, which may reasonably affect the market price of Shares in the Company, it also being understood that such transaction, or series of transactions, may constitute a criminal offence under applicable law.

## 7.2. **Board Representation in Financier**

7.2.1 The Parties agree that as soon as practicable following the consummation of the Financier's acquisition of the Second Tranche Shares, the board of directors of the Financier shall publish a notice to a shareholders' meeting for the purpose of the election of a director of the board of the Financier nominated by the Founders (the "**Nominee**"). The Nominee shall be added to the Financier's directors and officers liability insurance. The Founders understand that the Nominee must be qualified to be a director under Swedish laws and the Financier cannot guarantee that the Nominee will be elected to the board of directors since it will be elected by the shareholders.

7.2.2 Should within 24 months and 10 Business Days of the the Effective Date the Financier not have exercised the First Option, the Founders agree to cause their Nominee, if elected to the board of directors of the Financier, to resign from the board of directors of the Financier immediately following the Financier's advice that it is not proceeding with the First Option. Additionally, if the Founders exercise the Clawback Option such that the Financier is no longer a Shareholder of the Company, the Founders agree to cause their possible Nominee to resign from the board of directors of the Financier immediately.

## **8 CLAWBACK**

### 8.1. **Clawback Option**

8.1.1 Subject to Section 8.1.3, if: (a) the Financier has not purchased all Shares from the Founders within eight (8) years from the Effective Date in accordance with First

Option, Second Option and Third Option; and (b) the Commercial Production has not commenced within the same time, the Founders shall have a right, but not an obligation, to purchase any and all Shares sold to the Financier (the "**Clawback Option**").

- 8.1.2 If the Clawback Option is executed, the Founders shall pay to the Financier in consideration for the Shares subject to the Clawback Option an aggregate amount equalling the aggregate Exploration Expenditures made by the Company and financed by the Financier since the signing of this Agreement *minus* all salaries (including mandatory employment pension contributions, mandatory social contributions or similar) paid from such Exploration Expenditures. Such consideration shall be paid to the Financier immediately following the execution of the Clawback Option by way of a transfer of immediately available funds (receipt on the same day as transfer) to the Financier's bank account as notified to the Founders.
- 8.1.3 The eight (8) year period described above, shall be extended by a period equivalent to the period of delay resulting from an unforeseen intervening event (such as government or regulatory delays that substantially delay permitting or other third party approvals required for Commercial Production within the eight (8) year period) which precludes the Financier from proceeding into Commercial Production. The Financier must give notice to Founders of such intervening event, for the calculation of the time extension, and its termination thereof. The Financier will take all reasonable steps to eliminate an intervening event. Regulatory delays include delays resulting from environmental review processes and permitting review processes to the extent exceeding normal periods. All Parties understand and acknowledge that the Company already has valid environmental permit for mining and water permit as well as mining concession permit.
- 8.1.4 Following the time period within which the Clawback Option may be exercised pursuant to Section 8.1.1, the Founders shall be entitled to transfer the Clawback Option to a third party. In the event the Founders wish to transfer the Clawback Option to a third party they shall notify the Financier thereof in writing (the "**Clawback Transfer Notice**"), in which case the Financier shall have a right of first refusal to prevent the transfer of the Clawback Option by paying the same cash price as the third party offeror.
- 8.1.5 Should the Founders or a third-party exercise the Clawback Option pursuant to this Section 8, the Financier's representations and warranties, limitations of liability as well as other terms and conditions shall be in all material respect equal as given by the Founders in (a) the STA should the Founders still be Shareholders of the Company at the time of exercise the Clawback Option; or (b) Share Purchase Agreement should the Founders not anymore be Shareholders of the Company at the time of exercise of the Clawback Option.

## **9 NET METALS ROYALTY**

### **9.1. Net Metals Royalty**

- 9.1.1 For the purposes of this Agreement, the "**Net Metals Return**" shall mean the amount received by the Company from the Sale of refined or semi-refined metal and mineral products (including nickel, copper, cobalt, gold and silver, hereinafter the "**Products**") mined from the Mine net of the Allowable Deductions. The Company agrees to pay to each Founder as set out in Section 6.5.3 (each a "**Royalty Holder**" and collectively the "**Royalty Holders**") on the commencement of Commercial Production of the Mine, a net metals royalty (the "**Net Metals Royalty**") equal to a 0.3334% of the Net Metals Return in respect of each Founder (in aggregate 1.0002% Net Metals Royalty) from the Sale of all Products on the terms and conditions specified in this Agreement. The Company shall keep the Royalty Holders updated as

to the progress of the Mine's mining activities and the Company must notify the Royalty Holder(s) in writing of the occurrence of Commercial Production without any delays.

9.1.2 The Net Metals Return and the Net Metals Royalty shall be calculated in accordance with the Accounting Principles and good mining practice. If concentrate (or less than a refined or semi-refined Product is sold), the calculation will take into account the revenue difference between the Sale of the refined or semi-refined Product and the Sale of the concentrate net of Allowable Deductions (based upon mutually agreed upon calculation of assumed processing costs between the Parties, or if such agreement cannot be reached within sixty (60) days, then based on Independent Auditor's calculation of assumed processing costs otherwise incurred to reach a refined or semi-refined Product). The Company shall bear the costs and expenses of such Independent Auditor.

9.1.3 The Company will be permitted to sell Products to an Affiliate of the Company or other Person that is not at arm's length to the Company, provided that such Sales will be deemed, for the purposes of this Agreement, to have been sold at prices and on terms no less favorable to the Company than those that would be extended by an unaffiliated third Person in an arm's length transaction under similar circumstances.

## 9.2. **Payment of the Net Metals Royalty**

9.2.1 The Net Metals Royalty will be due and payable quarterly on the 30<sup>th</sup> day following the end of the calendar quarter in which the obligation to pay the same accrued. The Net Metals Royalty payments will be accompanied by a statement (a "**Quarterly Statement**") showing, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, in a detailed manner:

- (i) the quantities and grades of Products produced and sold or deemed sold by the Company in the preceding calendar quarter;
- (ii) the amount of Sale of the Products on which Net Metals Royalty is due;
- (iii) Allowable Deductions; and
- (iv) other pertinent information in sufficient and professional detail to explain the calculation of the Net Metals Royalty payment.

