

**THE GOVERNMENT OF SIERRA LEONE**

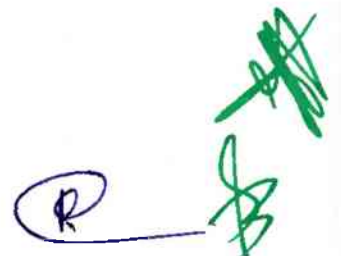
**AND**

**CTC MINING (SL) LTD**

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**EXTRACTIVE INDUSTRIES FISCAL  
STABLISATION AGREEMENT FOR LARGE-  
SCALE MINING**

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## EXTRACTIVE INDUSTRIES FISCAL STABILISATION AGREEMENT

THIS EXTRACTIVE INDUSTRIES FISCAL STABILISATION AGREEMENT is made  
BETWEEN:

- (1) **THE GOVERNMENT OF SIERRA LEONE** represented by the Minister of Mines and Mineral Resources and the Minister of Finance (the “**GoSL**”); and
- (2) **CTC Mining (SL) Limited**, a limited liability company, incorporated under the laws of Sierra Leone, having its registered office at 10 Wallace Johnson Street, Freetown, Sierra Leone, registered under number SL090922CTCMI15348 (“**CTC Mining**”, which expression shall, where the context admits, include its lawful assigns and successors); collectively referred to as the “**Parties**” (or, individually, a “**Party**”).

### WHEREAS:

- (A) By the Mining Licences hereinafter defined, GoSL demised and granted to CTC Mining the mining rights, together with the rights referred to therein for a term of twenty-five (25) years as from 18 November 2022 upon the terms and conditions therein stated.
- (B) CTC Mining and GoSL have agreed to enter into this Agreement to confirm the terms and conditions upon which CTC Mining shall conduct mining operations in the Mining Licence Area (as hereinafter defined).

NOW, THEREFORE, the Parties agree as follows:

## 1 DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this Agreement the following expressions shall, unless the context requires otherwise, have the following meanings:

“**Agencies**” means all state ministries, departments, organisations and / or company or individual acting directly or indirectly on behalf of the GoSL, or under a contract with the GoSL for the provision of services or collection of fees.

“**Affiliate**” has the meaning ascribed to the term “*Associate*” in the Income Tax Act.

“**Agreement**” means this agreement, including the schedules hereto, which forms an integral part thereof, and references to this Agreement includes references to such schedules.

“**Applicable Law**” means the laws of the Republic of Sierra Leone.

“**Arm’s length transaction**” has the meaning ascribed to it in the Transfer Pricing Regulations, 2021.



whether before or after the bauxite ore has been processed.

“**Beneficiaries**” means CTC Mining, its Affiliates, as well as any of their Board directors, agents or representatives.

“**Calendar Days**” means a period a period of twenty-four (24) hours running from midnight to midnight, inclusive of all days of the week, weekends, and public holidays. Each Calendar Day is considered consecutive, irrespective of business operations or working status, ensuring continuous count from the specified start date to the end date as per the terms outlined in this Agreement.

“**Change of Control**” means the consummation of any transaction or series of transactions (including without limitation any joint venture, management arrangement, sale, merger or consolidation), the result of which is that CTC Enerji ve Madencilik Sanayi Ticaret AS or any other group of shareholders that collectively beneficially own more than 50% of the voting equity of CTC Mining before such transaction or series of transactions cease to (i) be beneficial owners of more than fifty percent (50%) of the aggregate voting equity of CTC Mining; or (ii) have the power to direct or cause the direction of the management and policies of CTC Mining.

“**Claim**” includes, in relation to a person, a demand, complaint, action or legal or other proceeding made or brought by or against the person, whatever the cause and nature, and whether current or conditional, immediate or future, fixed or indefinite.

“**Companies Act**” means the Companies Act, 2009 of the Laws of Sierra Leone, including any legislation amending the same or substituted thereof and all regulations and rules from time to time in force thereunder.

“**Confidential Information**” means all information which is provided to the GoSL by or on behalf of CTC Mining in any form, in connection with the Mining Licences and / or this Agreement (including but not limited to information about CTC Mining, its Affiliates and their operations and any and all related information in connection to such) and / or information which would be considered confidential by a person exercising reasonable business judgement. Notwithstanding the above, it is agreed the restrictions in this Agreement regarding Confidential Information, shall not apply to information which is or becomes part of the public domain, other than as a result of any breach of the obligations of the GoSL under this Agreement; and to information explicitly approved, in advance of disclosure, for release by written authorisation of CTC Mining.

“**Constitution**” means the Constitution of Sierra Leone, 1991 (Act No. 6 of 1991).

“**Date of Commencement of commercial production**” means 8 March 2023.

“**Effective Date**” means the date upon which this Agreement is ratified by Parliament.

“**EPA**” means Environment Protection Agency established pursuant to the EPA Act.



**“EPA Act”** means the Environment Protection Agency Act, 2022 of the Laws of Sierra Leone, including any legislation amending the same or substituted thereof and all regulations and rules from time to time in force thereunder.

**“Extractive Industries Revenue Act”** means the Extractive Industry Revenue Act, 2018 of the Laws of Sierra Leone, including any legislation amending the same or substituted thereof and all regulations and rules from time to time in force thereunder.

**“Expropriation”** (including, with correlative meaning, the term **“Expropriate”**) means the expropriation, nationalization, confiscation, forced sale, seizure, annulment or compulsory acquisition of:

- (a) mining plant, infrastructure, equipment or another property located within the Mining Licence Area;
- (b) Minerals, the mining of which is authorized under the Mining Licences or the product derived therefore;
- (c) Any equity, shares or ownership interests of whatever nature held in or issued by CTC Mining; or
- (d) Any plant, equipment, transportation, barges, vessels, ships, containers owned or operated by or for or in connection or conjunction with the CTC Mining.

**“Foreign Investment”** means the investment made in CTC Mining by the Investor.

**“Free on Board”** is a term defined under INCOTERMS 2020 published by the International Chamber of Commerce and means points of shipment at the designated Sierra Leone offshore loading facility, including loading on to the ship, however excluding marine freight transport, insurance, unloading and transportation from the arrival port to the final destination.

**“Income Tax Act”** means the Income Tax Act, 2000 of the Laws of Sierra Leone, including legislation amending the same or substitute thereof and all regulations and rules from time to time in force thereunder.

**“Independent Sole Expert”** means an independent individual employee of an internationally recognized mining or consulting firm competent on international mineral markets and prices (who is from a country with common law background and whose language is English) as the Parties may agree in writing, or failing such agreement, as shall be appointed for this purpose on the application of either Party to the President of the International Chamber of Commerce in London in accordance with the provisions for the appointment of experts under the Rules for Expertise of the International Chamber of Commerce.

**“Investor”** means any company or individual who directly or indirectly has an ownership interest in CTC Mining, and its shareholders, and all companies or individuals it directly or indirectly owns, or controls who invest in CTC Mining whether

such investment is direct or indirect.

