

MINING EXPLOITATION CONTRACT

PARTIES: On one hand, the Ecuadorian State through the Ministry of Energy and Mines represented by Mr. XXXX acting in his capacity as Minister, appointed by Executive Decree number XXXX, which is attached as an enabling document, in accordance with the powers established in the Applicable Legislation, who will hereinafter be referred to as the State; and on the other hand, the company Exploraciones Novomining S.A., represented by Mr. Scott Andrew Caldwell, acting in his capacity as President, in accordance with the appointment attached hereto and duly authorized by the General Meeting of Shareholders by means of minutes dated XXXX, hereinafter referred to as the Mining Concessionaire. The parties hereto agree to enter into this Agreement in accordance with the following clauses:

CHAPTER ONE: BACKGROUND AND DECLARATIONS.-

CLAUSE ONE: BACKGROUND.-

The Mining Concessionaire is the holder of the Mining Concession called CASCABEL, (Code 402288); which is part of the CASCABEL mining project granted by Resolution issued by the Regional Mining Directorate of Pichincha of the Ministry of Energy and Mines dated January 5, 2007, and registered in the Property Registry of the Ibarra canton on January 12, 2007. On 26 April 2010, the Undersecretary of Mines of the Ministry of Non-Renewable Natural Resources replaced the title of the CASCABEL Mining Concession, (Code 402288), registered in the Mining Registry of the Mining Regulation and Control Agency of Ibarra on 7 May 2010.

The Mining Concessionaire, pursuant to the provisions of the Mining Law, XXXXX, notified the Vice-Ministry of Mines that the XXXX mining concession is moving forward to the economic evaluation phase.

By means of Official Communication XXXXXXXXXXXXXXXXXXXX the Undersecretary of Industrial Mining, submits to the Executive Director of the Agency for Regulation and Control of Energy and Non-Renewable Natural Resources (ARCERNNR), the notification of the beginning of the Economic Evaluation phase of the XXXX Deposit of the company XXXX for its review and analysis and the corresponding report.

By means of Official Communication number XXXX, the Vice-Minister of Mines requested information related to the exploration of the XXXX mining concessions from company XXXX.

By means of XXXXXXXXXXXXXXXXXXXX, the Vice-Minister of Mines sends to the Executive Director of ARCERNNR the updated Pre-feasibility Study submitted by XXXXX.

By means of Official Communication XXX, the ARCERNNR communicates to the Vice-Minister of Mines, the review report of the documentation submitted by XXXXX in accordance with the Third Transitory Provision of the General Regulations to the Mining

Law, regarding the compliance of the documentation submitted by the mining owner with the requested requirements.

With Official Communication No. MEM-MEM-2023-0007-OF dated January sixth, two thousand and twenty-three, the Minister of Energy and Mines ordered and notified the Mining Concessionaire the beginning of the pre-contractual negotiation of the Mining Exploitation Contract.

By means of Official Communication No. MEM-SMI-2023-0002-OF dated January twelfth, two thousand and twenty-three, the Ministry of Energy and Mines appointed its Negotiating Team.

By communication No. ENSA-003-2023, dated January tenth, two thousand and twenty-three, the Mining Concessionaire appointed its Negotiating Team.

By means of Ministerial Agreement number XXXX, published in the Official Gazette XXXX, the Ministry of Energy and Mines approved the Model of the Mining Exploitation Contract in accordance with article forty-one of the Mining Law.

By means of communication XXXX, XXXX within the progress of the negotiations presents to the Vice-Minister of Mines the Pre-feasibility Study of XXXX and the General Work and Investment Plan.

By XXX the ARCERNNR sends the technical economic report to the Vice-Minister of Mines which concludes that the Audited Report of XXXX is technically and economically feasible.

On XXXX, the Negotiating Teams of the Parties approved and signed the Act of Termination of Negotiations.

By means of communication XXXX, the Mining Concessionaire submitted to the Vice-Ministry of Mines the request for the declaration of the beginning of the exploitation stage.

CLAUSE TWO: DECLARATIONS

2.1 Declarations of the Mining Concessionaire.

2.1.1 The Mining Concessionaire expressly declares and guarantees that it is not subject to any prohibition or inability to enter into a contract with the State.

2.1.2 The Mining Concessionaire has all the corporate and other authorizations required by law for the execution of this Contract.

2.1.3 The Mining Concessionaire shall be responsible in accordance with Applicable Laws and this Contract, for any risk or event associated with the operation and maintenance of the Contract Area during the execution of the Contract, as well as for its personnel and that of its Subcontractors, and the materials, equipment and property owned by the

Mining Concessionaire and its Subcontractors located in the Contract Area and Area of Related Activities.

2.1.4 The Mining Concessionaire declares that, by itself or through its Subcontractors, has all the experience, qualifications, technical equipment and systems adequate and necessary to perform its obligations under this Contract in accordance with the terms and conditions stipulated herein and in the Applicable Legislation.

2.1.5 The Mining Concessionaire, by means of this Contract, declares that it will exploit, process, transport and commercialize the Primary Mineral and the Secondary Minerals, therefore, if other commercially exploitable minerals are found after the execution of this Contract, the Mining Concessionaire shall declare them to the Sectorial Ministry within ten days so that the corresponding Modifying Addenda may be executed, in accordance with the provisions of this Contract.

2.1.6 The Mining Concessionaire declares to know and accept the observance of the International Standards (Annex K) and the Applicable Legislation, and understands that the non-observance of such, could result in the application of the sanctions foreseen in this Contract.

2.2 State Declarations

The State, through the Sector Ministry, has sufficient capacity and powers to enter into this Contract.

2.2.1 The State declares that all procedures have been complied with, and all necessary authorizations have been obtained, which guarantee the validity and legitimacy of this Contract in accordance with the Applicable Legislation.

2.2.2. The non-renewable natural resources of the territory of the State, including mineral deposits, belong to its inalienable, not renounceable, and imprescriptible patrimony.

2.2.3 The mining title, without losing its personal character, confers on the Mining Concessionaire the exclusive right to prospect, explore, exploit, benefit, smelt, refine, commercialize, and dispose of all mineral substances that may exist and be obtained in the area of the concession, becoming the beneficiary of the economic revenues obtained from such processes, for which it may use and dispose as owner of the minerals it exploits from the moment they are extracted from the Contract Area. The State shall participate in the benefits from the exploitation of these resources, under the terms provided for in this Contract and in the Applicable Legislation.

2.2.4 The Mining Concessionaire may import certain goods under the temporary admission regime for re-export in the same status, as contemplated in article 148 of the Organic Code of Production, Commerce and Investments.

CLAUSE THREE: CONTRACTING REGULATORY FRAMEWORK

3.1 The Legislation Applicable to this Contract is the Constitution of the Republic of Ecuador, the Mining Law, international treaties ratified by Ecuador, laws, regulations, decrees, ordinances, as well as any other legal norm issued or to be issued in accordance with the law or any State authorization legally granted to the Mining Concessionaire (hereinafter, the "Applicable Legislation").

3.2 The specific sectorial regulations whose legal stability is granted by the Investment Contract between the Mining Concessionaire and the State, are those detailed in Annex J.-.

3.3 The rights and obligations of the Parties under this Contract, including any annexes, shall be performed in accordance with the Applicable Legislation.

3.4 This Contract implies the waiver of all diplomatic claims in the terms established in article 307 of the Constitution of the Republic of Ecuador.-

CLAUSE FOUR: CONTRACT DOCUMENTS

Enabling Documents: The following are the enabling documents for this Contract, which shall be submitted in certified copies:

- a) Executive Decree number XXXX, appointing the representative of the Sectorial Ministry;
- b) Appointment of the legal representative of the Mining Concessionaire;
- c) Minutes of the competent entity of the Mining Concessionaire authorizing the person appearing to sign the Contract;
- d) Mining Concession Title;
- e) Mining Concessionaire's Tax Registration Number;
- f) Certificate issued by the Superintendence of Companies, Securities and Insurance that certifies the legal existence of the legal entity of the Mining Concessionaire;
- g) Certificate with the history of the ownership of the Mining Concession from which it can be deduced its validity and the existence of encumbrances, pledges, assignments in guarantee, and contracts of the Mining Concession, granted by the Mining Registry;
- i) Resolution of the beginning of the Exploitation Stage.
- j) Annexes: The following Annexes are an integral part of this Contract and shall be signed by the Parties:

Annex A: Specifications and delimitation of the Mining Concession, Contract Area and Protection Area.

Annex B: General Work and Investment Plan agreed between the Parties.

Annex C: Detail of Shareholders of the Mining Concessionaire, issued by the Superintendence of Companies, Securities and Insurance.

Annex D: Economic Specifications.

Annex E: Minutes of Termination of Negotiations for the Mining Exploitation Contract.

Annex F: Favorable pronouncement of the State Attorney General authorizing the Ecuadorian State to submit disputes arising from this Contract to international arbitration.

Annex G: List of technical consultants for disputes.

Annex H: Detail of pre-operational investments.

Annex I: Guarantees, established in clause fourteen.

Annex J: Specific Sectorial Regulations.

Annex K: International Standards

CLAUSE FIVE: NATURE, PREVALENCE AND INTERPRETATION.

5.1 Nature: This Mining Exploitation Contract is an administrative contract regulated by the Applicable Legislation and is accessory to the Mining Concession called CASCABEL, cadastral code No. 402288, granted by Mining Title. This Contract is not subject to the norms of the Organic Law of the National Public Procurement System and its regulatory norms.

5.2 Prevalence - In the event of any contradiction between the documents that are part of the contract, the following order of precedence shall apply:

First: the Contract and its addenda;

Secondly: the Annexes to the Contract and its addenda; and

Third: The Mining Concession Title.

In that case, to the extent of such contradiction, and insofar as it cannot be considered as complementary provisions, the documents shall prevail in the order in which they are listed in this clause.

5.3 Definitions

The terms of this Contract and its documents shall be interpreted literally and in context. The headings and order of clauses, and sub-clauses are for identification and reference purposes only. Any forbearance for failure to perform the obligations set forth in this Contract shall in no event imply a waiver of any subsequent right to enforce compliance, or a change, or alteration of its provisions, and such failure shall not constitute a precedent for the interpretation of this Contract, nor a source of rights in favor of the Party in breach of the obligations. Where terms are defined in Applicable Law, such definition shall be followed, unless there is a definition in this Contract that does not contradict or supplements it, in which case the definition in the Contract prevails. If not defined in Applicable Law, the Contract shall apply. Defined terms are capital letters and shall have the meaning set out in this clause. Words written in the singular shall include the plural and vice versa, and words written in one gender shall include the other two, to the extent required by the context of this Contract.

5.4 Business days and references to time and calculations of time

All periods of days, months or years referred to in this contract shall be deemed to be complete, and shall run until midnight on the last day of the period.

The first and last day of a period of months or years shall have the same date in the respective months. The period of a month may therefore be twenty-eight, twenty-nine, thirty or thirty-one days, and the period of a year may be three hundred and sixty-five or three hundred and sixty-six days, as the case may be.

If the month in which a period of months or years is to begin consists of more days than the month in which the period is to end, and if the period runs from any of the days on which the first of the said months exceeds the second, the last day of the period shall be the last day of the second month.

When used in the administration of this contract, a time of day is a reference to the local time of Quito, Ecuador.

These rules shall apply to this Contract, in relation to the periods and terms established in the regulations in force.

In the event of contradiction between what is agreed in this clause and the Applicable Law, the provisions of the Applicable Law shall prevail.

5.5 Language.

This Contract has been drawn up and signed by the Parties in Spanish and this version shall be considered to be the only valid one for all purposes.

Any communication between the Parties, as well as the information required by the Applicable Legislation, shall be drafted in Spanish, including those reports of a technical nature that must be submitted to the competent authority even if, due to their highly specialized nature, have been prepared in another language, in which case, the Mining Concessionaire shall attach to them a translated version in Spanish, made at its own cost.

Likewise, the accounting books of the Mining Concessionaire shall be kept in Spanish.

5.6 Definitions.

In this Mining Exploitation Contract, the following capitalized terms shall have the meaning indicated below:

5.3.1 Sovereign Adjustment: Is the non-tax monetary contribution determined, collected, and supervised by the competent Authority in accordance with the Applicable Legislation, paid by the Mining Concessionaire in favor of the State, when applicable, in accordance with the provisions of Article 408 of the Constitution of the Republic, and the Specific Sector Regulations, for the purpose of guaranteeing the minimum percentage of the State's economic benefit in the exploitation of the Minerals to be exploited;

5.3.2 Environment: Is the global system integrated by natural and social components, constituted by biophysical elements in their dynamic interaction with human beings, including their socio-economic and socio-cultural relations;

5.3.3 Fiscal Year: Twelve (12) months between January the first (1st), and December thirty-first (31st), in accordance with the provisions of article seven (7) of the Internal Tax Regime Law;

5.3.4 Approvals: Means any approval, consent, authorization, registration, certificate, license, permit or exemption granted in accordance with Applicable Law by a competent authority;

5.3.5 ARCERNNR: The Agency for the Regulation and Control of Energy and Non-Renewable Natural Resources in accordance with article eight (8) of the Mining Law, attached to the Sector Ministry, whose powers are set out in article nine (9) ibidem or the entity that may replace it in the future.