9.2.2 Payments hereunder will be made without demand, notice, set-off, or reduction, by wire transfer in cleared immediately available funds, to such account or accounts as the Royalty Holder(s) may designate pursuant to bank account details provided by the Royalty Holder(s) to the Company not less than three (3) Business Days prior to the date upon which such payment is to be made as described under Section 9.2.1.

9.2.3 For the purposes of determining the Net Metals Return, all receipts and disbursements in a currency other than EUR shall be converted into EUR currency on the day of receipt or disbursement at the average rate for the month of disbursement determined using the Bank of Finland 17:00 hours rates.

## 9.3. **Adjustment**

9.3.1 All Net Metals Royalty payments will be considered final and in full satisfaction of all obligations of the Company with respect thereto, unless the Royalty Holder(s) gives the Company written notice describing and setting forth a specific objection to the determination thereof within ninety (90) days after receipt by the Royalty Holder of the Quarterly Statement. If the Royalty Holder(s) objects to a particular Quarterly Statement as herein provided, the Royalty Holder will, for a period of sixty (60) days after the Company receives notice of such objection, have the right, upon reasonable notice, to have the Company's accounts and records relating to the calculation of the Net Metals Royalty in question audited by an Independent Auditor and who enters

into a confidentiality undertaking substantially in the terms as strict as in this Agreement. If such audit determines that there has been a deficiency in the payment made to the Royalty Holder(s), such deficiency will be resolved by adjusting the next quarterly Net Metals Royalty payment as set out below. Should the audit determine that there has been an excess in the payment made to the Royalty Holder, such excess shall not be adjusted in the next quarterly Net Metals Royalty payment and it shall be the Company's loss. The Royalty Holder(s) will pay all costs of such audit (but not any legal fees of Company) unless a deficiency of one percent (1%) or more of the amount due to the Royalty Holder is determined to exist and in such a deficiency case the Company shall pay: (i) to each Royalty Holder EUR 25,000 as liquidated damages in the next quarterly Net Metals Royalty payment; (ii) the Royalty Holder(s) reasonable legal costs; and (iii) all costs of such audit. Failure on the part of the Royalty Holder(s) to make claim on the Company for adjustment in such 90-day period will establish the correctness of the payment and preclude the filing of exceptions thereto or making of claims for adjustment thereon.

9.3.2 The Parties shall jointly instruct the representative of the Independent Auditor that he/she shall:

- (i) act as an expert and not as an arbitrator; and
- (ii) render his/her written decision, together with the reasons, in English within thirty (30) Business Days after the end of the sixty (60) days period referred to above in Section 9.3.1.

9.3.3 Each Party shall be entitled but also obligated to provide the Independent Auditor the documentation and assistance deemed necessary by the Independent Auditor for resolving the dispute. Should the Company not provide the Independent Auditor the documentation and assistance deemed necessary by the Independent Auditor, the Company shall pay the costs of such audit regardless if deficiency of more than one percent (1%) is found. A copy of any written communication to the Independent Auditor shall simultaneously be provided to the Company and the Royalty Holder(s).

#### 9.4. **Repurchase of Net Metals Royalty**

9.4.1 At any time following the Financier's exercise of the Third Option, the Financier shall have an option to purchase each Founder's Net Metals Royalty (including any and all related rights) for a cash payment to each Founder of EUR 500,000 (i.e., in total EUR 1,500,000).

#### 9.5. **Stockpiling**

9.5.1 The Company shall be entitled to temporarily stockpile (however, always less than one (1) year, otherwise it shall be a Sale), store or place Products off the Mine provided that the same are appropriately identified as to ownership and origin, are secured from loss, theft, tampering and contamination and that the Company has entered into a written agreement in recordable form with the property owner where such stockpiling, storage or placement is to occur which provides that the Royalty Holder's rights to the Products shall be preserved. Such agreement shall provide, inter alia, that (i) the Royalty Holder's rights pursuant to this Agreement, insofar as they are applicable, shall continue in full force and effect with respect to Products, (ii) the Royalty Holder's rights in and to the Products shall be the same as if the Products were situated on the Mine, (iii) the Royalty Holder's rights set forth in this Section 9.5.1 shall have precedence over the rights to the Products of the property owner where the Products are stockpiled, stored or placed, as well as the creditors of the said property owner, and (iv) the agreement shall be irrevocable as long as the Products from the Mine, or any part thereof, remain on the property not part of the Mine.

**9.6. Tailings and Residues**

9.6.1 All tailings, residues, waste rock, spoiled leach materials, and other materials resulting from the Company's operations and activities on the Mine shall be the sole property of the Company, but shall be considered Products and remain subject to the Net Metals Royalty should the same be sold, processed or reprocessed, as the case may be, in the future and result in Net Metals Return.

**9.7. Transfer of Net Metals Royalty**

9.7.1 The Company shall not, directly or indirectly, sell, assign, lease, license, transfer, hypothecate, encumber, or otherwise dispose of, or agree to sell, assign, lease, license, transfer, hypothecate, encumber, or otherwise dispose of, its rights, liabilities and obligations under the Net Metals Royalty, the Mine, any portion thereof or any interest therein, including an Asset Sale (collectively "**Royalty Transfer**"), without the prior written consent of the Royalty Holder(s), such consent not to be unreasonably withheld; provided that, any purchaser, permitted assignee or transferee shall have first entered into an agreement satisfactory to the Royalty Holder(s), at their sole discretion, under which such purchaser, assignee or transferee shall assume the Company's obligations to the Royalty Holder under this Agreement with respect to the Net Metals Royalty or the portion thereof or interest therein.