“**Loss**” has the meaning ascribed to it in the Income Tax Act.

“**Mine Closure Plan**” has the meaning ascribed to it in the Environment Protection (Mines and Minerals) Regulation 2013 or any amendment thereto.

“**Minerals**” has the meaning ascribed to it in the Minerals Act.

“**Minerals Act**” means the Mines and Minerals Development Act, 2023 of the Laws of Sierra Leone, including any legislation amending the same or substituted thereof and all regulations and rules from time to time in force thereunder.

“**Mining Licences**” means the large-scale mining licences granted under the Mines and Minerals Act, 2009 by the GoSL to CTC Mining on 18 November 2022 and duly registered as No. ML 2/2022 and No. ML 3/2022, respectively, as amended and extended from time to time.

“**Mining Licence Area**” means the areas described in each Mining Licence.

“**Minister**” means the minister responsible for mines and mineral resources and the minister responsible for finance.

“**NMA**” means the National Minerals Agency established pursuant to the National Minerals Agency Act, 2012.

“**Nominated Suppliers**” means third party independent, unaffiliated suppliers to CTC Mining, excluding banks and financial institutions, whose goods and /or services are used in the mining operations and whose terms of supply directly or indirectly impact on the mining operations, and for which CTC Mining shall provide such list of nominated suppliers to the NRA and the NMA, as amended from time to time throughout the term of this Agreement.

“**Non-Commercial Assets**” means non-commercial assets not primarily intended for or directed towards commercial advantage or objective.

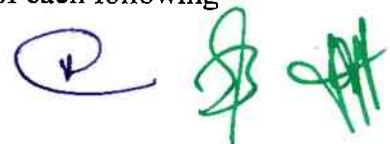
“**NRA**” means the National Revenue Authority Act, 2002 of the Laws of Sierra Leone, including legislation amending the same or substitute thereof and all regulations and rules from time to time in force thereunder.

“**Programme of Mining Operations**” means the approved programme of mining operations set out in Schedule C of each Mining Licence, as amended from time to time in accordance with Section 46 of the Minerals Act.

“**Protected Assets**” means: (i) any defence assets; (ii) any assets of the Bank of Sierra Leone (including any assets of the Government held with the Bank of Sierra Leone); or

(iii) any other assets of any description whatsoever protected by diplomatic and consular privileges under public international law.

“**Reference Date**” means 18 November 2022 and on 18 November of each following



“Rules” has the meaning ascribed to it in Clause 12.8(c).

“Sale” means a transaction where:

- (a) the seller has transferred to the buyer the significant risks and rewards of ownership;
- (b) the seller retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the seller; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

“Sierra Leonean Companies” means such companies incorporated or registered in Sierra Leone in accordance with the Companies Act. “Tribunal” has the meaning ascribed to it in Clause 12.8(c).

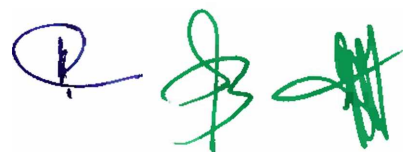
## 1.2 Interpretation

In this Agreement, unless the contrary intention appears, a reference to:

- (a) the singular shall include the plural and vice-versa;
- (b) a party or any other person includes its successors in title, permitted assigns and permitted transferees;
- (c) a provision of law is a reference to that provision as extended, applied, amended or re-enacted from time to time and includes any subordinate legislation;
- (d) exemption in relation to taxes, excise or other, royalties, duties, profit share, commissions, levies, fees, dues, contributions, payments or imposition of any similar type of payment whatsoever which CTC Mining is exempt from, shall mean that CTC Mining is not liable to make any payments in regard to such whatsoever; and
- (e) marine assets shall include all ships and other vessels (including without limitation, transhippers, coasters, barges, tugs, launches, boats, or any vessel whatsoever) that related to the sea, river, or any body of water.

## 2 GOOD FAITH

GoSL and CTC Mining shall act in good faith with respect to each other’s rights and shall adopt all reasonable measures to ensure the realisation of the objectives of this Agreement.



### **3 RESPECTIVE WARRANTIES, CONFIRMATIONS AND COVENANTS**

#### **3.1 GoSL hereby represents, warrants and undertakes to CTC Mining that:**

- (a) pursuant to the Minerals Act, the entire property and control of all minerals in, under or upon the Mining Licence Area is vested in the GoSL, which has the sole and exclusive right to grant a mining licence relating thereto, free of any lien, claim or other encumbrance;
- (b) the GoSL has granted the Mining Licences with good, full, clear, clean and unfettered and unencumbered legal title to explore and mine exclusively to CTC Mining according to the terms of the Mining Licences and this Agreement;
- (c) the GoSL will not engage in any action that might frustrate, delay or stop the lawful operation of CTC Mining and its Affiliates, accessing the Mining Licence Area or exercising any rights that may have been granted to CTC Mining in this Agreement or under any licences, permits and leases;

CTC Mining shall have the right during the term of the Mining Licences and this Agreement to explore for Minerals. No other person or entity shall have the right to engage in any prospecting, exploration or mining operations, or any other activities on, above or below the surface of the Mining Licence Area during the term of the Mining Licences and this Agreement; and

- (d) The GoSL confirms that CTC Mining has complied with its obligations under Section 106 of the Mines and Minerals Development Act, 2023 according to which the Mining Licences have been validly granted

#### **3.2 Hold harmless and indemnification**

- (a) The GoSL undertakes to indemnify and / or hold harmless the Beneficiaries for any Loss (on a full indemnity basis) incurred by any of them as a result of:
  - (i) any breach by the GoSL of the representations and warranties contained in Clause 3.1; and
  - (ii) any Claim directed against any of them by any person in relation to the Mining Licences and the operations carried under it.
- (b) The GoSL shall not be required to indemnify and / or hold harmless any of the Beneficiaries for any Loss that has been caused by negligence, a fraudulent or willful misconduct on the part of the Beneficiary.

#### **3.3 CTC Mining hereby represents and warrants to GoSL that:**

- (a) CTC Mining is a company duly organised, validly existing and in good standing under the laws of Sierra Leone. CTC Mining has all the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder;





- (b) the execution and delivery by CTC Mining of this Agreement and the performance of its obligations hereunder have been duly authorised by all necessary corporate or other action on the part of CTC Mining and no further consent or authorisation is required of the board of directors of CTC Mining to authorise this Agreement; and
- (c) neither the execution and delivery of this Agreement nor CTC Mining's compliance with the obligations contemplated hereby will conflict or result in a breach or violation of: (i) the organisational documents of CTC Mining; (ii) any provisions of laws applicable to CTC Mining on the date hereof; or (iii) the terms of any material agreement to which CTC Mining is a party or by which CTC Mining is bound.

3.4 Without prejudice or limitation to any other provisions in this Agreement, each party undertakes and warrants to each other that it shall undertake or procure any and all steps, formalities and actions required, if any, to give effect to any of the provisions of this Clause 3.