5.3.6 Contract Area: The spatial scope specified in Annex A and its modifications, which corresponds to the area of the Mining Concession, where the Mining Concessionaire shall execute the mining operations, works and labors destined to the preparation and development of the Deposit and the extraction of the minerals from the Deposit. In accordance with Article thirty-nine of the Mining Law, this area may not exceed five thousand hectares. The Mining Concessionaire may request the constitution of the necessary easements and administrative protections on this area in accordance with the Applicable Legislation;

5.3.7 Area of Related Activities: This is the necessary spatial scope outside the Contract Area in which the civil infrastructure (camps, warehouses, powder magazines), tailings, waste dumps, beneficiation plants, power plants or other representative ones, directly related to the execution of the mining activities object of the Contract, are located. As it is an area related to the execution of this Contract, without the need to be located within the Mining Concession, both this area and all that is found therein, is protected by the State in accordance with the Applicable Legislation and this Contract, and the Mining Concessionaire may request the constitution of the necessary easements and administrative protections. During the term of this Contract and its renewals, the State shall not grant concessions that may affect the technical and/or economic viability of the mining project in the Area of Related Activities.

5.3.8 Area of Influence: It comprises the spatial scope where the possible socio-environmental impacts caused by mining activities, inside and outside the Mining Concession, are manifested, as established in the EIA approved by the National Environmental Authority and defined in accordance with the Applicable Legislation.

5.3.9 Protection Area: It is the spatial scope specified in Annex A and its modifications, which corresponds to the area outside the area of the Mining Concession of the Mining Concessionaire, where the State grants special protection to the mining project as a protection zone. The Mining Concessionaire is empowered to request protection from the State for such area through the granting, in an expeditious and timely manner, of precautionary measures, easements or administrative protection in favor of the Mining Concessionaire. During the term of this Contract and its renewals, the Sectorial Ministry shall not grant concessions in the Protection Area specified in Annex A.

5.3.10 National Environmental Authority: is the highest institutional entity in environmental matters that, in accordance with the Constitution, exercises environmental protection over the environment and water, and is in charge of the decentralized environmental management and information system. It is exercised by the Ministry of Environment, Water and Ecological Transition, or whoever takes its place in accordance with the Applicable Legislation, and is the one that exercises the exclusive competence in mining regulatory matters;

5.3.11 Beneficiation: Is the group of physical, chemical and/or metallurgical processes to which the minerals resulting from the exploitation are subjected in order to increase their concentration;

5.3.12 Biodiversity - is the variability of living organisms from any source, including, among other things, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are a part; includes diversity within each species, between species and of ecosystems;

5.3.13 Shutdown of Operations or Mine Closure: The termination of Mining Activities or dismantling of facilities used in any phase of Mining Activities, if not in the public interest, including Environmental Remediation in accordance with the closure plan duly approved by the National Environmental Authority, and as determined in the Applicable Legislation;

5.3.14 Partial Closure: The rehabilitation activities that the owner of the mining activity carries out simultaneously with the development of its productive activity, in accordance with the provisions of the Environmental Impact Study in accordance with the Applicable Legislation;

5.3.15 Commercialization: Is the purchase and sale of minerals or entering in other agreements that have the purpose of transferring any product resulting from mining activities;

5.3.16 Mining Concession: The mining concession for metallic minerals named Cascabel (Code 402288).

5.3.17 Mining Concessionaire: The company Exploraciones Novomining S. A.

5.3.18 Construction: Is the mining activity aimed at establishing the facilities for: extraction, processing, beneficiation, smelting, transportation, energy supply and road access to the Mine and its associated facilities, among others, in accordance with Applicable Legislation;

5.3.19 Consultant: National or foreign individuals, or legal entities, independent and of recognized prestige with respect to the subject matter of the consultation, for the purposes set forth in Clause 30.3;

5.3.20 Pollution: Negative alteration of an ecosystem due to the presence of one or more pollutants, or a combination of them, in certain concentrations or times of permanence.

5.3.21 Contract: This Mining Exploitation Contract;

5.3.22 Environmental Damage: Any significant alteration that, by action or omission, produces adverse effects to the environment and its components, affects species, as well as the conservation and balance of ecosystems. This includes unrepaired or inadequately repaired damage and other damage that includes such significant alteration and is so declared by the National Environmental Authority or judicial authority;

5.3.23 Environmental Study: is the technical-scientific study that serves as a basis for structuring environmental management programs and measures, and contributes to decision-making on environmental impacts. Its approval serves as a basis for projects, works or activities that require an environmental license.

5.3.24 EITI: THE EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (EITI) IS BASED ON A MULTI-STATE STAKEHOLDER MODEL BRINGING TOGETHER GOVERNMENTS, CIVIL SOCIETY AND COMPANIES IN THE EXTRACTIVE SECTOR INCLUDING OIL, GAS AND MINING. THIS STANDARD PROVIDES A REGULATORY FRAMEWORK AND AN INITIATIVE

TO STRENGTHEN TRANSPARENT GOVERNANCE AND ACCOUNTABILITY IN THE EXTRACTIVE SECTORS. TO THIS END, ON 15 OCTOBER 2020 THE REPUBLIC OF ECUADOR WAS ADMITTED AS A MEMBER OF THE EITI AND SINCE THEN IT HAS UNDER ITS STEWARDSHIP THE COMPLIANCE OF THE PARAMETERS TO MAINTAIN SUCH MEMBERSHIP, IN COMPLIANCE WITH THE REPORTING AND TRANSPARENCY ACTIVITIES ESTABLISHED TO THE PARTIES.

5.3.25 INTERNATIONAL STANDARDS: THE SET OF GUIDELINES, STANDARDS OR PRINCIPLES THAT RECORD BEST PRACTICES FOR THE MINING INDUSTRY, AT A GLOBAL LEVEL, AND TO THE EXTENT THAT THEY ARE PERTINENT OR RELEVANT AT EACH STAGE, WHICH SHALL BE PROMOTED AND/OR ADOPTED BY THE PARTIES.

5.3.26 Standards of the International Finance Corporation;

b) the Organization for Economic Co-operation and Development (OECD);

c) Commitments and recommendations of the Intergovernmental Forum on Mining, Metals and Sustainable Development (IGF);

d) EITI Standard;

e) Recommendations of the International Council on Mining and Metals (ICMM);

(f) Others which are specifically mentioned in this Contract or the application of which the Parties agree for the purposes of planning, management, documentary preparation or action relating to the Mining Activities.

5.3.26 Exploration: Is the mining activity consisting of the determination of the size and shape of the Deposit, as well as the content and quality of the mineral therein.

5.3.27 Exploitation: The mining activity comprising the set of mining operations, works and labors aimed at the preparation and development of the deposit, and the extraction and transport of the minerals;

5.3.28 Extraction: The removal of the mineral ore;

5.3.29 Effective Date: The date of registration of this Contract in the Mining Register held by ARCERNNR;

5.3.30 Force Majeure or Fortuitous Event: Force Majeure or Fortuitous Event has the meaning established by Applicable Law. For the purposes of this Contract, a Force Majeure or Fortuitous Event shall mean any event or circumstance, which (i) is impossible for the Party obliged to perform the obligation in question to resist, or to reasonably control, or is unforeseeable by such Party or, even if foreseeable by such Party, cannot be avoided, in whole or in part, by the exercise of due diligence by such Party; (ii) which occurs after the date of execution of this Agreement; and (iii) which results in the obstruction, delay, suspension or termination, in whole or in part, of any Party's performance of its obligations under this Agreement. This definition includes, but is not limited to, earthquakes, tsunamis, floods, landslides, tropical storms or storms of greater intensity, fires, explosions, epidemics, eruptions, or any other natural phenomena; work stoppages, strikes, civil war, uprisings, civil disturbances, acts of war (declared or undeclared), acts of sabotage or acts of terrorism, substantially unsafe conditions for property or personnel, blockades and embargoes, nationalizations, political events, acts or omissions of any public authority, which are not within the reasonable control of the Mining Concessionaire and which have a material adverse effect on the ability of the

Mining Concessionaire to perform its contractual and legal obligations; failure to timely obtain any authorization from a public entity, due to unjustified delay thereof; failure to timely obtain ownership or use rights (easements, leases, expropriations, bailments, etc.) over the real estate necessary for the performance of the Mining Concessionaire's contractual and legal obligations for the fulfilment of the object of this Contract, if the party invoking Force Majeure or Fortuitous Event had complied with reasonable diligence with the necessary acts to obtain the rights of ownership or use, as established in the Applicable Legislation and in this Contract. For the purposes of this Contract, the term Force Majeure shall have the same meaning as Force Majeure. Neither Party may invoke as constituting Force Majeure or Act of God any act or omission arising out of, controlled by, or arising out of itself, unless such act or omission is caused by other events or circumstances which themselves constitute Force Majeure or Act of God as defined herein.

5.3.31 Audited Report: This report is established in article 39 of the Mining Law, whose content is outlined in the Applicable Legislation.

5.3.32 Smelting: The process of melting ores, concentrates or their precipitates, in order to separate the metal product that is sought from other minerals that accompany it;

5.3.33 Infrastructure: Buildings, accommodation facilities, workshops, processing plants, ore handling facilities, conveyors, power generation facilities, transmission lines, communication systems, roads, railways, pipelines, pumping stations, drills, tailings deposits, communication facilities, tailings dumps, mills and other complementary infrastructure required in connection with mining activities;

5.3. Confidential Information means: a) information that is confidential by provision of Applicable Law; b) personal matters or health records of employees or other documents in respect of which employees or other persons have a reasonable expectation of privacy in accordance with standards of common practice and other matters involving the privacy of individuals; c) confidential or proprietary technical information relating to equipment, process innovations, safety or trade secrets; d) confidential legal matters, including the advice of legal counselors; e) the intellectual property of the Mining Concessionaire relating to the mining project; (f) information disclosed to the Receiving Party and designated as "Confidential" by notice to the Receiving Party at the time of initial disclosure, provided that such designation shall be deemed to be a representation that the Disclosing Party has reasonably determined, after review of the information, that it is necessary to keep the information confidential to protect trade secrets or proprietary information.

5.3.35 Investments: All costs incurred directly by the Mining Concessionaire or indirectly, through its related parties or loans granted by third parties, inside or outside of Ecuador, in accordance with the General Work and Investment Plan and the Annual Work and Investment Plans, reasonable and necessary to explore, construct, develop, produce, obtain, operate, transport, maintain, and increase the production of minerals in the Mining Concession, including Mine Closure, in accordance with the accounting standards set out in Annex XX. This definition includes pre-operational investments made prior to the Effective Date for the fulfilment of the subject matter of this Agreement. It also includes those Investments made for the mining project, inside or outside the Contract Area and which, by way of example, are described in Clause 10.1.8.

5.3.36 Environmental License: The administrative authorizations granted by the National Environmental Authority that authorize, subject to compliance with legal requirements

and conditions, the commencement of a project, work or activity, subject at all times to compliance with Applicable Legislation.

5.3.37 Primary Mineral: Includes the primary product (metal) or raw material that is part of all the primary and altered mineral ores, related to the type of Deposit of interest, being understood for the application as primary, the product (metal) that is of greater economic importance. In this Contract it is the copper to be extracted from the Mining Concession.

5.3.38 Secondary Minerals: Includes the secondary product(s) (metal(s) or raw material(s) that are part of all the primary and altered mineral ores, that make up the Deposit of interest, being understood for the application as secondary, the products (metals) of lesser economic importance, including Rare Earth. In this Contract they are gold and silver, to be extracted from the Mining Concession and includes any other mineral, without limitation, extracted from the Mining Concession, and that the Mining Concessionaire commercializes jointly or independently of the Primary Mineral;

5.6.46 Sector Ministry: The Ministry of Energy and Mines or the Secretary of State that assumes the steering role for public policies and the planning of the geological mining area, in accordance with the Applicable Legislation;

5.3.39 Party: The Ecuadorian State through the Sector Ministry or the Mining Concessionaire, individually and indistinctly;

5.3.40 Environmental Liabilities: The damage generated by a task, project or productive or economic activity, which has not been repaired or restored, or that has been previously intervened, but inadequately or incompletely, and which continues to be present in the environment, constituting a risk to any of its components. The environmental liability must be declared by the National Environmental Authority, and is associated with a source of contamination and tends to increase over time.

5.3.41 General Work and Investment Plan: The plan attached as Annex B and its modifications, based on the Audited Report, which describes the construction, assembly, and the activities of exploration, exploitation, beneficiation, transport and marketing activities of the Primary Mineral and Secondary Minerals to be produced in the Contract Area, which contains a detailed description of the type of mine proposed, the plant and its technical characteristics, of the exploitation process and processing volume, an estimated description of the investments necessary for the execution of all the tasks foreseen in this Contract, which may be modified in accordance with this Contract, in relation to the details of the mine and processes.

5.3.42 Annual Work and Investment Plan: The document that describes the activities program that the Mining Concessionaire plans to carry out in the respective Fiscal Year, as well as the Investment budget, estimated costs and expenses for the execution of such activities and the deadlines for their execution, including their amendments in the terms established in clause 23.2. The activities, budgets and deadlines shall be referential and shall be directly related to the General Work and Investment Plan agreed by the Parties.

