




MINING AGREEMENT

BETWEEN

THE REPUBLIC OF CAMEROON

AND

SINOSTEEL CAM S.A

**RELATING TO THE INDUSTRIAL MINING OF THE
LOBE IRON ORE IN KRIBI**

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BETWEEN THE UNDERSIGNED:

THE REPUBLIC OF CAMEROON, represented by the Minister in charge of Mines, with vested authority and according to the provisions of Section 44 (2) of Law No. 2016/017 of 14 December 2016 instituting the Mining Code, Hereinafter designated the "**State**", on the one hand,

AND

SINOSTEEL CAM S.A., Limited Liability Company governed by Cameroon law with share capital of CFA Francs 400,000,000, and head office located at Rue 1828, Bastos-Ekoudou, P.O. Box: 252 - Yaounde – Cameroon, registered on 10 October 2008 at the Yaounde Trade and Personal Property Credit Register (RCCM) as SINOSTEEL CAM S.A. under number RC/YAO/2008/B/1737, having as Taxpayer's number: M100800026370U, represented by Mr ZHENGHAO ZHENG, in his capacity as General Manager of SINOSTEEL CAM S.A.,

Hereinafter designated "**SINOSTEEL CAM S.A.**", on the other hand.

The State and SINOSTEEL CAM S.A. shall be collectively designated as the "**Parties**" and, individually as, a "**Party**".

PREAMBLE

Mindful of constitution;

Mindful of Law No. 2016/017 of 14 December 2016 instituting the Mining Code;

Considering that mining deposits, which include the soil and the sub-soil of the territory of the State, are and remain the sole property of the State;

Considering the importance of the mining sector for the economic and social development of the Republic of Cameroon;

Considering the will of the State, under its mineral resources development programme, to foster and boost private investment in exploring and mining these resources;

Considering the findings of the exploration phase purpose of exploration permit number 154 called LOBE, awarded to SINOSTEEL CAM S.A. by Order No. 00175/MINIMIDT/SG/DMG/SDAM of 22 March 2008, as successively renewed by Orders No. 00447/MINIMIDT/SG/DMG/SDAM of 8 September 2009 and No. 006972/MINMIDT/SG/DM/SDCM of 19 November 2013, which established the existence of the iron ore deposit at LOBE, in the Kribi 1 and Campo Sub-Divisions, Ocean Division, South Region, Republic of Cameroon;

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Considering the findings of the feasibility study ordered by SINOSTEEL CAM S.A., which demonstrate that mining the LOBE iron ore deposit is economically profitable, as per the tax and customs system under this agreement;

Recognizing the rights of the indigenous peoples and local communities of the LOBE;

Considering the free, prior and informed consent of the indigenous peoples and local populations for the execution of LOBE iron ore mining project;

HEREBY AGREE AS FOLLOWS:



PART I:
GENERAL PROVISIONS

ARTICLE 2.- PURPOSE OF THE AGREEMENT

This agreement hereby lays down the rights and obligations of the Parties as stipulated in Law No. 2016/017 of 14 December 2016 instituting the Mining Code, and guarantees, to SINOSTEEL CAM S.A., the stable legal, economic, fiscal, customs and exchange conditions explicitly listed within the framework of the LOBE iron ore industrial mining.

ARTICLE 2.- SCOPE OF THE AGREEMENT

(1) The rights laid down by this agreement shall only be binding to the Parties herein and their respective permitted assignees.

(2) Shareholders, affiliates, co-contractors, sub-contractors, consignors and creditors as well as other third party beneficiaries shall benefit, in accordance with the terms and conditions of this agreement, from the rights and guarantees granted to them respectively within the framework of their activities on the extraction and processing of ores, plus the production of iron ore concentrates in Cameroon.

(3) Establishment site

The LOBE industrial mining project is located about 200km South-East of the city of Douala, Cameroon's economic capital, and 40km from the seaside city of Kribi from a bird's eye view. More specifically, it is found in the Kribi and Campo Sub-Divisions of the Ocean Division in the South Region of Cameroon. It covers a total surface area of 138.5 km². The geographic and cadastral coordinates of the permit are annexed in this agreement.

(4) Detailed content of the project

a) The Project, purpose of this agreement, is a large-scale mining project of the LOBE iron ore found within the mining area. SINOSTEEL CAM S.A. plans to extract 10000,000 tonnes of ore per year with 33% of iron, and then enrich it to produce 4 (four) million tonnes of high content iron ore concentrates over 60%.

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b) The project, purpose of this Agreement, comprises:

- The development of a mine towards the production of 4 (four) million tonnes of iron ore concentrates per year as initial capacity;
- the creation of an iron ore enrichment unit;
- the establishment of a pipeline to transport the enriched iron ore;
- the setting up of a power generation unit for the project;
- the continuation of exploration activities within the perimeter of the mining permit;
- the development of a mining terminal and its related infrastructure for the marketing of products on the international market.

ARTICLE 3.- DEFINITIONS

(1) The definitions enshrined in Law No. 2016/017 of 14 December 2016 instituting the Mining Code shall apply to the terms used under this agreement. The terms used under this agreement may however not, for any reason, override the provisions of the above law.

(2) Under this agreement, the following terms, not defined by the above law or aimed at supplementing and/or clarifying it, shall have the following definitions:

Project agreement(s) refer(s) collectively to this agreement, special agreements, the mining permit and individually to one of these documents and any other agreement, certificate or document signed, issued or established in line with the Project.

Co-contractors refer to an entity (other than the Creditors) which, within the framework of a contract signed with SINOSTEEL CAM S.A., provides its goods and/or services for the needs of the Project.