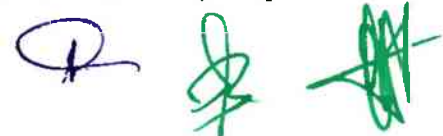
## 4 MINING LICENCES

### 4.1 Application of Minerals Act and general legislation

The provisions of the Applicable Law shall apply to the Mining Licences and this Agreement, except to the extent that they are inconsistent with the provisions of this Agreement and / or the Mining Licences, then the provisions of this Agreement and / or the Mining Licences shall prevail over Applicable Law.

### 4.2 Term, Extension and Renewal

- (a) This Agreement shall be valid for the term of the Mining Licences.
- (b) The Mining Licences granted to CTC Mining were initially granted for a period of twenty (25) years as provided for therein.
- (c) Pursuant to the timeframe provided by Section 112 of the Minerals Act, the Company may, prior to the expiration of the Mining License, apply to the Minister for a renewal for an additional period of 15 years effective from the date of the expiration of the previous Mining License. Upon such application provided the Company has met its entire obligation under the Minerals Act and this Agreement, the Company shall be entitled to such renewal upon such fair and equitable terms and conditions as may be agreed upon between the parties to this Agreement.
- (d) Upon the making of an application to renew the Mining Licences, CTC Mining or the GoSL may request that certain of the terms of the Mining Licences or this Agreement be amended and shall negotiate the effecting of such amendment(s) in good faith, it being understood that the existing terms of the Mining Licences and this Agreement shall remain in effect during the negotiation of such amendment(s). A decision not to renew any of the Mining Licence may be reviewed in accordance with Applicable Laws as of the date of this Agreement.
- (e) The Parties agree always to be open to discussing any matter which may help



maximise the positive development benefits of the mining operations, or minimise their undesirable impacts.

#### 4.3 Surrender of Mining Licences

- (a) CTC Mining may surrender all or part of the Mining Licence Area included in the Mining Licences in accordance with Sections 53 and 54 of the Minerals Act and Section 35 of the Mines and Minerals Development Regulations, 2023.
- (b) Upon the surrender, expiration or other termination of the Mining Licences or of any portion thereof and CTC Mining obtaining a certificate of surrender: CTC Mining shall be released from its liabilities and obligations.

### 5 GENERAL RIGHTS AND OBLIGATIONS OF CTC MINING

In addition to the other rights granted by this Agreement, the Mining Licences and the Applicable Law, CTC Mining shall have the following rights and obligations.

#### 5.1 General Obligations

CTC Mining shall conduct its activities in accordance with Section 114 of the Minerals Act and Section 29 of the Mines and Minerals Development Regulations, 2023.

#### 5.2 Assistance to be granted by GoSL

In order to facilitate its mining operations, CTC Mining and its Affiliates shall have the following rights, subject to compliance with Applicable Law and GoSL may assist with the following:

- (a) to transport all Bauxite Ore and other Minerals using CTC Mining constructed roads to a jetty at the Pepel port and the roads to a jetty to be located along the Thofayim river as well as other infrastructure and / or port solution, after the construction of such facilities shall have been completed, subject to the written consent of the national or local authority having control over the use of river, railway, etc., which shall not be unreasonably denied or delayed;
- (b) to be granted access or right to the land necessary to CTC Mining to build all infrastructures required for the mining operations, including a jetty adjacent to Pepel Port and the Thofayim river. In the event the Thofayim river is used, GoSL is to manage the usage of the water bodies to ensure smooth operations for current and future users; and
- (c) GoSL may use reasonable endeavors to facilitate the issuance by the relevant authorities of any authorisation, consent, permit, licence, approval, which CTC Mining may require from time to time to achieve the requirement of this Clause 5.2.



## 6 FISCAL PROVISIONS

CTC Mining shall be subject to Applicable Law with respect to taxes, duties and other governmental fees, except as provided for in this Agreement.

### 6.1 Mining Annual Charge and Surface Rent

- (a) CTC Mining shall pay to the NRA annually and without demand on Reference Date and on each anniversary of the Reference Date, the sum of (i) the rate applied from time to time, in respect of an annual charge as defined and envisaged in each Mining Licence and (ii) the rate applied from time to time, in respect of the annual monitoring fee.
- (b) In addition, CTC Mining shall distribute surface rent in accordance with Section 36 of the Minerals Act, annually and without demand, as specified in the respective leases of CTC Mining, subject to revision provided for in the relevant leases.
- (c) Mining annual charge and surface rent payable shall be treated as allowable expenses in ascertaining the chargeable income of CTC Mining and shall not be subject to withholding tax.

### 6.2 Royalty

- (a) CTC Mining shall pay a royalty based on the market value of the Minerals, which shall for the purposes of calculation be the sale value receivable by CTC Mining in an Arm's-length transaction, being the price receivable per metric tonne multiplied by the total metric tonnes sold, Free on Board the vessel.
- (b) The royalty rate for mineral export shall be 3%.
- (c) Where CTC Mining enters in an agreement for the Sale of Minerals with an Affiliate, the terms of any such agreement (if other than on terms equivalent to an Arm's-length transaction) shall be based on an Advance Pricing Agreement according to Section 8 of the Transfer Pricing Regulation, 2021. For the avoidance of doubt, CTC Mining is always and continually allowed to enter into any agreements with any party on an Arm's length basis.
- (d) Prior to a final Sale without recourse, of any Minerals to an Affiliate, if other than on Arm's-length transactions terms, CTC Mining and GoSL shall enter into an Advance Pricing Agreement, as provided for under Section 8 of the Transfer Pricing Regulation, 2021, establishing guidelines for determining the deemed Arm's-length sale value and price of such Minerals for purposes of the calculation used in the statement set out in Clause 6.2(e). The Advance Pricing Agreement shall establish a mutually satisfactory methodology designed to ensure that the royalties owed on any sale to an affiliated party attributable to income from such sale, are no less than they would be if the sale had been undertaken on an Arm's basis to non-affiliated purchasers.
- (e) Subject to Section 8 of the Transfer Pricing Regulation, 2021, the following shall guide the Advance Pricing Agreement:
  - (i) CTC Mining shall provide necessary documentation to assist in arriving



at such an agreement;