5.3.43 Environmental Management Plan: The document that establishes in detail and in chronological order the actions required to prevent, mitigate, control, correct and compensate the possible negative environmental impacts or emphasize the positive impacts caused in the development of a proposed action;

5.3.44 Unprocessed Mineral Product: Any product or by-product resulting from the Extraction of the mineral that for any reason the Mining Concessionaire did not include it in the processing and benefit for its commercialization.

5.3.45 Annual Environmental Program and Budget: The annual program and budget for environmental activities that must be submitted to and approved by the National Environmental Authority within its Environmental Study, which includes all aspects determined in the Applicable Legislation;

5.3.46 Refining: The process of converting metallic products into high purity metals.

5.3.47 Integral Reparation: All actions, processes and measures, including those of a provisional nature, that tend fundamentally to revert environmental impacts and damages; avoid their recurrence; and facilitate the restitution of the rights of the affected individuals, communities, peoples and nationalities.

5.3.48 Royalty: The consideration paid by the Mining Concessionaire to the State on the sale of Primary Mineral and Secondary Minerals extracted under this Contract, whose value is determined according to the provisions of clause seventeen of this Contract;

5.3.49 Mining Registry: The Mining Registry established by the ARCERNNR in accordance with the Mining Law;

5.3.50 Tailings Dam or Tailings Storage Facility: A facility for the storage of tailings from the beneficiation phase of all mining activities, contained in a permanent and securely structured facility. The tailings impoundment shall be constructed in such a way as to prevent tailings from flowing to areas other than the determined site, and must have a system for recirculating water and returning it to the production system or have a system or other structures for discharging water from the tailings impoundment in accordance with Applicable Legislation;

5.3.51 Tailings: A mixture of ground ore with water and other compounds, usually in the form of a slurry, left over from the extraction of economically profitable minerals in the beneficiation phase;

5.3.52 Extension Request: The document to be submitted by the Mining Concessionaire to the Sector Ministry for the purpose of (i) obtaining an extension of the term of the Contract, with the aim of Exploiting all the reserves of the Deposit determined in the Audited Report; (ii) obtain an extension of the Contract term, in order to Exploit the new reserves discovered by the Exploration activities, in which case the Mining Concessionaire must include a technical, economic, resource and additional reserves evaluation report, and estimated investment, and exploitation activities deadlines, observing the applicable International Standards; and, (iii) obtain an extension of the Contract term, due to force majeure, fortuitous event or other cases established in the Applicable Legislation and this Contract.

5.3.53 Subcontractor: The individual or legal entity who contractually assumes before the Mining Concessionaire, the commitment to perform certain parts or units of work, provision of services or supply of goods, subject to the object of the Contract, by which its execution is governed;

5.3.54 Rare earth: Made up of a group of 17 elements that are part of group 3 of the Periodic Table, which have similar chemical behavior, although their physical properties are very different. They consist of the elements Lanthanum (La), with atomic number 57, and Lutetium (Lu) with atomic number 71, together with the atomic number 21 element Scandium (Sc) and Ithrium (Y), with atomic number 39. For the purposes of this Contract, the Parties understand that these elements are not particularly rare in the earth's crust but their concentrations are rare;

5.3.55 Transport: The process of moving the ore material or concentrate, depending on the mining phase or process;

5.3.56 Deposit: Mineral deposit whose degree of concentration or mineral grade makes its exploitation economically profitable;

CHAPTER TWO: PURPOSE, TERM AND MODIFICATIONS.

CLAUSE SIX: PURPOSE.

Under the constitutional precept that guarantees the right of the State to administer, regulate, control, and manage the strategic mining sector in accordance with the principles of environmental sustainability, precaution, prevention, and efficiency and in view of the exceptional delegation referred to in the second paragraph of article three hundred and sixteen (316) of the Constitution of the Republic of Ecuador, and the second paragraph of article one (1), as well as articles twenty-seven (27), thirty (30), thirty-one (31) and forty-one (41) of the Mining Law, the purpose of this Contract is to determine the terms, conditions and deadlines for the preparation and development (construction and assembly) of the Deposit or Deposits located in the Mining Concession Contract Area, as well as the extraction, exploitation, benefit, transport and commercialization of all the minerals, which will become the property of the Mining Concessionaire at the moment they are extracted and which are commercially exploitable, in accordance with the terms and conditions stipulated in this Contract, under the responsibility and risk of the Mining Concessionaire, in accordance with the studies and designs mentioned in this Contract and with autonomy and independence in the financial, commercial and technical decisions that are necessary to comply with the object described herein and in the terms of the Applicable Legislation. -

This Contract determines the obligations of the Mining Concessionaire in terms of environmental management, presentation of guarantees, relationship with the communities, payment of royalties, Shutdown Operations, Concessionaire's rights, dispute resolution procedure, and any other applicable in accordance with the Applicable Legislation.

The Ecuadorian State and the Mining Concessionaire shall share in the profits resulting from the execution of this Contract, under the terms established in the Applicable Legislation and this Contract.

During the execution of this Contract, the Mining Concessionaire shall carry out the activities foreseen in the General Work and Investment Plan and may carry out others that it deems necessary. If new reserves are incorporated as a result of the Exploration activities, additional to those foreseen in the existing Audited Report as of the Effective Date, these shall form part of this Contract and shall be regulated under the same terms.

The Mining Concessionaire, under its sole responsibility and risk, shall execute the activities foreseen in the General Work and Investment Plan, as well as all those activities required in the Environmental Study and Environmental Management Plan, including all those necessary for the Shutdown of Operations.

CLAUSE SEVEN: TERM OF THE CONTRACT.

This Term of this Contract is 25 years counted from the Effective Date, which may be extended as established in this clause or by agreement of the Parties in accordance with the Applicable Legislation and this Contract.

Given that, in accordance with the Audited Report and the General Work and Investment Plan agreed by the Parties, the Exploitation of the Deposit requires a period of approximately XXXX for its execution, and considering the fact that this period exceeds the term of the Mining Concession and of this Contract, the State guarantees, in accordance with this clause and the Applicable Legislation, the renewal of the Mining Concession and the extension of the term of this Contract for the additional period required for the Exploitation of the Deposit, and an Addendum must be signed.

In all events that due to the Exploration activities carried out by the Mining Concessionaire as foreseen in the Annual Work and Investment Plan, the additional reserves will be incorporated to the object of this Contract, and the term of this Contract will be extended for the additional term required as foreseen in the Extension Request. In such cases, the State guarantees, in accordance with the Applicable Legislation, the renewal of the Mining Concession for the additional period required for the execution of this Contract.

In the event of Force Majeure or Fortuitous Events, the term of this Contract shall be extended for the additional period required and justified in the Extension Request, in accordance with the Applicable Legislation and this Contract. In such cases, the State guarantees, in accordance with Applicable Laws, the renewal of the Mining Concession for the additional period required for the performance of this Contract.

In any case of a Request for Extension of the term of this Contract, the following procedure shall apply:

- a. The Mining Concessionaire shall submit to the Sectorial Ministry a Request for Extension, attaching the supporting documents to justify the request;
- b. Within a period of 120 days following the receipt of the Extension Request, the Sectorial Ministry shall decide and notify whether or not the extension of the term of this Contract is appropriate;
- c. In the event of failure to agree on the extension of the term of this Contract pursuant to the Extension Request, the Mining Concessionaire may submit the dispute in accordance with the procedure set forth in Clause 30.3 and, in the absence of agreement, the procedure set forth in Clause 30.4 of this Contract shall be applicable;
- d. In the event that the Mining Concessionaire initiates the procedure set out in Clause 30.3 of this Contract, the term of the Contract shall not be extended until the Consultant issues its decision;

- e. In such cases, the State, in accordance with the Applicable Legislation, shall renew the Mining Concession for the additional period required for the execution of this Contract.

CLAUSE EIGHT: MODIFICATIONS TO THE CONTRACT.

The Parties shall sign an addendum modifying this Contract in the following cases:

- a. Modification of the Contract Area, provided that such modification affects the operating area of the Mining Concession, understood as the area where the mining activities of Exploitation, Beneficiation or Smelting and its related infrastructure are carried out. If the operational area is not modified, only the authorization of the Sectorial Ministry will be required, which will serve as support for the modification and, once registered in the Mining Registry, the modification will be duly noted as a marginal note in the Contract;
- b. Modification of the Contract Term;
- c. Implementation of Correction Factors;
- d. By agreement of the Parties for any purpose;
- e. By assigning and transferring the Mining Concession object of this contract, as well as by executing the Assignment in Guarantee.

To enter into an amending addendum, the parties shall follow the following procedure:

The Mining Concessionaire shall submit to the Sectorial Ministry a request start the negotiation of the Contract modificatio, which shall attach the documents that support and justify the request.

The Sectoral Ministry, within thirty (30) days, will request the information and documentation it deems necessary from the Mining Concessionaire. Within sixty (60) days from the date of the Mining Concessionaire's request, it shall qualify the admissibility of the documentation submitted, and shall notify the Mining Concessionaire with the beginning of the negotiation of the amending addendum and the formation of the negotiation team.

Each Party shall form a negotiating team with expertise in mining, legal, technical, operational, environmental, social, tax and financial matters, among other aspects.

The negotiating team of the Sectoral Ministry shall be composed of the Vice-Minister of Mines and the General Legal Coordinator of the Sectoral Ministry; it may also include officials or officers of this State institution, its dependencies and other

entities attached to it; as well as, if necessary, external advisors depending on the needs that may arise.

The Parties shall designate a team leader, who shall be responsible for issuing communications, reports or signing the minutes of each session, indicating the progress and fulfilment of the negotiations or agreements reached, among other aspects.

The Undersecretary of Industrial Mining shall act as secretary of the negotiation sessions.

Once the Sectorial Ministry has notified the initiation of the negotiation, the Parties shall meet as many times as deemed necessary to reach the agreements, rights and obligations of the Parties, in accordance with the law and other applicable regulations, in order to determine the text of the amending addendum.

CHAPTER THREE: RIGHTS AND OBLIGATIONS OF THE PARTIES.

CLAUSE NINE: OBLIGATIONS OF THE PARTIES.

9.1 Obligations of the Mining Concessionaire:

The Mining Concessionaire shall be obliged, in accordance with the provisions of this Contract and the Applicable Legislation, to the following:

9.1.1 Prove to the Sector Ministry compliance with the provisions of Article seventy-eight (78) of the Mining Law;

9.1.2 Comply with economic, tax, labor participation, accounting and auditing obligations;

9.1.3 To collaborate and provide all the information required by the control authorities in inspections, controls and audits;

9.1.4 To submit all plans, programs, budgets and reports required by this Contract and the Applicable Legislation;

9.1.5 To execute the activities described in the General Work and Investment Plan and in the Annual Work and Investment Plan and its modifications;

9.1.6 To obtain and maintain in force all warranties described in this Contract;

9.1.7 Comply with the Environmental Management obligations indicated in the thirteenth clause of this Contract;

9.1.8 Deliver to the Sector Ministry, upon request, a list of its contractors, with the following information: name, tax registration number (RUC), type of goods or services, and nationality;

9.1.9 Build or expand, at its own cost, all the infrastructure works established in the General Work and Investment Plan and its modifications;

9.1.10 To register this Contract in the Mining Registry, within thirty (30) days from the date of its execution;

9.1.11 To provide the Sector Ministry, the National Environmental Authority and ARCERNNR with the information necessary for the fulfillment of its duties and obligations related to the Mining Concession and this Contract, in accordance with the Applicable Legislation;

9.1.12 Preserve the mental and physical health and life of its technical personnel and workers, applying the mining-industrial safety and hygiene norms, providing them with health services, for which an Internal Regulation of Occupational Health and Mining Safety shall have approved and in force, in accordance with the Applicable Legislation;

9.1.13 In case of an incident or contingency and/or emergency event, the Mining Concessionaire shall notify within 24 hours the Sectorial Ministry, the ARCERNNR and the competent Authorities, in order to inform them and coordinate the necessary actions, interventions and responses. If, due to the magnitude of the incident or event, it is not possible to comply with the notification within the first 24 hours, the Mining Concessionaire shall comply with the notification as soon as the situation allows;

9.1.14 Apply the International Standards in projects of similar characteristics, in the design, construction and assembly of the mine, plant and other civil works necessary the start the execution of the activities object of this Contract, in relation to the Audited Report;

9.1.15 Give preference to the national industry, in order to stimulate national development, as long as they offer conditions of quality, price, safety, availability, comparable to those offered by foreign suppliers and that they comply with the Mining Concessionaire's internal purchasing policies and standards. The Mining Concessionaire will especially seek to promote the development of small and medium suppliers in the area of direct influence of the mining project, through training and capacity building plans;

9.1.16 Maintain training, knowledge transfer and capacity building programs, as proposed in the General Work and Investment Plan and the Applicable Legislation.