**9.8. Pledge**

9.8.1 Should the Company execute a Royalty Transfer in accordance with Section 9.7.1, the Royalty Holder(s), at their sole discretion, may, in addition to the rights set out in Section 9.7.1, also require that the mining concession (Mining Register number: K7802) as well as any other Licences shall be pledged in favour of the Royalty Holder(s) (the "**Pledge**") in accordance with the Mining Acts and such Pledge shall be recorded to the Mining Register. The agreement(s) concerning the Pledge shall be made without any delays from a Royalty Holder(s) written request and the Pledge agreement(s) shall contain terms and conditions as reasonably requested by the Royalty Holder(s).

**9.9. Title Maintenance and Surrender**

9.9.1 The Company shall maintain title to the Mine, and keep the Licenses in good standing in accordance with the Mining Acts and applicable other laws, including without limitation, doing all things and making all payments necessary or appropriate to maintain the right, title and interest of the Company and the Royalty Holder(s), respectively, in the Mine and to the Licenses.

9.9.2 If at any time after the Signing Date, the Company intends to surrender the Mine or any of the Licenses (it being understood, for the avoidance of doubt, that any surrender which implies that the Company is entitled to any kind of direct or indirect consideration therefor, shall not constitute surrender for the purposes hereof), it shall forthwith issue a written notice to the Royalty Holder(s) (the "**Surrender Notice**") and the Royalty Holder(s) shall be entitled, but not obliged, to acquire any or all of the Licenses owned by the Company for a consideration of EUR 1.00 per each License by notifying the Company within sixty (60) Business Days of receipt of the Surrender Notice of their intention to do so; following which the Company shall take all reasonable steps to cooperate with the Royalty Holder(s) to effect such acquisition and transfer of the Licenses to the Royalty Holder(s) or to whom as they may direct.

**9.10. Company to Determine Operations**

9.10.1 The Company will have complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Mine and may suspend operations and production on the Mine at any

time it considers prudent or appropriate to do so.

9.11. **Right of Inspection**

9.11.1 The Royalty Holder(s), having given not fewer than seven (7) days' advance notice to the Company, shall have the right of access, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, to such data and analyses and the right to perform such inspections necessary in connection with the operations of the Mine relating to the calculation of the Net Metals Royalty, and the Company agrees to provide, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, extensive cooperation and assistance to accommodate the Royalty Holder(s) in carrying out such inspections.

9.12. **Indemnity**

9.12.1 The Company agrees that it will defend, indemnify, reimburse and hold harmless the Royalty Holder(s), their shareholders, directors and employees and their successors and assigns (collectively the "**Indemnified Parties**"), and each of them, from and against any and all claims, demands, liabilities, actions, proceedings, obligations, losses, costs, damages, expenses and legal fees (the "**Indemnified Losses**") that may be made or brought against the Indemnified Parties or which they may sustain, pay or incur that result from or relate to operations conducted on or in respect of the Mine that result from or relate to the mining, handling, transportation, smelting or refining of the Products or the handling or transportation of the Products, including but not limited to a breach applicable laws, permits, certificates and Licences and environmental obligations thereunder, except to the extent that such Indemnified Losses arise from the negligence or wilful misconduct of the relevant Indemnified Parties.

9.12.2 The indemnity provided in Section 9.12.1 above is limited to claims, demands, liabilities, actions, proceedings, obligations, losses, costs, damages, expenses and legal fees that may be made or taken against an Indemnified Party in its capacity as or related to the Royalty Holder as a holder of the Net Metals Royalty and will not include any indemnity in respect of any claims, demands, liabilities, actions, proceedings, obligations, losses, costs, damages, expenses and legal fees against an Indemnified Party in any other capacity.

**10 CERTAIN PROTECTIVE RIGHTS**

10.1. **Future Financing**

10.1.1 The Founders shall not be obligated to participate in any future issuances of Shares (except for the issuance of additional shares issued to the Founders free of charge as set out in Section 10.2) or other increase of the equity of the Company, to grant any loans to the Company or to guarantee or provide any security over any of the Company's debts or liabilities.

10.2. **Anti-Dilution**

10.2.1 In the event that the Company needs financing by way of issuance of new Shares (or Share issuance without charge, i.e. a split) prior to the exercise of the Third Option, the Founders shall be entitled to the following anti-dilution protection: the Founders shall be issued such number of additional Shares (of the same series of Shares previously held by them or, if the new Shares triggering this anti-dilution protection have better rights than the Shares previously held by them, the same series of Shares triggering this anti-dilution protection) free of charge so that each Founder's ownership remains the same regardless of the dilutive Share issuance.

10.2.2 Each of the Shareholders hereby undertake to execute the necessary waivers, to exercise its powers and voting rights in General Meetings, and to procure that the

relevant director(s) nominated by such Shareholder exercise(s) its/their powers and voting rights on the Board, in order to facilitate this anti-dilution protection in accordance with this Section 10.2.

### 10.3. **Waiver of Certain Rights**

10.3.1 Each Shareholder hereby, irrevocably and unconditionally, waives:

- (i) the right to require the Board to issue any Share Certificates and understands that no Share Certificates have been issued to date;
- (ii) all rights to demand for minority dividend (in Finnish: *vähemmistöosinko*);
- (iii) any and all rights under Chapter 18 (in Finnish: *vähemmistöosakkeiden lunastaminen*) of the Companies Act;
- (iv) all rights to demand a General Meeting to decide on a merger as set out in Chapter 16, Section 9 of the Companies Act or the right to demand the Shareholder's Shares to be redeemed in a merger; and
- (v) all rights to demand a General Meeting to decide on a demerger as set out in Chapter 17, Section 9 of the Companies Act or the right to demand the Shareholder's Shares to be redeemed in a demerger.

10.3.2 The Shareholders acknowledge that the aforesaid waiver of rights is reasonable in view of the purpose of this Agreement and the intent of the Parties.

### 10.4. **Access to Information**

10.4.1 Within thirty (30) Business Days from the end of each calendar quarter, the Company shall provide, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, to the Shareholders and possible Royalty Holder(s) an information package comprising of the following documents: (i) quarterly unaudited financial report, (ii) quarterly budget; and (iii) a report on the financial, operational and mining matters in the respective period. Moreover, the Company shall provide to the Shareholders and Royalty Holder(s) the statutory audited annual financial statements (in addition to the auditor's report) prepared in accordance with the Accounting Principles within 180 days after the end of each financial year.