- (ii) such procedures may look to available metrics, such as prices received by major producers, with due adjustment for transport, quality, marketing commissions and other relevant operating and market considerations;
  - (iii) where prices attained through application of agreed procedures result in a price that either side determines no longer reflects the underlying principle of market pricing, either party may request a revision of such agreed procedures;
  - (iv) in the case that an appropriate publicly available index enters into wide usage during the course of this agreement, the parties will come together to agree on a method utilising such index, with due adjustment.
- (f) Royalties payable under Clause 6.2(a) above shall be allowed as deductible operating cost, in ascertaining its net chargeable income for income tax purposes and shall not be subject to any withholding tax.
  - (g) Within a maximum period of thirty (30) Calendar Days after the end of each month's shipment, CTC Mining shall prepare and deliver to Director of Mines, in addition to the standard royalty return deliver to the Commissioner General, a statement certified by the accredited representatives of CTC Mining, stating the total tonnage of Minerals of each kind, grade and quantity shipped by CTC Mining from Sierra Leone in that month. Together with such statement, CTC Mining shall include a statement of the respective sales value receivable Free on Board the ocean-going vessel for Minerals shipped from the designated Sierra Leone loading point (calculated as specified above for affiliate sales).
  - (h) Upon delivery of a royalty return, CTC Mining shall pay to the GoSL the royalty applicable on the sales value receivable as calculated by this return. CTC Mining shall assume all risk of non-payment.
  - (i) In preparing the statement referred in Clause 6.2(h) above, account will be taken for any adjustment required as a result of amendments or determinations or corrections in respect of prior periods, such as provisional pricing terms or credit notes, such adjustments will be separately and clearly indicated in the statement referred to in Clause 6.2(h).
  - (j) Any disputes regarding the content or application of this Clause 6.2 shall be resolved by an independent Sole Expert which shall act on the following basis, and in no circumstance shall operations be suspended during the resolution of any dispute under 6.2 or otherwise:
    - (i) the Independent Sole Expert shall act as expert and not as arbitrator;
    - (ii) the parties shall notify in writing the Independent Sole Expert of the item or items in dispute within ten (10) Calendar Days of the Independent Sole Expert's appointment;



- (iii) the Independent Sole Expert shall decide the procedure to be followed in the determination;
- (iv) the costs of the determination, including fees and expenses of the Independent Sole Expert, shall be borne equally between the Parties; and
- (v) the determination of the Independent Sole Expert shall be final and binding on the Parties subject to the right of either Party to appeal such determination within thirty (30) Calendar Days of the delivery of the decision of the independent Sole Expert by invoking arbitration pursuant to Clause 12.8(b) of this Agreement (and being able to proceed immediately to arbitration and without the need for any party to enter into discussions or to seek to reach an amicable settlement).

### 6.3 Income Tax

- (a) CTC Mining, in the conduct of its activities in Sierra Leone pursuant to this Agreement, shall be liable for Income Tax on its chargeable income derived in Sierra Leone as follows and in accordance with Clause 6.3(c):
  - (i) Income tax rate for the first five (5) yeas shall be 6%.
  - (ii) Income tax rate from years 6-10 shall be 15%.
  - (iii) Thereafter, the Income tax rate shall be 25% and shall not go beyond 25%.
- (b) CTC Mining shall not be liable for any taxation based on turnover, retain earnings or otherwise unless provided in this Agreement.
- (c) Subject to the Income Tax Act, the chargeable assessable income in ascertaining the Income Tax payable by CTC Mining, shall for the purposes of Income Tax be calculated as it applies to mining companies, except as otherwise provided in this Agreement and subject to the terms of the relevant Advance Pricing Agreement. In particular CTC Mining shall be entitled to claim:
  - (i) all costs associated with the tailings management facility, in the year incurred;
  - (ii) all costs of (local or foreign) advisors or consultants involved in the preparation, negotiation, and implementation of the mining development agreement; and
  - (iii) head office expenses incurred up to a maximum of a one-half (1.5) percent of turnover.
- (d) Foreign exchange gains and losses arising as a result of the change in exchange rates between the date of the underlying transaction and the date of settlement of that transaction will only be assessable or deductible for income tax purposes once the gain or loss is realised.



#### 6.4 Treatment of losses for Income Tax purposes

Tax losses incurred by the company in any year of assessment shall be utilise to offset against chargeable income and carried forward for adjustment against any future income at a rate of eighty-five (85%) and such losses in any year of assessment shall be carried up indefinitely from the year incurred.


#### 6.5 Withholding Tax

Subject to the terms of any international agreement to which Sierra Leone is a party indicating a lower rate, which shall prevail over the provisions of this Agreement, withholding taxes on dividends, interest, management fees, payment to Affiliates and contractors paid by CTC Mining and Nominated Suppliers shall be as follows:

- (a) The rate of tax applicable on dividends shall be in accordance with Applicable Law.
- (b) Withholding tax shall be charged on payments made by CTC Mining in respect of any inter-company payments made on its behalf and agreements including management fees at the at the prevailing rate.
- (c) Payment made by CTC Mining in respect of interest on loans or advances provided by its parent or any associated company or third party shall be in accordance with applicable law.
- (d) Payment in respect of services provided by non-resident consultants and contractors relating to the mining and processing operations of CTC Mining shall be at the rate of five percent (5%).
- (e) Payment to local contractors by CTC Mining and its Nominated Suppliers shall be subject to withholding tax in accordance with Applicable Law.
- (f) Payment to Affiliate by CTC Mining and its Nominated Suppliers shall be subject to withholding tax in accordance with Applicable Law.

#### 6.6 Capital Expenditure Allowances

- (a) An initial allowance equal to forty percent (40%) of the United Sates Dollar cost of qualifying capital expenditure including plant, machinery, equipment and other mining related assets shall be deductible by CTC Mining in determining its chargeable income for the year in which such qualifying capital expenditure is incurred with an annual allowance at the rate of twenty percent (20%) of the United States Dollar cost of qualifying capital expenditure being deductible in determining chargeable income in each subsequent year until the full cost has been deducted.
- (b) Where an asset which falls within the definition of qualifying capital expenditure is scrapped, destroyed or sold for less than the balance obtained by deducting from the cost thereof the aggregate of the initial allowance and the annual allowances previously granted in respect of that asset, then the balance shall be fully deductible against chargeable income in the form of a scrapping allowance in the year in which such disposal. destruction or sale occurs.



- (c) Qualifying capital expenditure shall comprise the following (whether the expenditure is made in cash or in kind, in one or in several instalments, or otherwise):
- (i) Exploration and development expenditures as set out in Schedule 6 of the Income Tax Act.
  - (ii) Capital expenditure as set out in Schedule 6 of the Income Tax Act.
  - (iii) Capital expenditure on all mining machinery, plant and equipment described in Clause (d) of this Agreement, whether imported or purchased in Sierra Leone, as well as all capital expenditure on vehicles, medical equipment, computers and ancillary equipment, construction and expansion on residential and non-residential buildings, construction and expansion of clinics and all other equipment ancillary to the operations of CTC Mining as well as the cost of acquiring or procuring the transfer of the mining lease which is subject to this Agreement and any other mining lease in respect of the mining lease area.
  - (iv) Capital expenditure on haul roads, environmental bunds and similar assets.
- (d) The cost of restoring buildings and other assets situated within the mining lease area as to their original condition, where such restoration does not result in an increase in the productive capacity of that building or other asset, shall be deemed to be a repair of such building or asset and shall be allowable in full as a deduction against chargeable income in the year in which that cost is incurred.