9.1.17 Allow for State use, when the Applicable Legislation so provides, the roads, airports, heliports, sea and river ports, which are constructed and under the control of the Mining Concessionaire;

9.1.18 Notify the Sector Ministry in the event that the Unprocessed Mineral Product is processed in the facilities of a third party or for commercialization. In all cases, the Mining Concessionaire shall comply with Applicable Legislation;

9.1.19 The Mining Concessionaire shall implement a real-time remote monitoring system through cameras, sensors and/or other mechanisms at the tailings deposit infrastructure works, underground infrastructure, Beneficiation plant and pipeline infrastructure;

9.1.20 Comply with other obligations under Applicable Legislation and this Contract.

9.2 Obligations of the State.

During the execution of this Contract, the State shall be obliged to:

9.2.1 Comply and enforce compliance with the provisions of the Applicable Legislation and this Contract;

9.2.2 Cooperate and coordinate with the Mining Concessionaire in order to procure the best possible conditions for the normal execution of the mining activities established in this Contract, especially in relation to: public safety, public infrastructure, public services, purchase or imposition of easements on necessary lands;

9.2.3 Attend in a timely manner to the requests, proposals or requirements that correspond to it, within the deadlines or terms established in the Applicable Legislation and in this Contract. The Sectoral Ministry shall decide on the requests, proposals or requirements, within the terms or deadlines established for each case in the Applicable Legislation and in this Contract. In the absence of notification of the decision on the request, proposal or requirement, the provisions of the Applicable Legislation shall apply;

9.2.4 Guarantee the right to legal certainty in accordance with the Constitution of the Republic of Ecuador. The State acknowledges that the Mining Concessionaire and the mining project have the protections and guarantees established in the Applicable Legislation; and, neither the State nor the Sector Ministry shall issue any act contrary to the Applicable Legislation that interferes with the rights of the Mining Concessionaire under this Contract;

9.2.5 Grant in a prompt and timely manner precautionary measures and administrative injunctions to the Mining Concessionaire, when required, in accordance with Applicable Legislation;

9.2.6 Cooperate with the Mining Concessionaire in its relationship with public entities and third parties related to the execution of this Contract its normal compliance; especially for the development of the associated infrastructure projects, such as ports, roads, hydroelectric power plants, transmission lines, among others;

9.2.7 Use the mechanisms foreseen in the Applicable Legislation with the purpose of guaranteeing the continuity of the activities that are the object of this Contract;

9.2.8 Distribute the percentage of profits and royalties in accordance with the provisions of the Applicable Legislation;

9.2.9 Ensure that the concessions and, in general, the enabling titles of other strategic sectors that are granted after the execution of this Contract, are granted in a coordinated manner and compatible with the exercise of the rights of the Mining Concessionaire, for which, the competent public institutions shall take the necessary actions;

9.2.10 Cooperate and coordinate directly with the Army and the National Police to regulate and control access to the Contract Area, especially to the facilities and infrastructure, and implement all types of controls deemed necessary to prevent the entry of people unrelated to the operation, in accordance with the Applicable Legislation;

9.2.11 Facilitate the processes for obtaining visas for the foreign personnel of the Mining Concessionaire that have to perform activities in the country, related to the execution of this Contract, in the understanding that the Mining Concessionaire will carry out the corresponding administrative procedures at its sole responsibility and cost, and in accordance with the Applicable Legislation;

9.2.12 Comply with the other obligations foreseen in the Applicable Legislation and in this Contract.

CLAUSE TEN: RIGHTS OF THE PARTIES.

10.1 Rights of the Mining Concessionaire.

In addition to the rights established in the Constitution and the Applicable Legislation, The Mining Concessionaire shall have the following rights:

10.1.1 To freely execute, at its own risk and expense, all the activities related of this Contract;

10.1.2 To freely commercialize, inside or outside the country, the Primary Mineral and the Secondary Minerals obtained in its production process;

10.1.3 Receive the benefits determined in this Contract and in the Applicable Legislation;

10.1.4 Request the suspension of the terms due to Force Majeure or Fortuitous event or other conditions provided for in the Applicable Legislation and this Contract;

10.1.5 To receive a timely response to all requests addressed to the State with respect to the public services that may be required for the execution of this Contract, particularly for the generation, transmission and distribution of energy, roads, port infrastructure, water, among others, in accordance with the Applicable Legislation;

10.1.6 Request and receive assistance from the competent police and military authorities to prevent personal injury or property damage, in the event of threats that endanger or interfere with the activities under this Contract or the integrity of the people working for the Mining Concessionaire or their property, in accordance with the Applicable Legislation;

10.1.7 Request and receive, through the ARCERNNR, the expeditious and timely granting of precautionary measures and administrative protection in favor of the Mining Concessionaire, when required, in accordance with the Applicable Legislation;

10.1.8 To build and install beneficiation, smelting and refining plants, waste accumulation deposits, buildings, camps, pipelines, pumping and motive power plants, pipelines, workshops, electric power transmission lines, electric power generation plant, electric power self-management systems, ponds, communication systems, roads, railroads and other local transportation systems, canals, docks, sea and river ports, and other means of shipment, railroad lines and other local transportation systems, canals, docks, sea and river ports, and other means of shipment, and to carry out activities necessary for the development of its operations and facilities, subject to the provisions of the Applicable Legislation, in accordance with the General Work and Investment Plan and the Annual Work and Investment Plans;

10.1.9 Obtain from the State the provision of sufficient electricity to cover the needs of mining activities; as well as the right to the electricity tariff under terms and conditions no less favorable than those granted to other mining concessionaires operating large-scale mining projects in the country, in accordance with the Applicable Legislation;

10.1.10 The Mining Concessionaire is free to hire, under its responsibility and risk, all the works, goods or services necessary to comply with the activities object of this Contract, in accordance with the provisions of this Contract and the Applicable Legislation;

10.1.11 To freely use and exploit the mining and metallurgical wastes resulting from the activities object of this Contract, in accordance with the Applicable Legislation;

10.1.12 Build, modify, improve, replace or expand any infrastructure related to the execution of this Contract, subject to compliance with Applicable Legislation, this Contract and obtaining of all required permits and licenses;

10.1.13 Maintain its ownership rights over buildings, machinery, facilities and other working elements, which may be removed in accordance with the Environmental Management Plans and at its own cost when the mining rights are extinguished;

10.1.14 Request and obtain the constitution of the necessary easements for the execution of the mining activities contemplated in this Contract, in accordance with the provisions of the Applicable Legislation;

10.1.15 Maintain and control deposits of physical gold, both in Ecuador and abroad, and pay or guarantee obligations to third parties with such products;

10.1.16 To enjoy and demand that the rights and guarantees established in the Constitution of the Republic be respected, including but not limited to: equality, non-discrimination, freedom of contract, protection of applicable international treaties, presumption of innocence, among others;

10.1.17 Submit disputes arising from this Contract to the dispute resolution mechanism provided in the thirtieth clause of this Contract, which may not be interpreted as a waiver or limitation of the right or protection that the Mining Concessionaire has under agreements or treaties entered into by the State;

10.1.18 Suspend mining and investment activities subject to the payment of economic compensation in favor of the State, in the event that technical or market conditions prevent it from complying with the activities related to the execution of this Contract;

10.1.19 Obtain, in accordance with the Organic Code of Production, Commerce and Investments, legal stability of the specific sectorial regulations detailed in Annex J, which are declared as essential for the management of this Contract;

10.1.20. To carry out any Exploration activity in accordance with the provisions of this Contract and Applicable Laws. The Parties declare that any Exploration activity is not subject to the provisions of articles thirty-eight and one hundred and eleven of the Mining Law; and,

10.1.21 All other rights provided for in the Applicable Legislation and in this Contract.

10.2 State Rights.-

The State shall have the right to:

10.2.1 Receive the benefits determined in this Contract and in the Applicable Legislation;

10.2.2 Monitor, audit, intervene and control, through the Sector Ministry and the ARCERNNR, the activities to be developed by the Mining Concessionaire under this Contract, for which purpose it may request reports on the execution of the Annual Work and Investment Plan and other activities foreseen in this Contract with the periodicity required by the Sector Ministry or the ARCERNNR, in accordance with the Applicable Legislation;

10.2.3 The State has the unrestricted right to access the Contract Area, the Area of Related Activities and all the facilities therein, in order to carry out the tasks of surveillance, control, inspection and supervision established in the Contract and in the Applicable Legislation. The Mining Concessionaire may in no case and for no reason deny such access to the State.

10.2.4 Suspend operations in the cases foreseen in the Applicable Legislation;

10.2.5 Receive the technical, economic, environmental, social and other information produced by the Mining Concessionaire, derived from the execution of this Contract, in accordance with the Applicable Legislation;

10.2.6 Other rights provided for in the Applicable Legislation and in this Contract.

CHAPTER FOUR: COMMENCEMENT OF MINING ACTIVITIES

CLAUSE ELEVEN: COMMENCEMENT OF ACTIVITIES.-

In order to carry out the mining activities, the Mining Concessionaire shall obtain, in a compulsory manner, the prior administrative acts described in article 26 of the Mining Law and others in accordance with the Applicable Legislation.

OPTION B

The Mining Concessionaire shall inform the Sector Ministry and ARCERNNR the start date of production and of the first commercial sale of the Primary Mineral and Secondary Minerals from the Contract Area. For the purposes of this notification, "star date of production" shall mean the date on which the first sale of the Primary Mineral and Secondary Mineral is made.

CLAUSE TWELFTH: SUSPENSION OF ACTIVITIES.-

12.1 Right of Suspension of the Mining Concessionaire.-

The Mining Concessionaire shall have the right to suspend the mining activities and the investments related to such activities, totally or partially, subject to the payment of an economic compensation in favor of the State, under the terms of article forty-one (41) fifth paragraph of the Mining Law, in case the Mining Concessionaire reasonably determines that the technical or market conditions make it necessary or convenient. Such compensation shall be equivalent to the basic salary in force in the respective fiscal year, for each mining hectare in the Contract Area. The

compensation shall be calculated and paid in accordance with the following formula: From zero to three months of suspension of activities, xx percent of a basic salary is applied for each mining hectare prorated for the duration of the suspension. From three to six months of suspension of activities, twenty-five percent of a basic salary for each mining hectare prorated for the duration of the suspension. From six to twelve months of suspension of activities, fifty percent of a basic salary is applied for each mining hectare prorated for the duration of the suspension. From twelve months onwards of suspension of activities, one hundred percent of a basic salary is applied for each mining hectare prorated for the duration of the suspension. The compensation shall be paid according to the earlier of: 1. the date on which each anniversary of each year of suspension of activities is reached; or 2. the date on which operations are resumed. Any suspension of activities shall apply from the time the Sectoral Ministry has been notified by the Mining Concessionaire. Such notification shall explain in detail the reasons for the suspension, as well as the estimated duration of the suspension. 9.1.2. In the event that a dispute resolution procedure is initiated in relation to this clause, the suspension of activities shall be maintained until a final decision on the dispute is reached. 9.1.3. In addition to the above, the Mining Concessionaire may suspend activities and investments for a period equal to the duration of any event of Force Majeure or Fortuitous Event, in accordance with clause Twenty-Fifth of this Contract. 9.1.4. The Mining Concessionaire may at any time carry out the operational breaks necessary for engineering, maintenance or other technical reasons, programmed or not, which must be carried out in the ordinary course of business, and these shall not be subject to the provisions of this clause.

12.2 State Right of Suspension.-

Mining activities may only be suspended by the State in accordance with the provisions of Applicable Legislation and this Contract. In any case, the provision for the suspension of mining activities shall be ordered exclusively by the Sector Ministry, by means of a reasoned resolution.

The suspension shall be proportional and reasonable in relation to the alleged fault, and shall be ordered only and exclusively on an exceptional basis in the event of the Mining Concessionaire's entry into the mining concession of third parties, or when so required for the protection of the health and life of the mining workers or of the communities located within the perimeter of the Contract Area, provided that there is no other precautionary measure available that allows the normal development of the mining works, taking into account the public interest committed to the continuity of the works, and shall only be in force for the time strictly necessary until the cause that motivated it is remedied, or a guarantee is offered by the Mining Concessionaire, or a remediation plan acceptable to the Sectorial Ministry is delivered. Upon submission to the Sectoral Ministry of the report of the competent authorities expressly certifying that the reasons for which the suspension was established have been overcome, without prejudice to the inspection of the ARCERNNR, and by means of the corresponding resolution of the Sectoral Ministry, the suspension shall be lifted. The public officials who have requested and ordered the suspension shall be

liable in accordance with the Applicable Legislation. Any suspension ordered by the State shall apply from the moment the Mining Concessionaire has been notified by the Sectorial Ministry. Such notification shall explain in detail the reasons giving rise to the suspension, as well as the estimated duration of the suspension. The Mining Concessionaire may initiate the dispute resolution procedure contained in the thirtieth clause of this Contract, with respect to the events that gave rise to the suspension of activities. In the cases of suspension considered in paragraph twelve point two of this clause, the Mining Concessionaire shall be entitled to an extension of the term of this Contract, equal to the duration of such suspension, in which case the Mining Concessionaire shall request the approval of the Sectorial Ministry and the amending addendum shall be signed. If required, the Mining Concessionaire shall apply to the Sectorial Ministry for the extension or renewal of the term of the Mining Concession, in accordance with the Applicable Legislation. Even in case of suspension, for any of the reasons indicated in this clause, the Mining Concessionaire shall be responsible for the compliance of the environmental management in the Contract Area as stated in the Environmental Management Plan.

12.23. Extension of Term.

In any event of suspension, in accordance with this clause, the Mining Concessionaire shall have the right to request an extension of the term of the Mining Concession and, consequently, of the term of this Contract, equal to the duration of such suspension.