10.4.2 In addition to the foregoing, the Company shall provide, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, the Shareholders and Royalty Holder(s) without undue delay and without any charge all published and internally used non-public Mineral Resource Estimates related to the Mine. Moreover, the Company shall provide, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, the Shareholders and Royalty Holder(s) without undue delay with any such additional reports and information relating to the Company as the Shareholders and Royalty Holder(s) may require from time to time. The Shareholders and Royalty Holder(s) shall also be entitled to receive, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, such reports, materials and information from the Company's auditors and other professional advisors and the Company undertakes to notify such Persons of this right and make copies of such materials.

10.4.3 The Shareholders and Royalty Holder(s), together with their duly authorized representatives, shall also have the right, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, at any time during the Company's office hours to examine or appoint an examiner to examine the Company's accounts, documents, administration and financial position and make copies thereof, and the Company shall make, subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, available its relevant personnel to assist the Shareholders and Royalty Holder(s) in the examination of the

respective material.

## **11 SECURITY**

### **11.1. Share Pledge**

11.1.1 For the due and punctual discharge and performance by the Founders of the Secured Obligations (as defined in the Share Pledge Agreement), the Founders shall pledge their holding of Shares from time to time pursuant to the terms of the "**Share Pledge Agreement**" and Parties shall do any and all such other things as are necessary or advisable for the due consummation of the transactions envisaged in the Share Pledge Agreement.

## **12 GOVERNANCE OF THE COMPANY**

### **12.1. Board of Directors**

12.1.1 The Articles to be amended on or around the Effective Date and attached hereto as **Schedule 12.1.1** (the "**Amended Articles**") provide that the Board shall consist of at the minimum of one (1) and at the maximum of three (3) ordinary members.

12.1.2 As long as the Second Tranche Shares have not been sold by the Founders to the Financier and provided that the Financier has not lost its right to require the Second Tranche Shares to be sold, the Shareholders shall have the right to nominate Board members as follows:

- (i) the Founders collectively shall have the right, but no obligation, to nominate the Chairman of the Board and one (1) ordinary Board member (in addition to the Chairman of the Board) and their personal deputy members; and
- (ii) the Financier shall have the right, but no obligation, to nominate one (1) ordinary Board member and his or her personal deputy member,

all of whom shall be duly elected by the General Meeting as soon as possible following the relevant nomination.

12.1.3 Should the Financier inform the Founders that it shall not acquire the First Tranche Shares or if the Financier has not paid all of the First Tranche Payments within sixty (60) days from the second (2) year anniversary date of the Effective Date in accordance with Section 6.3, the Financier shall not be anymore entitled to nominate any Board members.

12.1.4 After the Second Tranche Shares have been sold by the Founders to the Financier but before the sale of Third Tranche Shares by the Founders to the Financier, the Shareholders shall have the right to nominate Board members as follows:

- (i) the Financier shall have the right, but no obligation, to nominate the Chairman of the Board and one (1) ordinary Board member (in addition to the Chairman of the Board) and their personal deputy members, all of whom shall be duly elected by the General Meeting as soon as possible following such nomination; and
- (ii) the Founders collectively shall have the right, but no obligation, to nominate one (1) ordinary Board member and his/her personal deputy member,

all of whom shall be duly elected by the General Meeting as soon as possible following the relevant nomination.

12.1.5 Once the Third Tranche Shares have been sold by the Founders to the Financier, the Founders are not entitled to nominate any Board members. However, even after the Founders have lost their right to appoint a Board member as set out above, the Founders shall have the right, but no obligation, to nominate an observer member to the Board (an "**Observer Member**") to secure the appropriate payment of the Net

Metals Royalty as long as the Founders have entitlement to the Net Metals Royalty. Subject to such restrictions as may apply pursuant to applicable law or stock exchange regulation, the Observer Member shall: (i) be allowed to participate in all Board meetings; (ii) be provided all materials of the Board as provided to actual Board members; and (iii) be informed about the Board meetings as set out in Section 12.2.

12.1.6 At each relevant General Meeting, the Founders and the Financier undertake to procure that those Board members who have resigned in connection with Section 12.1 are granted full and unconditional discharge from liability for their management and administration until the date of resignation, provided, however, that there are no sound reasons to decide otherwise (acting in a bona fide manner).

## 12.2. **Board Meetings**

12.2.1 Unless otherwise agreed between the ordinary members of the Board and unless the Companies Act otherwise requires, the Board meetings shall be convened by sending a written notice to the ordinary members of the Board by means of an email or in some other verifiable way. If an ordinary member of the Board cannot attend a meeting, he/she has to forward the convening notice to his or her personal deputy member (if any). The Board shall convene as needed, however at the minimum of four (4) times a year.

12.2.2 The Board may also have meetings by means of a conference telephone, conference video or similar communication method allowing all persons participating in such meeting to hear each other at the same time. Participation by such means shall constitute persons present in person and resolutions made thereat and the minutes thereof will have the same force as if the meeting had been held in person, provided that minutes of such meeting are subsequently signed by all participating Board members.

## 12.3. **Remuneration and Costs**

12.3.1 The remuneration, if any, paid to the members of the Board shall be decided annually by the General Meeting taking into consideration the financial standing of the Company.

12.3.2 The Company shall reimburse reasonable travel expenses and accommodation to each Board member.

## 12.4. **Directors and Officers Liability Insurance**

12.4.1 It is agreed between the Parties that the Company shall take, without any delays, customary directors and officers liability insurance and environmental insurance for the Board members and directors of the Company.

## 12.5. **Managing Director**

12.5.1 It is agreed between the Parties that on the Effective Date, the Company and Markus Ekberg shall sign the MD Agreement attached hereto as **Schedule 12.5.1**.