#### 6.7 Currency Issues

- (a) The financial statements and books of accounts may be stated, maintained and expressed in United States Dollars or other local or foreign currency in CTC Mining's sole discretion, notwithstanding the provisions of the Bank of Sierra Leone Act No. 26 of 2019 as may be amended from time to time and other similar or related regulations.
- (b) All capital expenditure incurred by CTC Mining may be stated, maintained and/or expressed in United States Dollars or other local or foreign currency at the sole discretion of CTC Mining.
- (c) All expenditures and payments incurred or made by CTC Mining may be in United States Dollars or other local or other foreign currency in CTC Mining's sole discretion.
- (d) CTC Mining, funders, Lenders and other finance parties under Loan Facilities shall be entitled to:
  - (i) receive and make payment in accordance with the relevant document, including inside and outside of Sierra Leone in foreign currency and that the Bank of Sierra Leone, and any other GoSL ministry, department or agency shall render any and all assistance and support in this regard;



- (ii) convert Leones to foreign currency and remit foreign currency outside of Sierra Leone;
- (iii) maintain Leones and foreign currency bank accounts inside and outside of Sierra Leone, and deposit, retain and deal with Leones and foreign currency without any restriction whatsoever utilising such bank accounts;
- (iv) repatriate earnings and proceeds of sales of assets without any restriction whatsoever;
- (v) allow expatriates with work permits to open foreign currency accounts and repatriate earnings through their commercial banks; convert or transfer funds associated with investments, including remittances of investment capital, earnings, loan repayments and lease payments;
- (vi) remit profits and transfer repayments of principal and interest amounts on arm's length loans contracted outside Sierra Leone without any restriction;
- (vii) borrow monies required for the implementation of the Port Loko Project and in particular from abroad from private and/or commercial and/ or institutional lenders in any currencies that such foreign and/ or international lenders may require; and
- (viii) transfer into or outside of Sierra Leone, without any restrictions or costs or commission (other than normal banking fees), products, funds, interest, dividends, profits, and income generated by the Port Loko Project, as well as amounts due in the context of the Port Loko Project, to any individual or entity residing abroad and the products of the liquidation or the forfeiture of the credit or other assets.

The GoSL, notwithstanding any Applicable Law, warrants that all relevant officials or public bodies shall deliver in a reasonable time, all documents, permits and licences required to give effect to the above.

- (e) Notwithstanding any provision in the Bank of Sierra Leone Act, 2019 and any legislation related to it on foreign currency transactions, as amended from time, and exemptions listed above, CTC Mining may enter into agreements with local and foreign contractors, vendors, suppliers, lenders or similar entities denominated in United States Dollars and/or any other foreign currency and pay to such suppliers in such currency, at its sole discretion.

#### 6.8 **Basis of Assessing and paying Income Tax**

Assessable chargeable income and income tax payable by CTC Mining in respect of each year shall also be assessed in United States Dollars and shall also be payable in United States Dollars.



## 6.9 Limitation of charges on imports

- (a) Notwithstanding the current charges, fees, duties and levies imposed directly and indirectly by GoSL on imports into Sierra Leone, GoSL and CTC Mining agree that for the duration of this Agreement, and with effect as from the Reference Date, the percentage and ad valorem charges for levies, duties, fees, Goods and Services Tax surcharges and all other amounts levied on or payable by CTC Mining and its Nominated Suppliers in respect of imports of capital items, to include mining machinery, plant and equipment and consumable mining stores as defined below shall be applied at the prevailing rates of duty (unless otherwise exempted) during the construction phase and on any development work undertaken in the mine as well as related to the operations of the mine, whereby the corresponding charges shall be capped at 5% in aggregate of the value landed price in Sierra Leone.
- (b) In the case of non-capital items, such as any type of fuels (excluding petrol) the aggregate rate of charges, fees, duties, levies, and other related taxes applicable to imports by CTC Mining, its Affiliates and Nominated Suppliers shall be at the prevailing rates of duty (unless otherwise exempted). In the case of other imports, including lubricants and chemicals, the aggregate rate shall be 50% of the prevailing rates. In either case, the aggregate rate payable shall not exceed five (5) percent of the sum of the cost, insurance, and freight of the imported item. CTC Mining as and when it deems fit shall exercise its options to import its own fuel requirements directly. Where CTC Mining, its Affiliates and Nominated Suppliers shall procure fuel and lubricants locally, the above rates shall also apply.
- (c) In this Agreement the terms mining machinery, plant and equipment and consumable mining stores shall include all machinery, plants, vehicles, and equipment useful to and used by CTC Mining, its Affiliates and its Nominated Suppliers in clearing land, removing Minerals from land and transporting, separating, processing, handling and packaging such Minerals for sale, including without prejudice to the generality of the forgoing, construction materials for mining and processing, dredges, barges, coasters, transhippers, towboats, pumps, piping, screens concentrating and separating equipment, locomotives, locomotive engines, rail wagons and rolling stocks, railway signalling equipment, railway sleeper, power generating and distributing equipment, cranes, lorries road building equipment, four-wheel drive vehicles used in and ancillary to mining operations, off-road haulage vehicles, earth moving vehicles and equipment, mineral stores and packaging facilities together with accessories, parts, and appliances for use and used exclusively with any of the forgoing.

In addition to the above, other equipment shall include but not limited to surveying equipment, laboratory equipment, computers, printers, plotters, software, used by CTC Mining in relation to mining operations and any other items required for ancillary support functions of the business.

The term "**plant**" includes prefabricated fixtures, including building or building materials as well as special purpose vehicles such as dumpers and shuttle trucks



for use in mining or dredging.

The term “**machinery**” means machinery consisting of a combination of moving parts and mechanical elements which may be put in motion by physical or mechanical force.

- (d) Subject to a review for an initial period of ten (10) years as from the date of this Agreement, CTC Mining, its Affiliates and Nominated Supplier shall have the right to import, directly or via CTC Mining, its Affiliates and Nominated Supplier, into Sierra Leone the whole of its requirements for fuel, lubricants and chemicals on such contractual terms as it determines at all times in its sole discretion. In addition, CTC Mining may purchase fuel in Sierra Leone. where such fuel can be supplied on a competitive basis in terms of price, quality and other delivery terms. For the avoidance of doubt, any such fuel and lubricants utilised in connection with the CTC Mining project, whether by CTC Mining or any affiliated company, agent, Nominated Supplier or contractor of CTC Mining, and whether imported or not, shall not be subject to any taxes, levies, excise, duties or fees or any other similar payment or expense, unless this Agreement provides for such.

At the end of the above mentioned initial ten (10) year period, CTC Mining and GoSL shall review the terms of the above provision and decide whether any amendment or adaptation shall be made taking into account any material change in the applicable economic parameters.

#### 6.10 Reimbursement of Import Duties

If consumables on which no customs duties or levies are paid are not re-exported or totally consumed within three (3) years after importation, and are afterwards sold, exchanged or transfer in Sierra Leone (except to the Republic of Sierra Leone), CTC Mining shall pay to the GoSL the customs import duties and levies on the then fair market value of those items within forty-five (45) Calendar Days of the date of sale, exchanged or transfer. CTC Mining shall submit to GoSL annual reports on the fair market value and actual transfer price of asset dispositions on assets which benefited from reduced or zero import duties.