CHAPTER FIVE: ENVIRONMENTAL MANAGEMENT AND COMMUNITY RELATIONS.-

CLAUSE THIRTEEN: ENVIRONMENTAL OBLIGATIONS AND COMMUNITY RELATIONS. -

13.1. Environmental License. -

The Mining Concessionaire, prior to the commencement of mining activities, shall obtain the corresponding Environmental License in accordance with the Applicable Legislation.

13.2. Environmental Liability of the Mining Concessionaire. -

13.2.1. Compliance with Environmental Legislation

In the conduct of its activities under this Contract, the Mining Concessionaire shall comply with all Applicable Legislation in relation to the Environment and International Standards.

13.2.2.2 Integral Reparation:

In the event of any Damage and/or Environmental Liabilities, determined after due process by the National Environmental Authority, to have been caused by the Mining Concessionaire, the Mining Concessionaire shall be responsible for the Full

Reparation of such Damage and/or Environmental Liabilities on the terms approved by the National Environmental Authority, in accordance with Applicable Legislation. The Mining Concessionaire shall not be liable for any Damage or Environmental Liabilities caused by illegal mining activities or other activities of third parties not authorized by the Mining Concessionaire, following due process in accordance with Applicable Legislation.

13.3. The Mining Concessionaire, based on its corporate social responsibility policy, shall contribute to the socio-economic well-being of the local communities in the Area of Influence of the mining project in the following manner:

13.3.1. Develop a Community Relations Plan in accordance with Applicable Legislation and Applicable International Standards.

13.3.2. Reduce and minimize the negative social impacts of mining activities in the Area of Influence of the mining project, in accordance with Applicable Legislation.

13.3.3. Prioritize the hiring of local community personnel and Ecuadorian personnel in relation to the Mining Activities in the Contract Area, and Areas of Related Activities in accordance with the provisions of Applicable Legislation.

13.3.4. Give priority to the acquisition of Ecuadorian goods and services, particularly in the Area of Influence of the mining project, as long as they are competitive in price, quality and safety, in accordance with the market and Applicable Legislation.

13.4. In accordance with the principles that govern good Public Administration (coordination and planning), and the Applicable Legislation, coordination shall be sought between the Ministry of Energy and Mines and the Ministry of Environment, Water and Ecological Transition in order to be aware of all the information submitted by the Mining Concessionaire and to be able to act accordingly.

25 APRIL 2023: THE ECONOMIC COMMISSION THAT THIS ISSUE SHOULD BE DEALT WITH BY LEGAL COMMISSIONS.

CHAPTER SEVEN: GUARANTEES AND INSURANCE. -

CLAUSE FOURTEEN: GUARANTEES. -

14.1 Parent Company Guarantee:

The Mining Concessionaire's Parent Company guarantees the fulfillment of the investments committed by the Mining Concessionaire under this Contract, according to the format shown in Annex I. This guarantee is delivered to the Sectorial Ministry at the time of signing this Contract. Said guarantee was delivered to the Sectorial Ministry at the time of the execution of this Contract.

14.2 Environmental Guarantees:

The Mining Concessionaire shall submit the environmental guarantees in accordance with the Applicable Legislation. These shall remain in force during the period of

execution of the activity until its effective termination, including the guarantee of faithful compliance with the operations closure plan.

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14.3 Guarantee of the investments:

Inasmuch as the Parties have agreed to the payment of an advance royalty by the Mining Concessionaire, the granting of any other type of investment guarantee is not required for the execution of this Contract, therefore, in the event that the Mining Concessionaire does not carry out the estimated Investments corresponding to the General Work and Investment Plan, due to circumstances attributable to its own responsibility, the State shall have no obligation to reimburse the Mining Concessionaire any value corresponding to the anticipated royalty. -

On the contrary, in the event that the Investments cannot be executed due to circumstances attributable to the responsibility of the State or any authority, agency, government entity or due to Force Majeure, the State shall have the obligation to reimburse, without interest, the anticipated royalty to the Mining Concessionaire in the part that has not been duly liquidated. –

CLAUSE FIFTEENTH: INSURANCE POLICIES. -

The Mining Concessionaire shall be exclusively responsible for purchasing all insurance policies required to comply with this Contract, among others, civil liability, life and personal accident, fire. These insurance policies shall be subject to the Applicable Legislation. The Mining Concessionaire shall purchase insurance policies to cover assets located in the country, from an insurance company duly authorized by the Superintendence of Companies, Securities and Insurance.

The Mining Concessionaire shall require all its subcontractors and suppliers of goods and services to take out such insurance policies as it deems necessary.

In the event that the Mining Concessionaire or its subcontractors have not purchased the insurance policies or that the Mining Concessionaire has failed to pay the premiums corresponding to such policies, the damages and losses that may occur shall be the sole responsibility of the Mining Concessionaire and the Mining Concessionaire shall cover them immediately.

The indemnities and restitution of goods derived from losses that are not duly insured by the Mining Concessionaire shall be the exclusive responsibility of the Mining Concessionaire.

CHAPTER EIGHT: ECONOMIC, FINANCIAL AND TAX MATTERS. -

CLAUSE SIXTEEN: PARTICIPATION OF THE STATE AND THE MINING CONCESSIONAIRE, ROYALTIES, ANTICIPATED ROYALTIES. -

16.1 Participation of the State and the Mining Concessionaire.- The Parties expressly acknowledge and agree that in accordance with article four hundred and eight of the Constitution, and in accordance with article ninety three of the Mining Law, the State shall participate in the benefits from the exploitation of the minerals object of this Contract in an amount that shall not be less than those of the Mining Concessionaire, which shall be calculated in accordance with the Applicable Legislation for such effect, according to Annex D. -

In the event that the benefits of the Mining Concessionaire are greater than those of the State, the Mining Concessionaire shall pay to the State, because of the Sovereign Adjustment concept, the corresponding value that guarantees that the State receives at least the same benefit as the Mining Concessionaire, in accordance with the Applicable Legislation.

The Mining Concessionaire shall calculate and pay the Sovereign Adjustment in accordance with the General Regulations of the Mining Law and provided that the conditions established for its payment are met.

In order to comply with the provisions of Article 408 of the Constitution of the Republic, the entire period of validity of the Mining Concession and not only the basis of each annual fiscal year shall be considered for the calculation, analysis, auditing or control of the Sovereign Adjustment.

The Mining Concessionaire shall submit to the Sector Ministry by April 30 of each year, a report detailing the annual cash flow after payment of all obligations inherent to the Mining Concession, including the payment of the Sovereign Adjustment, by the Mining Concessionaire from previous years updated to the present value of the current year of calculation.

16.2 Royalties - The Mining Concessionaire agrees to calculate and pay a Royalty to the State on sales of Primary Mineral and Secondary Minerals during the term of this Contract under the terms set forth in Article 93 of the Mining Law, Article 82 of the General Regulations of the Mining Law, the Instructions for Auditing, Calculation of Royalties and Benefits of the Metallic Mining Activity, and in this Contract.

Considering the criteria of progressivity, production volumes and/or mineral prices in accordance with the provisions of Article 93 of the Mining Law, the Mining Concessionaire and the State consider [subject to negotiation] as the applicable rate.

16.2.1 Payment

The Royalties shall be calculated for each shipment, and payment thereof to the State shall be made semi-annually in March and September of each year. The payment due shall be calculated as the sum of the Royalties calculated for each shipment during the six-month period in question, based on the Audit Instructions, Calculation of Royalties and Benefits of the Metallic Mining Activity, the Net Income, and the percentage of the applicable Royalties for each shipment.

For the purposes of this clause, "Mineral Products" shall mean the Primary Mineral or the Secondary Minerals, or any marketable product derived from the mineral extracted from the Contract Area, or other mineral products that are additionally treated as part of the mining operation related to the Contract Area.

The Royalty shall be calculated on the net income effectively received by the Mining Concessionaire for the sales of the Mineral Products, which corresponds to the International Sales Price, in accordance with the Audit Instructions, Calculation of Royalties and Benefits of the Metallic Mining Activity, this clause, and Annex XX.

For verification purposes, the State may take into account the information reflected in the tax returns submitted by the Mining Concessionaire to the Internal Revenue Service, as well as the information contained in the semi-annual production reports submitted to the ARCERNR, and in the audit reports carried out by the State, in accordance with this Contract and the Applicable Legislation.

The amount accrued for Royalties shall be considered as a deductible expense in the Income Tax base of the Fiscal Year to which such Royalties correspond.

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IN ADDITION, THE ECONOMIC COMMISSION MEM SOLGOLD PROPOSES TO DEFINE CLEAR MILESTONES BETWEEN THE PARTIES FOR THE SCHEDULE AND INSTALMENTS OF ADVANCE ROYALTY PAYMENTS, IF APPLICABLE; CONSIDERING CLEAR DATES AND DEADLINES WITH MILESTONES FOR THE INVESTOR AND CONDITIONS THAT THE GOVERNMENT MAY GRANT.

16.3. Advance Royalties

Advance Royalty: Pursuant to article eighty-two of the General Regulations to the Mining Law, in this Contract advance royalties are agreed for a value of XXX.

The Advance Royalty shall be paid as follows: The first disbursement of XXXX United States Dollars, which is made on the date of execution of this Contract. The second disbursement of US\$ XXXX, to be paid within one year from the date of execution of this Contract; and, the third disbursement of US\$ XXXX, to be paid within two years from the date of execution of this Contract.

Liquidation of Advance Royalty: All payments made by the Mining Concessionaire for Advance Royalty shall be set off against the Royalties payable by the Mining Concessionaire from the commencement of exploitation of minerals in the Contract Area in accordance with Clause 16.2. At the end of each six-month period, a provisional settlement of the accrued Royalty shall be made and credited against the Royalty payable by the Mining Concessionaire in an amount equal to the lesser of (i) fifty percent of the Royalty payable by the Mining Concessionaire for that six-month period, and (ii) ten percent of the anticipated Royalty, as detailed in Schedule D. This limit shall apply until the anticipated Royalty is settled in full.

The Royalty payment shall be considered as an income tax deductible expense on an accrual basis and not on the basis of the payment or amortization of the anticipated Royalty, according to Article 9 of the Audit Instructions, Calculation of Royalties and Benefits of the Metallic Mining Activity of Royalties - Ministerial Agreement 323 which establishes the liquidation of the anticipated Royalty and the expense shall be recorded in the results of the year in which the Royalty is accrued.

CLAUSE SEVENTEEN: TAX OBLIGATIONS AND LABOR PROFIT SHARING. -

(a) The Mining Concessionaire shall pay all applicable taxes, fees, contributions and municipal or sectional charges, in accordance with the Applicable Legislation and provisions set forth in the Investment Agreement.

(b) The Mining Concessionaire is entitled to a VAT refund in accordance with Applicable Laws.

17.1 Labor profit sharing. -

Profits for the workers and for the State. - The workers involved in the mining activity of the Mining Concessionaire shall receive three percent (3%) of the percentage of profits, and the remaining twelve percent (12%) shall be paid to the State, in accordance with the Applicable Legislation. -

17.2 Conservation Patent. -

The Conservation Patent is the amount that the Mining Concessionaire must pay annually to the State to keep the Mining Concession in force, equivalent to ten percent (10%) of a basic salary for each mining hectare that corresponds to the Mining Concession, in accordance with the second clause of article thirty-four (34) of the Mining Law.

CLAUSE EIGHTEEN: CORRECTION FACTORS. -

18.1 Correction Events and Methods. -

In the event that, subsequent to the execution of this Contract, any of the events described below occur and cause an imbalance in the economy of this Contract for the Mining Concessionaire, a correction factor that absorbs the increase in the economic burden for the Mining Concessionaire shall be included, after negotiation and agreement of the Parties, or, in the absence thereof, under the mechanism contained in the Dispute Resolution clause of this Contract, upon motivated request of the Mining Concessionaire:

- Modification of the applicable tax rates or creation of new taxes, provided that such rates or taxes are not stabilized by means of an Investment Contract, in accordance with the Organic Code of Production, Commerce and Investment.

- Modification of the taxable base of the income tax or its calculation or determination formula as a consequence of legal or regulatory changes, provided that an Investment Contract that had stabilized such taxable base is not in force.

- Modification of the Applicable Legislation.

- Modification of the percentage of labor profit sharing participation in the annual profits generated by the Mining Concessionaire.

- Creation, elimination or modification of levies, royalties, entry premiums, surface rights, patents, rights, conservation patents, compensation payments or any other type of non-tax levy, contribution or participation, including modifications to the State's participation in the profits from the exploitation of the mineral resources subject of this Contract.

- Modification of the monetary or exchange regime provided for in the Organic Monetary and Financial Code, published in the Official Gazette, Second Supplement No. 332 of 12 September 2014.

- Increase in the electricity tariff applicable to the Mining Concessionaire in force on the date of execution of the Mining Exploitation Contract.

In accordance with this clause, the correction factors shall consist of any measure available to the State to correct, in a prompt, adequate and effective manner, the economic imbalance caused to the Mining Concessionaire by the preceding events.

CLAUSE NINETEEN. MECHANISM FOR THE APPLICATION OF A CORRECTION FACTOR.-

It will be up to the Mining Concessionaire to demonstrate:

- The existence of any of the events indicated in the previous clause;

- Its economic impact on the economic balance of the Contract; and

- How the requested correction factor will correct the alleged economic imbalance. To this end, the Mining Concessionaire shall include a detailed economic study of the impact of the alleged event, and the effect of the requested correction factor. The correction factor shall at all times respect the State's share of the benefits from the exploitation of the mineral resources subject of this Contract.