## 12.6. **Decision-making**

12.6.1 The resolutions of the Board shall be taken by means of the majority of votes. Prior to the sale of the Second Tranche Shares, the following resolution(s), however, shall not be made, regardless of the corporate body who makes the resolution (General Meeting or Board meeting for instance), without the written consent of the majority of the Founders:

- (i) any material changes to the Business Plan;
- (ii) the issuance of Share Certificates (which resolution shall also require the prior

written consent of the Financier);

- (iii) adversely changing the rights of Shares or amendment of the Articles (it being understood that technical changes which do not adversely impact the rights of any Shareholder does not require the written consent);
- (iv) issuing, redeeming, purchasing or otherwise acquiring, or selling or otherwise Transferring any Shares (it being understood that Share sales under First Option, Second Option and Third Option does not require written consent as long as they are executed in accordance with this Agreement);
- (v) declaring or paying or proposing any dividend or making a decision on other asset distributions (other than as allowed under Section 6.2.3);
- (vi) entering into any agreement or arrangement with a Shareholder or Affiliate of a Shareholder and any amendments thereto or any exit negotiations in accordance with Section 13.3.4;
- (vii) entering into or termination of material agreements or contracts or other material arrangements that are not in the ordinary course of business, including, without limitation, the making or entering into by the Company of any contract, commitment or other obligation, or the engaging in any business or activity, which (i) differs from the type being made, entered into, or engaged in the ordinary course of business, or (ii) concerns an annual turnover exceeding EUR 50,000, or (iii) is valid for a term exceeding twelve (12) months;
- (viii) changing the number of the Board members;
- (ix) entering into financing agreement(s), royalty or other similar agreement, any incurrence of indebtedness or refinancing of existing indebtedness; creation, incurrence, or assumption of an encumbrance, or granting by the Company of loans or advances to, or guarantees of, or the Company becoming contingently liable with respect to, any obligations of any other Person;
- (x) merging, demerging, liquidating or dissolving the Company, selling or otherwise disposing of the Company's business, Mine or material part thereof; and
- (xi) pledging or encumbering assets or rights material to the Company's business, any agreement or arrangement concerning the Sale of Products, concentrates or other products mined from the Mine,

provided that in the event that any such resolution inhibits or restricts activities set out in or approved pursuant to, or reduces or limits the Exploration Expenditures as set out in, the Quarterly Budget as approved by the representative(s) of the Financier in the Board of the Company pursuant to Section 3.58, such resolution shall be subject to the written consent of the Financier, always provided that no such consent shall be required where the Board and the managing director are required to comply with mandatory provisions of law or required to make payments strictly for the purpose of avoiding the imminent insolvency of the Company.

- 12.6.2 Each Quarterly Budget, as approved by the representative(s) of the Financier in the Board of the Company pursuant to Section 3.58, shall be binding for the Company, the Board and the managing director and shall operate to restrict the corporate authority of the Board and the managing director pursuant to law and this Agreement, always provided that no such restriction shall apply where the Board and the managing director are required to comply with mandatory provisions of law or required to make payments strictly for the purpose of avoiding the imminent insolvency of the Company.

- 12.6.3 After the sale of the Second Tranche Shares by the Founders to the Financier but prior to the sale of the Third Tranche Shares, the resolutions set out in Sections 12.6.1(i)-12.6.1(ix) shall not be made without the consent of a majority of the Founders, but the resolutions set out in Sections 12.6.1(x)-12.6.1(xi) no longer require the consent of a majority of the Founders if the provisions of this Agreement are followed.
- 12.6.4 Any and all matters referred to in Section 12.6.1 concerning an Affiliate of the Company shall require the same majority as set out above in Section 12.6.1 or 12.6.3.

### **13 TRANSFER OF SHARES**

#### **13.1. General**

- 13.1.1 The Company's Articles will include a redemption clause and a consent clause after the registration of the Amended Articles. Among the Parties, this Agreement shall prevail over the terms of the Articles, unless otherwise explicitly agreed herein. The Parties waive their right to redeem Shares under the redemption clause and commit to give a consent in accordance with the Articles, when the Transfer of the Shares is made in accordance with the terms and conditions of this Agreement.

#### **13.2. Share Transfer Prohibition**

- 13.2.1 Unless specifically allowed by Section 13.3 or Section 13.4 or pursuant to the terms of the Options or pursuant to any Share Pledge Agreement in case of event of default (as defined in the Share Pledge Agreement), or unless agreed by all Parties, the Shareholders commit until all the Third Tranche Payments have been paid to the Founders or until the first time, when the Financier has lost its right to require any of the Options to be exercised:

- (i) not to Transfer any Shares or any interest therein; and
- (ii) to cause that the Company will not issue any Shares to third parties or without charge (split) or make any resolution that would affect the number of outstanding Shares in the Company.

- 13.2.2 Should for reason or another the number of outstanding Shares in the Company change in accordance with the above, the number of First Tranche Shares, Second Tranche Shares and/or Third Tranche Shares shall be adjusted to correspond to the actual number of Shares outstanding.

- 13.2.3 It is acknowledged and understood between the Parties that if the Financier informs the Founders in writing that it shall not exercise any or some of the Options or if the Financier has lost its right to exercise any of the Options, the Founders are allowed to Transfer Shares, provided that such transferor shall adhere to this Agreement in accordance with Section 13.5.

- 13.2.4 The Shareholders acknowledge that the Share Transfer prohibitions set forth in this Agreement are reasonable in view of the purpose of this Agreement and the common intent to exit the Company in a timely manner.