#### 6.11 Road Use Charges

Notwithstanding the provisions of the Road Users Charge Act. 1994, CTC Mining shall be exempt from road users fuel (Excluding petrol) levy applicable to users generally in respect of fuel (excluding petrol) consumed by its vehicles, plant and machinery provided these are restricted to mining operations, logistics and infrastructure. To that effect, CTC Mining shall:

- (a) At the beginning of each relevant year, submit a request to the Ministry of Finance outlining the quota of fuel (excluding petrol) it will require for its mining activities and detailing the calculation of the required quota;
- (b) At the end of the first semester of each relevant year, notify to the Ministry of Finance the quota of consumed fuel (excluding petrol) and whether any additional quantities may be deemed necessary for the rest of the year;

- (c) At the end of each relevant year, issue a report to the Ministry of Finance on the actual use and the amounts left from the agreed quota are to be presented to the ministry

For the avoidance of doubt CTC Mining shall be solely entitled to request the above-mentioned quota but shall be entitled to distribute the obtained quota to its Affiliates and Nominated Suppliers.

**6.12 Other taxes or fiscal impost**

For the duration of this Agreement, no taxes (including, but without limitation, income tax, additional profits tax, surtax, minor taxes, profits tax, turnover tax, sales tax, export tax, import tax, goods and services tax, withholding tax and employment related tax), royalties, duties, excise, charges, levies, fees, dues, contribution, payments or imposition of any kind whatsoever payable to the Central, regional or local Governments authorities (directly or indirectly) or agents or to any Chiefdom or Tribal Authority or to any other Agency of GoSL shall apply to CTC Mining, its Affiliates, Nominated Suppliers or the employees of CTC Mining, other than:

- (i) those expressly assumed pursuant to the provisions of this Agreement or Mining Licence;
- (ii) the payment of taxes deducted from the emoluments of employees of CTC Mining as required under the Income Tax (PAYE tax) Rules and/or employer's payment obligations to NASSIT all in relation to Sierra Leoneans. For the avoidance of doubt expatriate and non-Sierra Leonean employees are only subject to PAYE tax on their base Sierra Leone remuneration;
- (iii) the payment of payroll taxes at the applicable rate;
- (iv) the payment of immigration fees at the applicable rate; and
- (v) minor taxes, duties, fees, levies, that are not referred to in this Agreement shall be determined on the basis of the prevailing tax rates set out in the relevant tax laws promulgate.

For the avoidance of doubt, fringe benefits and benefits in kind subject to payroll taxes and NASSIT contributions shall not include the cost of the mining facilities developed and used by CTC Mining for the purpose of its exploitation, including but not limited to base camp, staff accommodation, mine facilities, drilling costs, transportation, insurance, water or electricity.

- 6.13 CTC Mining may, as an alternative to exercising its rights under this Agreement, elect to offset any sum referred to it under that provision against any monies then or subsequently due to the GoSL under the provisions of this Agreement.
- 6.14 No change of any nature or description in the amount, rate, basis of charge or computation and spirit of any of the impositions applicable to the company or shareholders shall be applied to CTC Mining or any of its Affiliates if the result of all



such changes taken as a whole would be to increase the aggregate amount of such imposition thereby impacting the company's financial position.

**6.15 Repatriation Holding and Introduction of Funds**

- (a) CTC Mining shall have the right, during the term of this Agreement, to freely receive and pay, hold in banks of its own choice, wherever located, and dispose of in any country all revenues, receipts and other foreign currency funds held by it under or in connection with its mining operations.
- (b) CTC Mining shall have the right, during the term of this Agreement, to hold foreign currency in designated foreign currency bank accounts in its name in Sierra Leone.
- (c) CTC Mining shall be exempt from any commission, charge or levy payable to GoSL on the introduction or investment of funds from a foreign source into Sierra Leone for the expressed purpose of this Project.

**6.16 Goods and Services Tax**

- (a) Notwithstanding the provisions of the Goods and Services Tax Act, 2009, CTC Mining and its Nominated Suppliers shall be relieved from the payments of Goods and Services Tax for its operations, except on transactions relating to supplies from supermarkets, hotels and restaurants, for which the company shall be liable to pay GST.
- (b) CTC Mining shall provide to NRA the list of Nominated Suppliers and the total value of goods and/or services obtained from them, within thirty (30) Calendar Days from the end of calendar quarter and any relevant document in CTC Mining possession, as to be required in writing by NRA, conducive to the identification of those suppliers and their transactions with CTC Mining.
- (c) For the avoidance of doubt, CTC Mining shall pay Goods and Service Tax on transactions relating to supplies in supermarkets, hotels and restaurants.

**6.17 Community Development Fund**

CTC Mining agrees to make payments to the Community Development Fund at one percent (1%) of gross revenue. Such payment will be tax deductible for Income Tax purposes and shall not be subject to any withholding tax.

**6.18 National Social Security and Insurance Trust**

Notwithstanding the provisions of the National Social Security and Insurance Trust Act, CTC Mining and its Affiliates, and their non-Sierra Leonean or expatriate employees working in Sierra Leone shall not be required to make the required employer and employee contribution to the National Social Security and Insurance Trust in respect of their expatriate employees working in Sierra Leone.

**6.19 Interpretation of fiscal advantages**

Any fiscal benefits granted in this Clause 6, shall solely apply to CTC Mining its Affiliates and Nominated Suppliers for its operations only and only in respect of mining operations and no other entity that is not a party to this Agreement.



**6.20 Contracting, Suppliers and Vendors**

CTC Mining and its Affiliates are allowed at all times to use any contractor, supplier, vendor, or service provider for any service at the best available market rates at all times or perform such services on their own or by one of the Nominated Suppliers, subject to the Sierra Leonean Local Content Agency Act, 2016, where applicable.

**6.21 Stamp Duties**

CTC Mining, its Affiliates and Nominated Suppliers in connection with their mining operations under this Agreement shall pay stamp duty to the National Revenue Authority at the applicable rate and shall not exceed one percent (1%) of consideration.

**6.22 Sierra Leone Maritime Administration**

Freight levies shall be charged at US\$0.325 per ton of bauxite product.

**6.23 Sierra Leone Ports Authority, Integrated Trade Solution and Cargo Tracking Notes**

CTC Mining should engage and negotiate such fees and charges with the relevant authorities.

**6.24 Capital Gains Tax:**

(a) Any change in the non-resident's direct or indirect ownership in the CTC Mining's voting equity as result of a Change of Control shall pay Capital Gain Tax in Sierra Leone at the rate as follows:

(i) CTC mining and seller shall not pay Capital Gains Tax for any transaction if the consideration is cumulatively 35% or less of the chargeable assets;

(ii) 5% if the consideration is cumulatively greater than 35% but less than or 65% of the chargeable assets;

(iii) 15% if the consideration is cumulatively greater than 51% but less than 65% of the chargeable assets; and

(iv) Applicable law if the consideration is cumulatively greater than 65% of the chargeable assets; and

For the avoidance of doubt, any assets or activities which income source is outside Sierra Leone will not be taxed.