The sole purpose of this correction factor shall be to compensate for any economic imbalance that may arise. Once a reasoned request for the application of a correction factor has been made, the Parties shall have a period of thirty (30) days to negotiate and reach an agreement on the correction factor. If the Parties fail to reach agreement within the time limit or within any additional time limit agreed upon, either Party may invoke the intervention of a Consultant or any other mechanism provided for in the Dispute Resolution clause of this Contract to determine (i) the

occurrence of the event giving rise to the request for the correction factor and (ii) the correction factor to be applied. The determination by the Consultant or the arbitrators shall be final and binding on the Parties and shall be incorporated into this Contract.

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CLAUSE TWENTY. CALCULATION METHOD FOR THE COMPENSATION CAUSED BY THE ECONOMIC IMBALANCE.

The imbalance in the economy of this Contract shall be determined according to the following:

The profits of the Mining Concessionaire, for purposes of the application of correction factors, shall be estimated based on the annual cash flows of the Mining Concessionaire after payment of all obligations related to this Contract, including the payment of the Sovereign Adjustment of previous years, adjusted to present value of the current Fiscal Year, in accordance with the following formula:

Write the equation here.

$$CBCn = \sum_{i=1} [BCi * (1 + r)^{n-i}]$$

Where:

n = Calculation of the Financial Year in course

i = Years following the events described in clause eighteen point one.

CBCn = Present value of the Mining Concessionaire's estimated benefits in year n

BCi = Profits of the Mining Concessionaire in each year i

r = Mining Concessionaire's discount rate

The estimated profits of the Mining Concessionaire in each year of this Agreement shall include the following:

$$BCi = FCLi$$

Where:

FCLi = Estimated Cash Flow of the Mining Concessionaire in each year i, including payments made for the Sovereign Adjustment.

The estimated Cash Flow of the Mining Concessionaire will be based on the budget and financial model then in effect and will be calculated as revenues less costs.

Costs will include all, but not be limited to, the following:

- Operating Costs
- Royalties
- Taxes

- Profit sharing
- Sovereign Adjustment
- Capital Expenditure
- Costs of dismantling and environmental repair
- Financing and interest costs
- Working capital

The economic imbalance of this Contract shall be the difference in the present value of the estimated profits of the Mining Concessionaire, prior to and after the occurrence of the events described in clause eighteen.

CLAUSE TWENTY-FIRST: ACCOUNTING

The Mining Concessionaire shall keep the accounting records of its Investments, costs and expenses, and other concepts related to this Contract, subject to the International Financial Reporting Standards (IFRS), the Accounting Regulations for Large Scale Metallic Mining for Mining Contracts, Applicable Legislation and international accounting standards of the industry.

The accounting records of the Mining Concessionaire applicable to this Mining Contract shall be kept in United States dollars and in Spanish.

The accounting records of the Concessionaire shall serve as the basis for compliance with applicable tax and regulatory obligations.

CLAUSE TWENTY-TWO: INFORMATION REQUIREMENTS.-

- (a) Without prejudice to the submission of reports, as established in this Contract and the Applicable Legislation, upon request of the Sector Ministry, the Mining Concessionaire shall submit legal, technical, environmental, economic, financial or other information or documentation related to the subject matter of this Contract.
- (b) In the absence of a stipulated response deadline, the Mining Concessionaire shall respond within 15 days, requesting an extension within that period if deemed necessary.

b.1) The State shall grant the Mining Concessionaire a reasonable term to comply with the information or documentation requirements, according to the complexity and volume of the information or documentation. Likewise, the State shall try to avoid duplication of requests for information or documentation on the same aspect, by its different authorities. The State shall also ensure that its requests for information or documentation are integrated and reasonably contemplate the deadlines and contents foreseen for the submission of periodic reports to which the Mining Concessionaire is obliged, in order to avoid duplications and inefficiencies.

b.2) Any request for information or documentation that the State may send to the Mining Concessionaire must be made by means of a notification and by the notification channels established in this Contract and in the Applicable Legislation.

CHAPTER NINE: GENERAL PLAN AND ANNUAL WORK AND INVESTMENT PLANS.-

CLAUSE TWENTY-THREE: GENERAL WORK AND INVESTMENT PLAN AND ANNUAL WORK AND INVESTMENT PLANS.

23.1.- General Work and Investment Plan.

In order to comply with the object of the Contract, the Mining Concessionaire, shall execute the activities of Construction, Assembly, Extraction, Exploitation, Beneficiation, Transport and Commercialization contemplated in the General Work and Investment Plan agreed by the Parties, which is included in Annex B of this Contract. The execution of the General Work and Investment Plan shall be the exclusive responsibility and risk of the Mining Concessionaire, in accordance with its studies and designs mentioned in this Contract, and with autonomy and independence in the financial, commercial and technical decisions that are necessary to comply with the object of this Contract, and under the terms of the Applicable Legislation.

The Mining Concessionaire undertakes to comply with the General Work and Investment Plan in order to optimize its processes for the recovery of the reserves foreseen in accordance with the Audited Report, within the periods, terms and conditions set out in Annex B.

The Mining Concessionaire guarantees that the execution of its activities provided for in the General Work and Investment Plan will be carried out with rationality in the use of natural resources as a priority.

The Mining Concessionaire has the right to modify or amend the General Work and Investment Plan in accordance with the procedures foreseen in this Contract and in compliance with the Applicable Legislation. All modifications to the General Work and Investment Plan shall be communicated to the Sectorial Ministry, as well as the reasons supporting such modification. The Sector Ministry may request from the Mining Concessionaire any additional information it may require with respect to the modification or amendment.

In case the proposed amendments require the modification of other documents issued by competent authorities, the Mining Concessionaire shall be responsible for complying with the requirements foreseen in the Applicable Legislation for each case.

The Infrastructure included in the General Work and Investment Plan shall comply with the Applicable Legislation and, in the absence thereof and in a supplementary or complementary manner, International Standards shall apply.

23.2. Annual Work and Investment Plan.

The Mining Concessionaire shall submit to the Sectorial Ministry an Annual Work and Investment Plan containing the program of activities, as well as the investment budget, costs and expenses for the respective Fiscal Year. The Annual Work and Investment Plan shall have as its fundamental basis the General Work and Investment Plan.

The Annual Work and Investment Plan shall be submitted to the Sector Ministry by 15 February of the Fiscal Year in which the said Annual Work and Investment Plan is to be implemented.

The corresponding notifications, as well as the required comments from the Parties, shall be made in accordance with the Applicable Legislation.

For the first year of activities, the Annual Work and Investment Plan shall be submitted within thirty days after the date of execution of this Contract, and shall include the program of activities, as well as the investment budget, costs and expenses for the period between the date of execution of this Contract and the date of completion of the Fiscal Year.

The Mining Concessionaire shall notify the Sector Ministry of any modifications to the Annual Work and Investment Plan.

23.3. Execution Reports of the Annual Work and Investment Plan.

The Mining Concessionaire shall submit to the Sector Ministry, by April thirty (30) of each year, a report on the execution of the Annual Work and Investment Plan for the previous Fiscal Year, together with the financial statements of the Mining Concessionaire for the same period.

The execution report of the Annual Work and Investment Plan does not exempt the Mining Concessionaire from the obligation to submit the other reports foreseen in this Contract and in the Applicable Legislation.

CHAPTER TEN: THE SHUTDOWN OF OPERATIONS

CLAUSE TWENTY-FOURTH: SHUTDOWN OF OPERATIONS.

24.1. Operations Closure Activities: In accordance with Article 85 of the Mining Law, 186 of the Organic Environmental Code and 125 of the Environmental Regulations for Mining Activities, the Mining Concessionaire shall execute its operations closure plan considering the provisions of the aforementioned articles. Regarding the "dismantling" of used facilities, the provisions of article 27.h of the Mining Law shall apply.

24.2.- Shutdown Environmental Monitoring and Audits: Regarding closure environmental monitoring and audits, the provisions of articles 127 and 128 of the Environmental Regulations for Mining Activities shall apply.

CHAPTER ELEVEN: INSPECTIONS, CONTROL AND AUDITS.-

CLAUSE TWENTY FIVE: INSPECTIONS, CONTROL AND AUDITS.-

Without prejudice to the powers and competences of the State entities, when they require to carry out inspections, controls or audits to the activities developed by the Mining Concessionaire under this Contract, the Mining Concessionaire shall provide the reasonable and necessary facilities to verify or ensure the compliance of the Mining Concessionaire with all the Applicable Legislation and the obligations assumed under this Contract. Inspections, controls and audits may be scheduled or unscheduled. In the case of scheduled inspections, these shall be coordinated at least 72 hours in advance. In all cases, the public official must have the respective identification and authorization from the competent authority.

The exercise of this power of inspection, control or audit by the State entities shall be carried out in a manner that does not interfere with the normal development of the activities and operations directly linked to the object of the Contract. In the event that the inspection, control or audit interferes with the normal development of the activities and operations of the Mining Concessionaire, it shall be scheduled. Such scheduling shall not be necessary in cases of emergency duly justified by the competent authority.

Within the framework of inspections, controls and audits, the State may require the Mining Concessionaire to submit documents, records and, in general, any information related to mining activities, as established in the Applicable Legislation and in this Contract.

If during the inspection the existence of allegedly illegal, manifest and evident, serious or risky events, activities or technical or environmental conditions is noticed, the public official shall recommend to the Mining Concessionaire to adopt the applicable measures in accordance with the Applicable Legislation, all of which shall be recorded and notified to the Mining Concessionaire. In appropriate cases, the competent entity shall be informed of such facts; without prejudice to the imposition of the corresponding penalties, in accordance with this Contract and the Applicable Legislation.

Any action by the Mining Concessionaire that impedes, delays or hinders the inspection, control and auditing tasks by the State shall result in the imposition of the sanctions provided for in this Contract and in the Applicable Legislation.

CHAPTER TWELVE: ASSIGNMENT AND TRANSFER, AND SECURITY ASSIGNMENT OF MINING RIGHTS.

CLAUSE TWENTY-SIXTH: ASSIGNMENT AND TRANSFER OF MINING RIGHTS.-

26.1 Prior Authorization for Assignment and Transfer.

26.1.1 The Mining Concessionaire may assign and transfer the mining rights over the Mining Concession and this Contract, in accordance with the Applicable Legislation.

26.1.2 The assignment and transfer of mining rights over the Mining Concession and this Contract shall imply the execution of the respective addendum amending this Contract, which shall be subject to the formalities provided for in this Contract and the Applicable Legislation.

26.1.3 Liability.-

In the event of assignment and transfer of the Mining Concession, the assignee shall be liable before the State and third parties for the obligations, guarantees and commitments derived from this Contract, as well as for those arising prior to its execution, without the State having any obligation with respect to other commitments contracted by the Mining Concessionaire with previous concessionaires who have been assignors.

26.1.4 Labor and Tax Obligations.

The liability of the assignor shall subsist with respect to the (pending) labor and tax obligations that may have been contracted prior to the assignment and transfer of the mining rights, subject to the Applicable Legislation.

CLAUSE TWENTY-SEVENTH: SECURITY ASSIGNMENT OF MINING RIGHTS.-

27.1. Security Assignment

27.1.1. Authorization of the Security Assignment.

i. In the event that the Mining Concessionaire requires financing for the development, construction, commissioning, operation and shutdown of the mining project (including, without limitation, the financing of the mining project, equipment, streaming and bonds, or the refinancing thereof,) and for such purposes requires the security assignment of the mining rights in favor of banks, financial institutions, including their assignees or authorized assigns (hereinafter referred to as "Lenders"), or their agents or trustees financing, in any manner, the mining project (hereinafter and together with the Lenders referred to as " Security Assigns" and individually as " Security Assign"), shall request the authorization of the Sector Ministry for such Security Assignment, in accordance with the Applicable Legislation.

ii. For financing purposes the Mining Concessionaire may also provide a complete security package as pledge, mortgage, assignment or otherwise (including a security assignment over fixed and intangible assets, a pledge over movable property and shares, including shares in the capital of the Mining Concessionaire). The Security

Assignee will take precedence over the rights derived from the Mining Concession and the Contract, as well as over the assets of the Mining Concessionaire and the mining project that are the subject of the security interest under the financing agreement, in accordance with Applicable Laws.

iii. The Mining Concessionaire shall be entitled to receive the authorization of the Security Assignment from the Sectorial Ministry. The Sectorial Ministry shall authorize the Security Assignment, subject to compliance with the requirements and procedures in the Applicable Legislation.

iv. At the request of the Mining Concessionaire or the Security Assignee, the Sectorial Ministry shall, within a reasonable period of time, enter into a direct contract with the Security Assignee that allows a timely financing and execution of the mining project, in accordance with the Applicable Legislation.

27.1.2. Terms and Conditions of the Assignment in Guarantee.

i. The Security Assignment constitutes a security interest over the mining rights arising from the Mining Concession and this Contract. It shall be privileged and shall take precedence over other obligations or titles of the Mining Concessionaire, in accordance with Applicable Laws.

ii. In the event that a process of liquidation or bankruptcy of the Mining Concessionaire has been initiated while a Security Assignment is in force, the Security Assignee may intervene in order to remedy the cause that gave rise to such process and avoid the liquidation or bankruptcy of the Mining Concessionaire, in which case the cause for termination of the Contract provided for in Clause Twenty-Nine shall not apply.