#### **13.3. Drag-Along Right**

- 13.3.1 Should the holders of more than fifty percent (50%) of all Shares in the Company (collectively the "**Selling Shareholder(s)**") propose in good faith to Transfer all of the Shares held by such Selling Shareholders or an Asset Sale to one or more bona fide arms-length third party purchaser(s) prior to the sale of the Second Tranche Shares (the "**Earn-In Period**") with a valuation of all Shares in the Company exceeding EUR 15,000,000 or valuation of the Asset Sale exceeding EUR 15,000,000, then all the other Shareholders shall be obligated to Transfer all of their Shares (or, if

the third party purchaser wishes to execute an Asset Sale, the Selling Shareholders will have the right to require that the Company and the other Shareholders will cause such Asset Sale to be executed) to such third party purchaser(s) with the same price as agreed to by the Selling Shareholders (the "**Drag-Along Right**"). After the end of the Earn-In Period until the exercise of the Third Option, the Financier shall decide any Drag-Along Right sale, but the prior written consent to any proposed Drag-Along Right sale shall be required from the Founders should the valuation in a Drag-Along Right sale of all Shares in the Company or valuation of an Asset Sale be less than EUR 7,500,000. The Parties shall have an obligation to do all reasonable acts (including actions at the General Meetings and at the meetings of the Board) so as to safeguard the completion of the sale of all Shares or Asset Sale as efficiently as possible. The Parties hereby waive any redemption rights and commit to give consent under the Articles should the Selling Shareholders use their Drag-Along Right as set out above.

- 13.3.2 In case of a Drag-Along Right sale, the Parties agree that the definitive agreements to be entered into with the acquirer(s) shall contain terms and conditions, satisfactory to the Royalty Holders at their sole discretion, according to which the Company and the acquirer(s) unconditionally and irrevocable confirm that the Royalty Holder(s)' Net Metals Royalty shall continue to bind the Company as well as the acquirer(s) as set out in this Agreement and the Royalty Holder(s) may also require the Pledge as set out in Section 9.8.1 above.
- 13.3.3 For the purposes of the Drag-Along Right, the "**Minority Owner(s)**" means a Party owning less than 50 % of all Shares in the Company and the "**Majority Owner(s)**" means a Party owning more than 50 % of all Shares in the Company, however the Founders' ownership shall be calculated collectively. Accordingly, the Founders shall be the Majority Owners until the sale of the Second Tranche Shares and thereafter the Financier shall be the Majority Owner. In case of Drag-Along Right sale, the Parties agree that the terms and conditions to be given in the definitive agreements shall be the same in respect of all sellers, except that:
- (i) the Minority Owner(s) shall only give so-called fundamental representations and warranties and the representation, warranties and possible covenants to be given in the definitive agreements shall be given by the Majority Owner(s);
  - (ii) the Minority Owner(s), or any of their shareholders, shall not be subject to any non-competition or non-solicitation provisions;
  - (iii) the Minority Owner(s) shall not be required to bear their proportionate share of any escrows or holdbacks in respect of the purchase price or indemnification obligations; and
  - (iv) no Shareholder shall be obligated to (a) provide indemnification other than on a several (and not joint) basis or (b) incur any liability to any Person in connection with the proposed Transfer (including under the indemnification) in excess of the lesser of its pro rata share of such liability and the proceeds realized by such Shareholder in such sale.
- 13.3.4 In connection with any study of a transaction that may result in an exercise of the Drag-Along Right, the Board may decide to engage, on customary terms, a nationally recognized and objective investment banking firm selected by the Board to provide financial advisory services to the Company and the Shareholders. The Company shall pay the fees and expenses of such investment banking firm and not the Shareholders.
- 13.4. **Tag-Along Right**
- 13.4.1 In the event a Shareholder decides to Transfer his/her/its Shares (partly or in whole)

to any other Shareholder or a third party (each an "**Acquiring Party**"), the transferring Shareholder (the "**Transferring Shareholder**") shall at least twenty (20) Business Days prior to the execution of the agreement on the Transfer give written notice thereof to the other Shareholders and the Company. Such notice shall include the name of the intended transferee, the number of Shares (including share classes) proposed to be Transferred and other intended terms of the sale (the "**Transfer Notice**").

- 13.4.2 The other Shareholders shall, by giving written notice thereof to the Transferring Shareholder (the "**Tag-Along Notice**") within twenty (20) Business Days from the receipt of the Transfer Notice, have the right to Transfer in such sale such number of Shares as specified by them in such notice on same or similar terms specified in the Transfer Notice. The Transferring Shareholder shall ensure that the Acquiring Party purchases the Shares of other Shareholders at the price which corresponds to the Transfer price to be paid for the Shares of the Transferring Shareholder in the contemplated Share Transfer.
- 13.4.3 If the aggregate number of the Shares proposed to be Transferred by the Transferring Shareholder and the Shareholders exercising their tag-along rights exceeds the number of Shares which can be Transferred to the Acquiring Party, then the Shareholders exercising their tag-along rights shall only be entitled to request that the Shares that can be Transferred to the Acquiring Party will be divided between the Transferring Shareholder and the Shareholders exercising their tag-along rights pro rata to their shareholdings in the Company immediately prior to such Transfer.
- 13.4.4 In the event the other Shareholders will not Transfer their Shares on a pro rata (or less) basis, the Transferring Shareholder shall be entitled to Transfer the number of Shares mentioned in the Transfer Notice in accordance with its terms and conditions within sixty (60) Business Days from the end of the twenty (20) Business Days period referred to above in Section 13.4.1.

#### 13.5. **Adherence Agreement**

- 13.5.1 Save for the Transfer of all the Shares in the Company in accordance with Section 13.3, all Transfers of Shares shall be conditional upon the transferee committing to adhere, by means of a separate adherence agreement, to this Agreement (as a Shareholder and Financier). Should a third party adhere to this Agreement after the end of the Share Transfer prohibition as set out in Section 13.2.3 or prior to that with the consent of all Parties, the adherence agreement approved and executed by Board on behalf of the Company shall be binding on all the Parties. For the avoidance of doubt, no separate consent shall be required from any Party due to the adherence of a third party to this Agreement if the terms and conditions of this Agreement are complied with.