Moreover, no capital gain tax shall be due in the event of change of direct or indirect ownership of the share capital of CTC Mining as a result of a pure intergroup reorganization (e.g., merger, demerger, combination, partial asset contribution), provided there is continuity of underlining ownership.

**7 WAIVER OF IMMUNITY**

The Parties unconditionally and irrevocably agree that the execution and performance of this Agreement constitute a private and commercial act. In addition, each Party unconditionally and irrevocably:

(a) waives to the fullest extent permitted by the laws of any applicable jurisdiction



any right of immunity as to it or its property (excluding any diplomatic protected and non-commercial property) in respect of the enforcement and execution of any arbitration award rendered under this Agreement; and

- (b) waives any right of immunity which it or any of its assets (excluding any diplomatic protected and non-commercial property) now has or may acquire in the future whether characterised as sovereign immunity or otherwise in any jurisdiction in connection with any such proceedings including without limitation, immunity from service of process, immunity from jurisdiction or judgment of any court of tribunal and immunity from execution of a judgment.

## **8 GENERAL STABILITY AND OPERATIONAL UNDERTAKINGS**

- 8.1 The GoSL undertakes that in the event that it enacts legislations and regulations or changes in any law ("law in this Clause 8.1 means any act, code, regulations, rules, policies or practices or other Applicable Law promulgated by Sierra Leone or other GoSL authority (including but not limited to with respect to taxation and fiscal matters), such provision shall not apply to CTC Mining on a non-discriminatory basis.
- 8.2 This Agreement was entered into on the basis of the Applicable Law prevailing on the date of this Agreement and the exceptions provided in this Agreement.
- 8.3 This Agreement shall be subject to review every five (5) years.

## **9 EXPROPRIATION**

Pursuant to the Constitution of Sierra Leone, and to Clause 12 below, GoSL undertakes not to, and shall not, Expropriate, including any step as part of a process of Expropriation, in relation to the Investor, CTC Mining and its Affiliates.

## **10 COVENANT OF QUIET ENJOYMENT**

GoSL hereby warrants, and defends CTC Mining's title to, possession and peaceful enjoyment of all rights granted to it by this Agreement, and the Mining Licences and all of its property in Sierra Leone against Expropriation, confiscation, condemnation, wrongful possession and to the extent possible destruction, disruption or other interference by any person, subject to compliance, by CTC Mining, with Applicable Laws.

## **11 PROTECTION OF FOREIGN INVESTMENTS**

- 11.1 All Foreign Investments made by the Investor and its Affiliates, relating to CTC Mining operations, within the territory of Sierra Leone shall enjoy the legal protection guaranteed by the Constitution, Applicable Laws, foreign investment laws, other laws and regulations and the international treaties to which Sierra Leone is a party.
- 11.2 The Investor's and its Affiliates' capital, property and assets shall not be expropriated.



## 12 GENERAL PROVISIONS

### 12.1 Assignment and Change of Control

CTC Mining shall comply with Section 47 of the Mineral Act.

### 12.2 Compliance with Minerals Act and other Acts

For the purposes of this Agreement, Sections 26(2)(3), Section 27, Section 35(1)(2), and Section 37 of the Customary Land Rights Act, 2022 shall not apply to CTC Mining:

### 12.3 Creation of Security Interests

- (a) Notwithstanding any other provision of this Agreement, CTC Mining shall have the right (and with the irrevocable consent of GoSL hereby given for such) to pledge or otherwise create security interests over the Mining Licences and this Agreement, in order to secure any financing arrangement.
- (b) GoSL shall if required by such lender, mortgagee, trustee, receiver or administrator (as applicable), provide such information, documentation and other conditions precedent as may be reasonably required from time to time, and co-operate in good faith with CTC Mining and each lender, mortgagee, trustee, receiver or administrator (as applicable) in respect of the financing and comply with any reasonable requests.
- (c) GoSL hereby irrevocably agrees and grants its consent (to the extent necessary and / or applicable) to CTC Mining such that CTC Mining is able and permitted to pledge, charge and otherwise secure for financing purposes this Agreement and / or the Mining Licences (further to Clause 12.4(a) above).

### 12.4 Prior Consent or Approval

- (a) Whenever, under the terms of Agreement the right of CTC Mining or GoSL, as the case may be, to do or perform any act or thing is conditional on the prior consent of the other Party to the Agreement or of an official representative of such other Party, it is hereby stipulated and agreed by and between the Parties hereto that the requisite consent or approval will not in any instance be unreasonably withheld or delayed.
- (b) Whenever such approvals are required from GoSL, CTC Mining shall deal with the relevant ministries, departments and agencies of GoSL to handle all large-scale mining contracts in order to discuss and mutually agree with CTC Mining as expeditiously as possible.

### 12.5 Confidentiality

Each Party shall keep confidential all Confidential Information provided to it by or on behalf of the other Party, whether before or after the date of this Agreement and confirms that it shall not disclose such information to any third party without the prior written consent of the other Party and in accordance with the Applicable Law.

### 12.6 Corrupt Practices

- (a) CTC Mining represents and warrants that none of CTC Mining, any of its employees acting in the course of their employment and any person acting on



behalf of CTC Mining has made or promised to make any payment or transfer of anything of value, directly or indirectly, to or for the benefit of any government official or a family member of or an intermediary for payment to or for the benefit of a government official or a family member or business partner of a government official in connection with this Agreement or the transactions contemplated hereby.

- (b) GoSL represents and warrants that neither GoSL or any government official on behalf of GoSL has solicited any payment or transfer of anything of value, directly or indirectly, to or for the benefit of GoSL or any government official in connection with this Agreement or the transactions contemplated hereby.
- (c) The Parties shall comply with all corruption laws at any time and from time to time applicable in accordance with the Applicable Laws and the laws of England and Wales.

#### 12.7 Interpretation, Arbitration and Dispute Resolution

- (a) Except as may be otherwise herein expressly provided, this Agreement shall be construed, and the respective rights of GoSL and CTC Mining hereunder shall be determined, according to the Applicable Laws.
- (b) The Parties shall in good faith endeavour to reach an amicable settlement of all differences of opinion or disputes which may arise between them in respect of any rights and obligations under this Agreement or related or connected to it, the execution and performance under this Agreement and the existence, validity, interpretation or termination or any other matter regarding this Agreement. In the event that the Parties are unable to reach an amicable settlement within a period of three (3) months from a written notice by a Party to the other Party specifying the nature of the dispute or claim and seeking an amicable settlement, either Party may submit the matter to the exclusive jurisdiction of the International Chamber of Commerce in accordance with Clause 12.8(c).
- (c) All disputes and claims arising out of, related to or in connection with this Agreement that have not been settled (including, but not limited to, any question regarding the existence, validity or termination of the Agreement) shall be referred and finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce (the "**Rules**"), which Rules are deemed to be incorporated by reference into this clause, by a tribunal of three (3) arbitrators who shall have the exclusive jurisdiction to decide the claim or dispute ("**Tribunal**"). The seat of the arbitration shall be London, England. The English language shall be used in the proceedings. The award and any decision of the Tribunal shall be final and binding and automatically enforceable, having the same force and effect as a judgment of the Supreme Court of the Republic of Sierra Leone or the supreme court of the last resort by way of appeal in any jurisdiction other than Sierra Leone. The Parties shall comply and shall ensure compliance with any award or decision of the Tribunal (including any interim, provisional or conservancy measure). The Parties waive irrevocably their right to any form of appeal, review or recourse to any state court or other legal authority, insofar as such waiver shall not be prohibited under the applicable





law.