27.1.3. Execution of the Security Assignment.

The Security Assignee in whose favor the Security Assignment was granted shall be entitled to enforce the Security Assignment or any other security interest granted to it in relation to the mining project, the Mining Concession and this Contract, in accordance with Applicable Law.

For the purpose of enforcing the Security Assignment for the benefit of the Security Assignee, the Security Assignee shall submit to the Sectorial Ministry a request for enforcement of the Security Assignment in accordance with Applicable Laws.

The Security Assignee, upon execution of the Security Assignment, shall inform the Sectorial Ministry of the appointment of the operator of the mining project.

The Mining Concessionaire may in no case oppose the execution of the Security Assignment and its registration in the Mining Registry.

Once the Security Assignment is executed and the mining rights have been assigned, the Security Assignee shall become the holder of the mining rights over the Mining Concession and this Contract; which shall imply the execution of the respective addendum modifying this Contract, which shall be subject to the formalities provided for in this Contract and the Applicable Legislation.

Subsequent to the registration of the execution of the Security Assignment, and in the event that the new holder of the Mining Concession has entered into an operation contract on the mining project, it shall inform the Sectorial Ministry.

CHAPTER THIRTEEN: BREACH OF OBLIGATIONS.-

CLAUSE TWENTY-EIGHTH: BREACH OF OBLIGATIONS.-

Except for those breaches that constitute grounds for forfeiture of mining rights, in accordance with the Applicable Legislation, in case the Mining Concessionaire incurs in breach of any of its legal or contractual obligations, the penalties established in the Applicable Legislation shall be applied.

CHAPTER FOURTEEN: TERMINATION OF THE CONTRACT AND EXPIRATION OF THE MINING CONCESSION.

CLAUSE TWENTY-NINE: TERMINATION OF THE CONTRACT

29.1 Breach and Termination

This Contract shall terminate for one or more of the following causes:

- (a) By expiration of the term of the Mining Concession, the Contract and its renewals or extensions;
- (b) By total relinquishment of the Mining Concession;
- (c) By declaration of the termination of the Mining Concession;
- (d) By declaration of the annulment of the Mining Concession;
- (e) By an enforceable arbitration award;
- (f) By liquidation or bankruptcy of the Mining Concessionaire, judicially declared and executed, except in the event that during the liquidation or bankruptcy proceedings there is an assignment and transfer of mining rights over the Mining Concession and this Contract;
- (g) By mutual agreement of the Parties, at any time before the expiry of the term;
- (h) By material breach of the contractual obligations, in which case the following procedure shall apply:
 - i.- The non-breaching party shall notify the breaching party of the existence of a material breach of one or more of its obligations set forth in this Contract, and shall specify in such notice the type of breach. The breaching party shall have a period of up to thirty (30) days to disprove the alleged breach, perform the unperformed obligation or correct the default or non-compliance. This period shall be extended

when the remediation actions so require, provided that the actions aimed at remediation or compliance have been initiated within the aforementioned period;

ii.- In the event that the breaching Party fails to refute or to correct the breach, or has not initiated the actions for its remediation within the term indicated in the previous paragraph, to the satisfaction of the non-breaching Party, the latter may give notice of its decision to terminate this Contract, in which case the breaching Party shall have ninety (90) days to submit the Dispute to the mechanism established in this Contract. Pending the resolution of the arbitration proceedings, the effects of the termination of the Contract shall be suspended;

29.2. Effects of Termination of the Contract.

29.2.1 Upon termination of the Contract, the Mining Concessionaire shall:

- a) Immediately suspend exploitation works in the Mining Concession; without prejudice to terminate all ongoing processes in accordance with Applicable Legislation and International Standards;
- b) Comply with the Shutdown Operation Activities, regarding Environmental Liabilities, as determined by the National Environmental Authority and Applicable Legislation, provided that the mining project is effectively closed and no longer operated by the State or a third party. In this case the Mining Concessionaire must carry out the corresponding environmental audit for the change of operator, which must take over operations within six months.

29.2.2 Upon termination of the Contract, the State shall:

- a) Execute or return the guarantees granted in accordance with the Applicable Legislation;
- b) Extinguish the mining right over the Mining Concession;
- c) Continue with the exploitation of the deposit if it is in its interest, in accordance with the provisions of the Applicable Legislation;
- (d) Withhold the Advance Royalty in the event of termination on the grounds set forth in Section 29.1(h) (termination due to non-compliance) of this clause; and
- (e) Exercise other powers provided for in Applicable Law and this Contract.

CLAUSE PROPOSED BY MEM
(Mining Law, Art. 41, Penultimate Inc.)

CHAPTER FIFTEEN: DISPUTE RESOLUTION.

THIRTIETH CLAUSE: DISPUTES RESOLUTION. -

30.1 Mandatory Direct Negotiations.-

In all disputes relating to the application, interpretation, execution, breach, termination or any other circumstance related to this Contract, the Parties shall attempt a direct settlement between them. To this end, the affected Party shall submit a request for direct negotiations. For this purpose, the affected Party shall submit the disagreement to the legal representative of the other Party. If within thirty days after having submitted the dispute, or within the term agreed by the Parties, the dispute has not been resolved, the procedure set forth in the following paragraphs shall be followed.

30.2.- Optional Mediation

If a direct settlement cannot be reached between the Parties pursuant to the preceding paragraph, either Party may submit the disputes to mediation (i) to any mediation center registered by the Judiciary Council or (ii) to the arbitration procedure provided for in clause 30.4 of this Contract.

30.3. Consultancy

30.3.1.- In the event of technical disputes expressly provided for in this Contract that have not been amicably resolved between the Parties in accordance with Clauses 30.1 and 30.2 of this Contract, either Party may optionally refer the dispute to a Consultant. The Consultant shall not be able to rule on the application of tax legislation.

30.3.2.- For this purpose, the affected Party shall notify the other Party of its decision to submit the disagreement to the opinion of a Consultant.

30.3.3.- For the selection of the Consultant, the Parties shall mutually select the Consultant from among the Consultants listed in Annex G, within seven days from the date of the notification contained in clause

30.3.2. In the event that the Parties do not reach an agreement on the appointment of the Consultant within the aforementioned period, the requesting Party shall request a Notary Public in the city of Quito to draw lots for the appointment of the Consultant and shall request the Notary Public to notify the other Party at least forty-eight hours prior to the date of the drawing of lots. If the Consultant does not accept the appointment, the above procedure shall be repeated. Only in the event that the Consultants listed in Annex G do not exist because of the subject matter, each Party shall submit to the other Party a list of three names of candidates within thirty days of the submission of the notification to the other Party of its decision to submit the disagreement to a Consultant for an opinion. If one or more of the proposed Consultants appear on both lists, the Consultant shall be selected from those on both lists. If there are no suitable candidates or if there is more than one suitable candidate and the Parties cannot agree on the appointment of the Consultant within seven days of the submission of the lists, the Consultant shall be appointed by drawing lots by notary public from the lists submitted by the Parties.

30.3.4.-The Consultant shall be nominated and appointed on the basis of criteria of impartiality and technical knowledge of the subject matter of the Consultancy.

30.3.5.-Once the procedure has been initiated, there shall be no direct meetings between one of the Parties and the Consultant without the authorization of the other Party. No communications may be sent to the Consultant without these also being sent to the other Party. The Parties shall submit their arguments to the Consultant within thirty days from the date of his appointment. The Parties shall provide the Consultant with all information, in writing or at an oral hearing, with the evidence they consider reasonably required to reach their opinion.

30.3.6.-The appointed Consultant shall prepare and deliver the opinion to the Parties within sixty days from the date of acceptance of his appointment, within which time the Consultant may request from the Parties any additional information he/she considers necessary to deliver his/her opinion.

30.3.7.- The Parties may request further information or clarification of the opinion within fifteen days counted as of the date of its notification.

30.3.8.-The Consultant's report shall have binding effect and shall be final for the Parties.

30.3.9.- However, within fifteen days of notification of the report or the extension or clarification, the Parties may request a review of the decision in accordance with the arbitration procedure provided for in Clause 30.4 of this Contract, only in the following cases:

(a) If the Consultant has exceeded the terms of reference;

(b) If the Consultant's corruption, involvement or conflict of interest in the subject matter of the dispute is established; and

(c) If either of the Parties has been denied the right of defense in accordance with the terms set out in this clause.

30.3.10.- The commencement of arbitration shall suspend the Consultant's decision.

30.3.11.- The costs and fees required for the intervention of the Consultant shall be borne by the requesting Party, unless the Parties have agreed on another form of distribution of costs and fees.

30.4.- Arbitration

30.4.1 All disputes which have not been settled through direct negotiations under Clause twenty-four point one or by mediation pursuant to Clause twenty-four point two, or which have not been submitted to a Consultant pursuant to Clause twenty-four point three of this Contract, shall be finally settled by ad-hoc arbitration under

the Arbitration Rules of the United Nations Commission on International Trade Law, UNCITRAL of nineteen seventy-six. The arbitration shall be administered by the Permanent Court of Arbitration in The Hague.

30.4.2 Place of Arbitration: The place of arbitration shall be Santiago de Chile, Chile.

30.4.3 Language: The language of the proceedings shall be Spanish. Either Party may submit testimonial or documentary evidence in a language other than Spanish, provided that such Party provides the other Party within five working days with a written translation into Spanish of such testimonial or documentary evidence.

30.4.4 Arbitration at Law: The arbitration shall be at Law and the applicable regulations to the merits of the dispute shall be Ecuadorian law.

30.4.5 Incorporation of the Arbitral Tribunal: The Arbitral Tribunal shall consist of three members. Each Party shall appoint one arbitrator, and the third, who shall act as President of the Arbitral Tribunal, shall be appointed by mutual agreement of the Parties. If a Party fails to nominate an arbitrator or fails to agree on the appointment of the President within sixty days from the notification of the initiation of the procedure, the appointment shall be made by the Secretary of the Permanent Court of Arbitration at The Hague who shall act as the nominating authority. Unless otherwise agreed, the arbitrators shall not have the same nationality as the Parties.

The arbitration provided in this Section shall be deemed the choice of means for the resolution of disputes arising out of this Contract.

30.4.6 Costs: The costs of the proceedings shall be borne in equal shares, unless the Tribunal, in its award, decides otherwise.

30.4.7 Enforcement of the Award: The Award rendered by the Arbitral Tribunal shall be binding on the Parties and may be enforced by the courts and tribunals of the Republic of Ecuador.

SOLGOLD'S PROPOSAL
(Investment Contract)

DEFINITION OF DISPUTE OR CONTROVERSY: Any dispute or claim between the PARTIES arising out of, derived from, or related to, either in whole or in part, this AGREEMENT or its interpretation, application, validity, breach or termination. The PARTIES declare that all DISPUTES shall be deemed to be of a commercial nature for all purposes of the third paragraph of Article I of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards done at New York on 10 June 1958.

DEFINITION OF TECHNICAL CONTROVERSY OR TECHNICAL CONTROVERSIES: Any dispute or claim between the PARTIES arising out of, derived from or related to,

either in whole or in part, the construction, operation and/or mining permits within the Cascabel Project.

THIRTIETH CLAUSE: DISPUTE RESOLUTION.

1. Mandatory Direct Negotiations. In all DISPUTES, the Parties shall attempt a direct settlement between them. For this purpose, the affected Party shall submit, in writing, a request for direct negotiation to the other Party. If within sixty (60) calendar days from the date on which the affected Party submitted the request for direct negotiation to the other Party, the DISPUTE has not been resolved, the procedure set out in the remainder of this Clause shall be observed. This mandatory direct negotiation stage shall not be necessary in the event that either Party needs a request for precautionary measures. In such cases, the Party requesting a precautionary measure may directly initiate the arbitration procedure set forth in this Clause without initiating a mandatory direct negotiation process with the other Party.

2. Consultancy.

2.1. In the event of Technical Disputes expressly provided for in this Contract that have not been amicably resolved between the Parties, in accordance with the preceding provision of this Contract, either Party may optionally refer the disputes to a Consultant. The Consultant shall not be entitled to give an opinion on the application of tax law.

2.2. For this purpose, the affected Party shall notify the other Party of its decision to refer the Dispute to a Consultant.

2.3. The Parties shall appoint by mutual agreement the Consultant from among the Consultants listed in Annex G, within seven days from the date of notification contained in clause [x]. In the event that the Parties do not reach an agreement on the appointment of the Consultant within the aforementioned period, the requesting Party shall request a notary public in the city of Quito to draw lots for the appointment of the Consultant, and shall request the notary to notify the other Party at least forty-eight hours prior to the date of the drawing of lots. If the Consultant does not accept the appointment, the above procedure shall be repeated. Only in the event that the Consultants listed in Annex G do not exist, due to the subject matter and/or field to be covered, shall each Party submit to the other Party a list of three names of candidates within thirty days of the submission of the notification to the other Party of its decision to submit the Dispute to a Consultant. If one or more of the proposed Consultants appear on both lists, the Consultant shall be selected from those on both lists. If there are no suitable candidates or if there is more than one suitable candidate and the Parties cannot agree on the appointment of the Consultant within seven days of the submission of the lists, either party may request the International Chamber of Commerce to act as appointing authority, which shall appoint a Consultant with qualifications similar to those of consultants in Annex G in

accordance with the ICC Rules for Appointing Authorities in UNCITRAL Arbitration or Other Arbitral Proceedings.