### **14 CONFIDENTIALITY**

- 14.1. Each Shareholder undertakes not to disclose, divulge, or use for any purpose other than for exercising its rights hereunder any Confidential Information. The Shareholders are, however, entitled to disclose Confidential Information to their attorneys, accountants, consultants, and other professionals to the extent necessary for exercising their rights hereunder.
- 14.2. Further, each Shareholder shall have a right, notwithstanding the above confidentiality undertaking and without consent of the other Parties, to disclose information or a state of affair to a third party or to publish the information, if the Shareholder in question has an obligation to do so pursuant to compulsory laws or regulations, rulings of competent courts or authorities, any applicable stock exchange rules or any guidelines or regulation by financial supervisory authorities, or when

authorized by the Company's Board, or subject to a separate non-disclosure agreement that is materially consistent with the terms of this Section 14, when seeking offers, offering or Transferring the Shares to third parties under Section 13.

- 14.3. This confidentiality obligation shall remain in force for the term of this Agreement and it shall be applied to the Financier as from the Signing Date even though it is not a Shareholder at that time.

## **15 NON-COMPETITION; AREA OF INTEREST**

- 15.1. The Shareholders agree that they (or through any of the Shareholders' Affiliates) shall not, without the prior consent of the other Shareholders, obtain any additional exploration, reservation or other mining rights subject to the provisions of the Mining Acts within a 15-kilometre distance from the perimeter of the Mine as long as a Party owns any Shares and twelve (12) months after it has sold all its Shares.

## **16 INTELLECTUAL PROPERTY RIGHTS**

- 16.1. The Parties acknowledge and agree that the essential condition of this Agreement is that the Company shall have, without any separate compensation, all the right, title and interest in and to all the Intellectual Property Rights arising out of the business of the Company which are developed or generated prior to or after the execution of this Agreement based on the Shareholder's work, whether through a third party company or otherwise, and in and to all the results of the Shareholder's work. The Shareholders agree without any delay to transfer all such rights and rights to amend, change, further develop, assign, license or otherwise transfer to third parties the objects of such rights as the Company deems best, pursuant to this Agreement and the employment, service, consultant or director agreement of the Shareholder or its representatives (collectively the "**Service Agreement**") without any compensation payable by the Company to the maximum extent allowed by laws. The Shareholder shall irrevocably and unconditionally waive all the claims relating to any Intellectual Property Rights transferred under this Section 16 or the utilization thereof against the Company pursuant to this Agreement, the Service Agreement or any other contract or otherwise.
- 16.2. The Company shall have an exclusive right to utilize the said results and the Intellectual Property Rights transferred under this Section 16 commercially and industrially, transfer them to third parties, amend and further develop them without a separate consent of the respective Shareholder to the maximum extent allowed by laws. In accordance with what has been set forth above, the Company shall always have the right to use the results or the Intellectual Property Rights of the performed work also after the termination of the Service Agreement of the Shareholder or termination of any other agreement regarding his/her work for the Company.
- 16.3. The Shareholders agree, without delay, at the request of the Company, to deliver to the Company all documents and other information which relate to the confirmation of or transfer of the title to the said Intellectual Property Rights to the Company, and also otherwise to act in such manner that the Company can make use of or register such Intellectual Property Rights or to maintain the registration in any country, authority or court.
- 16.4. Should the Company be deemed not to have received title to the said Intellectual Property Rights resulting from the work of the Shareholder in the Company or for the Company, the Company shall always, in accordance with what has been set forth above, have an exclusive, free of charge right of use thereof and, if it so wishes, the right to redeem such right. In such an event, the Company shall also be entitled to transfer, change and further develop the Intellectual Property Right and to assign such Intellectual Property Right or part thereof to third parties on the terms the Company deems best.

- 16.5. Section 16 shall be applied to the Financier as from the Signing Date even though it is not a Shareholder at that time.

## **17 TERM**

- 17.1. This Agreement shall come into force with respect to each of the Parties on the Signing Date and with respect to each new Shareholder by means of the signature of a separate adherence agreement.

- 17.2. This Agreement shall remain in force as long as more than one Shareholder owns Shares and it shall terminate with respect of each Shareholder (save for the Sections of this Agreement which are intended to survive any termination of this Agreement, including Sections 14, 15, 16, 17, 18 and 19), when it has Transferred all its Shares in accordance with the terms and conditions of this Agreement. In addition to the foregoing, the Net Metals Royalty set out in Sections 9 and 13.3.2 shall survive any termination of this Agreement. For the sake of clarity, any Transfer of Shares in breach of this Agreement shall not terminate this Agreement with respect to such transferring Shareholder.

## **18 BREACH OF AGREEMENT**

- 18.1. If a Party is in material breach of the obligations under this Agreement and it has not remedied the breach, if curable, within twenty (20) Business Days of the receipt of a written notice made by the Company and/or the other Parties (or such breach has not been waived by the other Parties), such breaching Party shall, without prejudice to any other rights and obligations of the other Parties or the Company under this Agreement or otherwise, pay to all of the non-breaching Parties liquidated damages of the amount of EUR 50,000 per each material breach.

- 18.2. The liquidated damages do not limit the suffering Parties' right to receive from the breaching Party a full compensation for all damages exceeding the amount of the liquidated damages or for the damages incurred before the breach was remedied or waived by other Parties, nor do the liquidated damages restrict any other rights of the suffering Parties pursuant to the terms of this Agreement, the Share Purchase Agreement, the Share Pledge Agreement, the Lock-up Undertaking or the MD Agreement where a Party is in material breach of its obligations thereunder.

## **19 MISCELLANEOUS**

### **19.1. Order of Interpretation**

- 19.1.1 If this Agreement and the Share Pledge Agreement are in conflict, the Share Pledge Agreement shall prevail. If this Agreement and the Share Purchase Agreement or the STA are in conflict, this Agreement shall prevail. In a case of conflict between this Agreement and the Articles or this Agreement and the Companies Act, this Agreement shall prevail between the Parties.

### **19.2. Further Assurances**

- 19.2.1 Each of the Parties shall execute such documents and take such actions as may be reasonably required or desirable to carry out the intent of the provisions hereof and the transactions contemplated hereby.
- 19.2.2 The Parties shall not enter into any other shareholders' agreement or be bound towards any Party or a third party by way of any other commitment or agreement with respect to the Shares, Net Metals Royalty and/or the Company, unless all the Parties are parties of such agreement or other commitment, except for permitted Transfers of Shares as set forth in this Agreement.