- (d) Should any dispute arise under this Agreement, the Parties agree to continue to perform their respective obligations under this Agreement.
- (e) GoSL irrevocably waives any right to assert any defence of sovereign immunity as to it and its property (excluding any diplomatic, Protected and non-commercial property) in respect of (i) the institution and conduct of any arbitration proceeding pursuant to this Agreement, the interpretation of GoSL's obligations under this Agreement and the jurisdiction of the Tribunal, or the grant of any relief in connection with, such a proceeding; and (ii) the recognition, enforcement and execution of any award rendered by an arbitral Tribunal pursuant to this Clause.

#### 12.8 Ratification and Amendment

- (a) Immediately upon execution of this Agreement, GoSL will cause it to be ratified by the Parliament and promptly published in the Sierra Leone Gazette.
- (b) In the event that GoSL and CTC Mining mutually agree to amend any provisions of this Agreement, including any agreement to vary the terms of this Clause 12.8, such amendment may be effected by agreement between the Parties evidenced by an instrument in writing. Any such amendment agreement shall take effect without further ratification or confirmation by Parliament save to the extent that it may be inconsistent with any law in force in Sierra Leone at the time when such agreement between the Parties is executed, in which event such amendment will be ratified by Parliament.

#### 12.9 Force Majeure

- (a) Failure or partial failure on the part of either CTC Mining or GoSL to fulfil any of the terms and conditions of this Agreement shall not give rise to a claim by the other Party or be deemed to be a breach of the Agreement insofar as the failure or partial failure arises from force majeure, and if through force majeure the fulfilment by either CTC Mining or GoSL of any of the terms and conditions of this Agreement is delayed, then the period of such delay shall be added to the periods fixed by this Agreement.
- (b) The payment obligations of CTC Mining shall be suspended for the duration of any force majeure event and shall remain due and payable.
- (c) In this clause, the expression "**force majeure**" includes, without limitation, an act of God, peril of air, land or sea navigation, action of the elements, storm, flood, earthquake, ground cave-in, subsurface pollution (natural gas, etc.), explosion, fire, terrorist activity or other hostilities, war (declared and undeclared), blockade, insurrection, civil commotion, riot, epidemics, medical emergency, revolution, embargoes or any other event beyond the reasonable total control of the affected party and whether such event was foreseeable or not. The expression "the Agreement" includes not only the terms and conditions of the Agreement but also the terms and conditions of the Mining Licence.
- (d) Any claim of force majeure must be notified in writing by the affected Party to



the other Party within ninety (90) Calendar Days of the date when the force majeure occurred or the affected Party should have reasonably known of the event of force majeure. If the force majeure is not notified within the prescribed timeframes, it shall be deemed waived.

- (e) A Party affected by a force majeure event shall use reasonable endeavours to mitigate the effects of the relevant force majeure event (so far as it is within its power to do so).

#### **12.10 Notice**

- (a) All orders, approvals, declarations, notices and communications of any kind between the GoSL, the Minister or any other representative of GoSL and CTC Mining shall be in writing and the contracting parties shall not under any circumstances be permitted to allege or to reply upon any oral order, approval, declaration notice or communication from GoSL to CTC Mining and any such written notice, etc. from GoSL to CTC Mining shall be (i) delivered to the registered office of CTC Mining or such other address as may be furnished in writing, addressed to CTC Mining for the attention of the directors or (ii) sent by email to the email addresses furnished in writing by CTC Mining to GoSL, marked for the attention of the board directors.
- (b) All declarations, notices and communications from CTC Mining to GoSL shall, unless otherwise required by law or by the terms of this Agreement or unless GoSL shall otherwise direct by written instructions to CTC Mining, be mailed or delivered to the Director of Mines at his office in Freetown.

#### **12.11 Right of termination by CTC Mining**

CTC Mining shall have the right to terminate this Agreement at any time by (i) providing not less than ninety (90) Calendar Days' notice in writing to GoSL to that effect; and

- (i) complying with such conditions as may be prescribed or stated in this Agreement and any other agreement relevant to the programme of operations. Upon termination, the Parties shall be entitled to receive such amounts owing to them before the termination of this Agreement. Such termination shall be without prejudice to any liabilities or obligations incurred by CTC Mining in relation to the Mining Licence Area prior to the date of termination.

#### **12.12 Parties commitment to Protecting Human Rights**

The Parties each commit themselves to the protection and promotion of the human rights of all individuals affected by CTC Mining's operations, including those rights as articulated in Applicable Laws and the Universal Declaration of Human Rights.

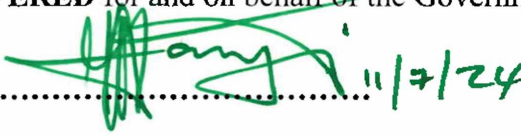
#### **12.13 Governing Law**

Except as otherwise specifically provided in this Agreement, this Agreement shall be governed by, interpreted and construed in accordance with the Applicable Law and such rules of international law as may be applicable. This Agreement shall be subject to the international legal principle of *pacta sunt servanda* (agreements must be observed).



IN WITNESS WHEREOF this Agreement has been executed by duly authorised representatives of the Parties hereto on the day, month and year first above written.

SIGNED SEALED AND DELIVERED for and on behalf of the Government of Sierra Leone

  
.....

**Julius D. Mattai**


**Minister of Mines and Mineral Resources**  
Date: ..... 11/7/24 ..... 2024



  
.....  
**Sheku Ahmed Fantamadi Bangura**  
**Minister of Finance**

Date: ..... 11th July ..... 2024



  
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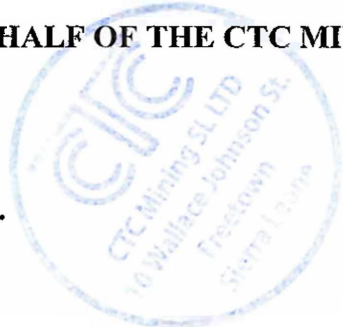
Witnessed by  
Date: ..... 11th July ..... 2024

SIGNED SEALED AND DELIVERED FOR AND ON BEHALF OF THE CTC MINING COMPANY LTD (SL)

  
.....

**Hisham Mackie**  
**Chief Executive Officer**

Date: ..... 11-JULY- ..... 2024



  
.....

Witnessed

Company Corporate Secretary

Date: ..... 11-JULY ..... 2024