2.4. The Consultant shall be appointed and designated on the basis of impartiality and expertise in the subject matter of the Consultancy.

2.5. After the commencement of the procedure, no direct meetings between one Party and the Consultant shall take place without the consent of the other Party. No communications may be sent to the Consultant without these also being sent to the other Party. The Parties shall submit their arguments to the Consultant within thirty days from the date of his appointment. The Parties shall provide the Consultant with all information, in writing or at an oral hearing with such evidence as they consider the Consultant reasonably requires to reach his or her ruling.

2.6. The appointed Consultant shall prepare and deliver the report to the Parties within sixty days from the date of acceptance of his appointment, within which time the Consultant may request from the Parties additional information as he deems necessary for the delivery of the opinion.

2.7. The Parties may request further information or clarification of the opinion within fifteen days from the date of its notification.

2.8. The Consultant's opinion shall be binding and final on the Parties.

2.9. However, within fifteen days of notification of the opinion or its extension or clarification, the Parties may only request a review of the decision in accordance with the arbitration procedure provided for in clause [x] of this Contract in the following cases:

- a) If the Consultant has exceeded its mandate;
- b) If corruption, connection or conflict of interest of the Consultant in the subject matter of the dispute is demonstrated; and,
- c) If either of the Parties was denied the right to defense, according to the terms specified in this Section.

2.10. The costs and fees arising from the intervention of the Consultant shall be borne by the requesting Party, unless the Parties have agreed otherwise on the apportionment of costs and fees.

3. Arbitration

3.1. Any Dispute which has not been settled by direct negotiations pursuant to clause [x], or which has not been referred to a Consultant pursuant to clause [x] of this Contract, shall be finally settled in accordance with the Rules of Arbitration of the International Court of Arbitration of the International Chamber of Commerce in force on the date of execution of this Contract by a three-member arbitral tribunal incorporated in accordance with the said Rules.

3.2. Place of Arbitration. The seat of the arbitration shall be the city of London, United Kingdom. Notwithstanding the foregoing, the arbitral tribunal may order or the parties may agree that the hearings or any other procedural act of the arbitration shall take place in Latin America.

3.3. Language. The arbitration proceedings shall be conducted in Spanish. All means of evidence whose original language is not Spanish shall be duly translated into Spanish, except for means of evidence in English, in which case it shall not be necessary to submit a translation.

3.4 Arbitration at law. The arbitration shall be at law and the applicable regulations to the merits of the dispute shall be Ecuadorian law. The law applicable to the arbitration proceedings shall be the law of the place of arbitration.

3.5. Enforcement of the award. Any award rendered by the arbitral tribunal shall be binding on the Parties and shall be enforceable against the assets of the State, within or outside Ecuador. Any court having jurisdiction and competence to do so may issue a ruling for enforcement of the award. The Parties waive any plea or defense based on sovereignty, including immunity from submission to arbitration, immunity from judicial enforcement of the arbitration agreement, immunity from judicial assistance to arbitration, and immunity from recognition and enforcement of the award or any judgment rendered thereon. This waiver extends to pre-award and pre-judicial attachment of assets.

3.6. Consolidation. An arbitral tribunal incorporated under this clause, or the International Court of Arbitration of the International Chamber of Commerce at any time prior to the incorporation of the arbitral tribunal, may, at the request of a Party, consolidate such arbitration proceeding with any other arbitration arising under this Agreement or the [Investment Agreement], if the arbitrations concern common questions of law or fact, and consolidation would not prejudice the rights of any Party. In the event that two or more arbitral tribunals issue consolidation orders under this Agreement and/or the [Investment Agreement], the order of the arbitral tribunal that was constituted earlier shall prevail. In addition, any Party may bring claims under this Agreement and/or the [Investment Agreement] in the same arbitration.

CHAPTER SIXTEEN: GENERAL PROVISIONS.-

THIRTY-FIRST CLAUSE: FORCE MAJEURE AND FORTUITOUS EVENT.

31.1. Neither Party shall be held liable for the breach, suspension or delay in performing of the obligations under this Contract, nor shall it be obliged to compensate the other Party for the damages that may be caused to it when the breach, suspension or delay is caused by circumstances of *Force Majeure* or Fortuitous Event duly verified pursuant to the provisions of this Section and the Applicable Legislation.

31.2. The Party alleging Force Majeure or Fortuitous Event shall notify the other Party within ten days of the occurrence of the alleged event, unless for justified reasons it is not possible to do so within that period, in which case notice shall be given as soon as conditions allow. Said notification shall also indicate the estimated time of suspension of fulfillment of the obligation, and shall submit the corresponding justifications. The *Force Majeure* or Fortuitous Event shall involve the number of days being justified and shall apply to the rights and obligations affected by such event.

31.3. Mitigation Measures.

31.3.1. The Party affected by the event of Force Majeure or Fortuitous Event is obliged to take all measures within its power to mitigate and remedy its consequences and to resume activities as soon as possible.

31.3.2. Within a reasonable period after the Force Majeure or Fortuitous Event causing the suspension or delay in the performance of the obligations under this Contract has been confirmed, provided that such event was not caused by the State, there is imminent danger to the life or health of the workers, and that the Mining Concessionaire has not proceeded to take commercially reasonable measures, and that it could legally initiate to eliminate or mitigate such Force Majeure or Fortuitous Event or its direct or indirect effects, the State may, in its sole discretion and within five days of sending notice to the Mining Concessionaire, adopt and initiate the implementation of any reasonable measures it deems necessary to preserve the life and health of the workers. The State must cease any measures taken as soon as the imminent danger to the life or health of the workers has ended.

31.4. Termination of the Event.-

When the Party affected by the Force Majeure or Fortuitous Event is able to resume the performance of its obligations under the Contract, such Party shall notify the other Party within ten days of the date on which the Force Majeure or Fortuitous Event has ceased.

31.5. Compensation of the Term.-

The suspension caused by a Force Majeure or Fortuitous Event shall give rise to a revision of the Annual Work and Investment Plan submitted by the Mining Concessionaire. The Mining Concessionaire may request before the Sectorial Ministry, the suspension of the Concession term, in accordance with the Applicable Legislation.

Any controversy derived from a declaration of Force Majeure or Fortuitous Event may be submitted to the dispute resolution mechanism of the thirtieth clause.

THIRTY-SECOND CLAUSE: RIGHTS OF THE STATE OVER THE INFORMATION.

Protected Information.

All information acquired or developed during the performance of this Contract, as well as all drafts and final versions of any drawings, designs, engineering and other plans, technical or scientific reports, models, data, drilling results, cores, records, reports, files, studies or other information, materials and documents prepared or obtained during the term of this Contract, shall be the owned by the Party that acquired or developed them (hereinafter referred to as "Protected Information").

Ownership of Intellectual and Industrial Property Rights.-

The Mining Concessionaire guarantees that it is the owner or authorized licensee of the intellectual and industrial property rights over any work, document and information that is used by it in the operations, according to this Contract.

Rights to Use Proprietary Information of the Contractor.-

During the Term of this Contract, the State shall have the right to use any work, documents and information of the Mining Concessionaire that is delivered to the Sectorial Ministry, which is directly related to the performance of this Contract, and subject to the confidentiality commitment set forth in this clause. Upon termination of this Contract, the Parties may agree to grant to the State an irrevocable, royalty-free, non-transferable and non-negotiable license to use the material that has been generated with the joint and indivisible participation of the Parties. Interpretations of profiles or test or other data, and all recommendations and reservoir descriptions based on such interpretations, are opinions based on inferences from measurements, empirical relationships and assumptions, which inferences and assumptions are not infallible, and competent specialists may disagree. Accordingly, the Mining Concessionaire cannot guarantee the results or the accuracy, correctness or completeness of any such interpretations, recommendations or descriptions and shall in no event be liable for any use by the State of any interpretations, recommendations, forecasts, opinions or plans made by the Mining Concessionaire.

Intellectual Property Developed.-

All inventions, improvements, technologies or discoveries and creations created, conceived or developed by the Mining Concessionaire without the contribution of the State, in connection with this Contract, shall be owned by the Mining Concessionaire, unless otherwise agreed in writing by the Parties. In the event that during the execution of the Contract, inventions subject to intellectual property rights are developed, which have arisen from the joint and indivisible participation of the State and the Mining Concessionaire, the Parties shall agree on the origin and terms of joint applications and the moral and patrimonial rights that shall correspond to them jointly or individually.

Confidential Information.-

All information and background information that the Mining Concessionaire delivers to the State through the Sectorial Ministry or other State agencies or dependencies, by virtue of this Contract and Article 39 of the Mining Law, shall be confidential and the personnel of the Sectorial Ministry or State agency that receives it shall be obliged to keep it strictly confidential. For illustrative purposes, confidential information and background information is considered, among others, those related to the Marketing Contracts, General Work and Investment Plan, Annual Work and Investment Plan.

CLAUSE THIRTY-THREE: EITI STANDARD AND ESCAZU AGREEMENT.

The Mining Concessionaire, in accordance with the regulatory norms issued for this purpose, shall implement the standards of transparency and access to environmental information from the Escazu Agreement.

It will also observe compliance with the EITI standards to which Ecuador is a party and contribute the necessary information in a timely manner.

To this end, the Mining Concessionaire hereby authorizes the Internal Revenue Services or other State agencies, to use and disclose the information of the Mining Concessionaire and the mining project that is necessary to comply with the requirements of the EITI.

THIRTY-FOURTH CLAUSE: SUBCONTRACTORS OF THE MINING CONCESSIONAIRE.

The Mining Concessionaire, in order to comply with the object of the Contract, may do so through Subcontractors, at its sole risk and expense, and shall be solely responsible for compliance with the obligations established in this Contract.

The Mining Concessionaire shall indemnify and hold the State and its respective officers, employees, agents and other representatives, harmless from and against any claims that may arise from such outsourcing and any labor claims that may be brought by any employee, worker, or Subcontractor's representative, and from and against any injury, death, damage or loss of any kind or nature that may arise, directly or indirectly related to the performance of this Contract or the obligations assumed under this Contract.

The selection of Subcontractors, negotiation of the terms and conditions of the subcontracts, their adjudication and signing shall be the exclusive responsibility of the Mining Concessionaire.

CLAUSE THIRTY-FIFTH: NON-DISCRIMINATION.-

The State, in the interpretation and execution of this Contract, considering the particularities of each case, shall guarantee non-discriminatory treatment to all Mining Concessionaires who enter into a mining exploitation contract under the Applicable Legislation.

CLAUSE THIRTY-SIXTH: REGISTRATION, VALUE AND EXPENSES.

36.1 Expenses.

The expenses incurred in the execution of this Agreement and its registration shall be borne by the Mining Concessionaire.

36.2 Amount.

Due to its nature, this Contract is for an unspecified amount.-

36.3 Registration of the Contract.

Within thirty (30) days from the date of execution of this Contract, the Mining Concessionaire shall register it in the Mining Registry held by ARCERNNR, in accordance with the Applicable Legislation.-.

36.4 Copies.-

The Mining Concessionaire shall, upon registration of this Contract in the Mining Registry held by ARCERNNR, deliver three certified copies of this Contract to the Sectorial Ministry. The Sectorial Ministry may require additional certified copies of the Contract, which shall be provided by the Mining Concessionaire.

36.5 Notices and Communications.-

All orders, approvals, statements and notices of any nature between the Parties that are required, expressly authorized or provided under this Contract (hereinafter referred to as "communication") shall be in writing and delivered to the physical address or electronic address (email) set forth in this clause, or by other means of communication, or other addresses previously agreed between the Parties. Any Communication shall be signed by a duly authorized representative of the Party sending the communication.

36.6 Communications between the Mining Concessionaire and the State:

Any Communication from the Mining Concessionaire to the State shall be addressed as follows:

MR.

MINISTER OF ENERGY AND MINES

Address: Av. República de El Salvador N36-64 y Suecia, Piso 10, Quito.

Electronic address (e-mail): (1) XXXXX; (2) XXXXX; (3) XXXXX; (4) XXXXXXXX

With copy to: SEÑOR SUBSECRETARIO DE MINERIA INDUSTRIAL

Address: Av. República de El Salvador N36-64 y Suecia, 9no piso. Quito.

Electronic address (e-mail): (1) XXXXX; (2) XXXXX; (3) XXXXX; (4) XXXXXXXX

All Communications from the State to the Mining Concessionaire should be addressed as follows:

Mr.

LEGAL REPRESENTATIVE COMPAÑÍA EXPLORACIONES NOVOMINING S.A.

Address: Av. Coruña E25-58 y San Ignacio, Edificio Altana Plaza, Piso 4, Oficina 406, Quito.

36.7 Change of Designation by a Party.

36.7.1 Either Party may, upon notice to the other Party, at any time change the designation of the person called upon to receive communications from the other Party, the address of the office in Ecuador authorized to receive such communications, or the judicial box designated for such purpose.

36.7.2. In the event of any change in the address provided for in this Agreement, the Party making such change shall immediately notify the other Party, in accordance with the provisions of this clause. Upon such notification, this clause shall be deemed to be modified, in the relevant part, even without the express acceptance of the other Party.