### **19.3. Amendment**

- 19.3.1 Save for adherence of new Shareholders in accordance with Section 13.5.1, no

change or modification of the Agreement shall be binding unless signed by a duly authorized representative of each Party.

**19.4. No Waiver**

19.4.1 Failure by any Party at any time or times to require performance of any provision of this Agreement shall in no manner affect its right to enforce the same, and the waiver by a Party of any provision of this Agreement or a breach of any provision of this Agreement shall be binding only when made in written signed form by the Party and such waiver shall not be construed to be a waiver by such Party of any succeeding breaches of such provision or any other provision of this Agreement.

**19.5. Notices**

19.5.1 All notices, demands and other communications given or made pursuant to this Agreement shall be made in writing and shall be deemed effectively given upon the earlier of actual receipt, or:

- (i) upon receipt, if delivered personally to the Party to be notified;
- (ii) if sent by email, once sent if sent during normal business hours of the recipient, and if not sent during normal business hours of the recipient, then on the recipient's next Business Day;
- (iii) ten (10) Business Days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or
- (iv) one (1) Business Day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next Business Day delivery, with written verification of receipt.

19.5.2 All communications shall be sent to the respective Parties at their addresses as set forth in Section 1.1 of this Agreement or as set forth in a separate adherence agreement, or to such address, or email address as subsequently notified by a respective Party by a written notice and such notice shall be deemed given when delivered to the other Parties in accordance with this Section 19.5. All notices, demands and communication must be made in English language.

**19.6. Entire Agreement**

19.6.1 This Agreement constitutes the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement, and supersedes any and all prior understandings and agreements, whether oral or written, among the Parties hereto with respect to the specific subject matter hereof.

**19.7. Severability**

19.7.1 If any provision of this Agreement is found by any court or arbitration body of competent jurisdiction to be invalid or unenforceable, the Parties hereby waive such provision to the extent that it is found to be invalid or unenforceable. The remaining provisions of this Agreement shall remain in full force and effect and the Agreement shall be interpreted so as to best accomplish the objectives of the invalid or unenforceable provision to the fullest extent allowed by law. The Parties shall attempt, through good faith negotiations, to replace any part of this Agreement so held to be invalid or unenforceable in order to give effect to the objectives of the original provision.

**19.8. Assignment**

19.8.1 None of the Parties may assign the Agreement or, except as expressly permitted in this Agreement, assign, transfer, delegate or sublicense any rights, duties or obligations that arise under this Agreement, to any third party, without the prior

written consent of the other Parties. Any non-permitted assignment, transfer, delegation or sublicensing shall be void. Subject to the foregoing, this Agreement, and the rights and obligations of the Parties hereunder, will be binding upon and inure to the benefit of their respective successors and permitted assigns. Unless expressly set forth herein, nothing in this Agreement, express or implied, shall constitute any rights or remedies to any third parties.

**19.9. Interpretation**

19.9.1 The fact that a Party has drafted or participated in drafting of this Agreement or any provisions hereof shall not in any way affect the interpretation of this Agreement to the disadvantage of such Party.

**19.10. Governing Law and Arbitration**

**19.11. Governing Law and Arbitration**

19.11.1 This Agreement shall be exclusively governed by the laws of Finland, without regard to its conflicts of law rules and principles.

19.11.2 Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finnish Chamber of Commerce with one (1) arbitrator. The arbitrator shall have at least a master's degree (or equivalent) awarded by a Finnish university and necessary experience on dispute resolution among corporations. The seat of arbitration shall be Helsinki, Finland and the language of arbitration shall be English. However, evidence may be submitted and witnesses heard also in Finnish to the extent the arbitrator deems it necessary and appropriate.

19.11.3 Notwithstanding the above, each Party shall be entitled to seek equitable and/or injunctive relief or preliminary injunction to prevent or stop a violation of the terms and conditions contained in the Agreement in any court having jurisdiction over the matter.

**19.12. Counterparts**

19.12.1 This Agreement may be executed by facsimile, electronic signature or exchange of email copies and in any number of counterparts, each of which being deemed to be an original and all of which, when taken together, being deemed to constitute one and the same instrument.

**ALANDRA OY**

\_\_\_\_\_  
Vesa-Jussi Penttilä  
authorized by the Board

**Kiviralli Oy**

**Eurobattery Minerals AB (publ)**

\_\_\_\_\_  
Name: *Martin Boldt (Christmas)*  
Title: *Board Director*

*ROBERTO GARCIA MARTINEZ*  
*BOARD DIRECTOR*

**Tetra Ekberg Oy**

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**ALANDRA OY**

**Eurobattery Minerals AB (publ)**

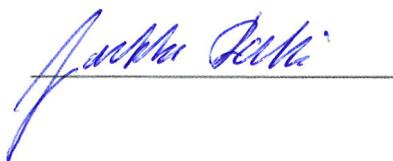
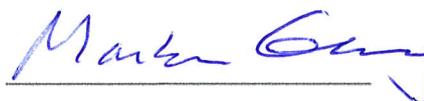


Vesa-Jussi Penttilä  
authorized by the Board

\_\_\_\_\_  
Name:  
Title:

**Kiviralli Oy**

**Tetra Ekberg Oy**

Jarkko Ralli  
authorized by the Board

Markus Ekberg  
authorized by the Board

**Vulcan Hautalampi Oy**



Vesa-Jussi Penttilä  
authorized by the Board

**LIST OF SCHEDULES**

<b>Schedule 4.1.</b>	Business Plan
<b>Schedule 6.2.1</b>	Warranties
<b>Schedule 6.3.1</b>	Share Purchase Agreement
<b>Schedule 6.2.5</b>	First Quarterly Budget
<b>Schedule 6.4.3</b>	STA
<b>Schedule 7.1.1(vii)</b>	Lock-up Undertaking
<b>Schedule 11.1.1</b>	Share Pledge Agreement
<b>Schedule 12.1.1</b>	Amended Articles
<b>Schedule 12.5.1</b>	MD Agreement