Force Majeure refers, for either of the Parties, to any external, unpredictable, overwhelming and unavoidable event or circumstance for the Party invoking it, against its will and beyond its reasonable control which prevents the Party invoking it to fulfil its legal and/or regulatory obligations as well as any other obligation under this agreement and any project agreement to which it is a party.

Bank guarantee refers to a collateral, which is acceptable, and regular for the State, at its sole discretion, issued by an independent bank, located on the territory of the State or not, for the amounts mentioned in this agreement.

State holding refers to State shares in the share capital of SINOSTEEL CAM S.A. under this agreement, as provided by Section 59 of Law No. 2016/017 of 14 December 2016 instituting the Mining Code.

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Creditor refers to any natural or legal person, national or international financial institution, export credit agency, any credit insurer or any other body which granted SINOSTEEL CAM S.A. a merchant credit, a loan, obligations or any financing or refinancing related to the Project.

Product refers to the iron ore extracted within the framework of this agreement.

Third Party refers to any person other than a party to the agreement, an entity designated by the State, a subsidiary, a shareholder or any other entity subrogated to the rights of SINOSTEEL CAM S.A.

ARTICLE 4.- DURATION OF THE AGREEMENT

- (1) This agreement shall be valid for a duration equal to that of the mining permit in accordance with Section 56 (1) of Law No. 2016/017 of 14 December 2016 instituting the Mining Code. It shall have an initial duration of 20 (twenty) years as from the date of granting of the mining permit.
- (2) The renewal of the mining permit shall lead to the renewal of the mining agreement.

ARTICLE 5.- SCOPE OF THE AGREEMENT

(1) Economic significance of the project

- a) The PROJECT seeks to strengthen the existing industrial fabric while strongly boosting Cameroon's balance of trade.
- b) SINOSTEEL CAM SA, plans to create at least 600 direct jobs and more than 1000 indirect jobs.
- c) The project seeks to encourage other industries using IRON as raw material to establish themselves in Cameroon.

(2) Socio-cultural significance of the project

- a) the project comprises a programme to construct *various* socio-cultural infrastructures (sports centres, leisure centres, cultural centres, etc.) which will favour the well-being of both the employees and the local communities.

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(3) Technological significance

Staff working with SINOSTEEL CAM S.A., its co-contractors and sub-contractors acquire technology and know-how through the "Learning by doing" principle.

(4) Technical and financial conditions of the project.

a) Technical conditions of the project

To execute the project and its different components (power generation unit, mining terminal, etc.), SINOSTEEL CAM S.A. shall sign, with support of the state, special agreements within a period of 6 (six) months as from the date of the signing of this mining agreement.

b) Financial conditions of the project

The project will be financed out of SINOSTEEL CAM S.A.'s own funds up to 30%, and bank loans up to 70%.

ARTICLE 6.- OWNERSHIP OF PRODUCTS AND MARKETING CONDITIONS

(1) The products shall be owned by SINOSTEEL CAM S.A. pursuant to the provisions of Section 5 (2) of the Mining Code.

The products shall be marketed in compliance with national and international market rules.

(2) However, during the period of the project, SINOSTEEL CAM S.A. commits to avail at least 15% (fifteen per cent) of produced iron ore concentrates for the local market at standard international market price with a discount *which takes into account free expenses*.

(3) The availability of 15% (fifteen per cent) of iron ore concentrates destined for local processing shall comply with the rules of demand and supply. Nonetheless, in case of full or partial absence on the local market, the Minister in charge of Mines may authorize SINOSTEEL CAM S.A., after verification, to export part or all of the 15% (fifteen per cent).

ARTICLE 7.- REGIME OF MOVABLE AND IMMOVABLE PROPERTIES NECESSARY FOR THE REALIZATION OF THE PROJECT

(1) The movable property needed for the execution of the project is the exclusive property of SINOSTEEL CAM S.A.

(2) The constructed immovable property needed for the execution of the project is the exclusive property of SINOSTEEL CAM S.A. Yet, at the end of mining, the State shall have a right of preference on the acquisition of the said assets. Some assets like roads can be handed over to the State.

(3) The bare land covered by the exploitation permit shall be registered in the name of the State and made available to SINOSTEEL CAM S.A, according to the conditions and modalities defined by the mining code.



PART II:
RIGHTS AND OBLIGATIONS OF PARTIES

ARTICLE 8. - RECIPROCAL OBLIGATIONS / GOVERNANCE AND TRANSPARENCY

(1) The Parties commit to cooperate to achieve the objectives of this agreement. Each party shall have the obligation to respect its commitments, responsibilities and obligations under this mining agreement, its annexes as well as its amendments in accordance with the law and regulation in force.

(4) The Parties must comply with international commitment taken by the State and applicable to their activities, to improve governance in the mining sector, especially those related to the Extractive Industries Transparency Initiative (EITI).

SECTION 1:
RIGHTS AND OBLIGATIONS OF SINOSTEEL CAM S.A.

ARTICLE 9. - LOCAL CONTENT

(1) Employment and training of national/foreign staff

- a) SINOSTEEL CAM S.A. shall be free to hire and fire in accordance with the Mining Code and the labor code.
- b) However, where skills are equal, SINOSTEEL CAM S.A. shall give preference of employment to Cameroonian staff.
- c) Information on the workforce (number, level of qualification, etc.) needed to execute project work will be provided by any individual or body mandated by the State.
- d) For the duration of this agreement, SINOSTEEL CAM S.A. shall comply with the labour law and regulation as stipulated in the texts in force, especially on safety, occupational health and social security.

(2) Type of jobs or skills required for the project

- a) Job concerns the components of SINOSTEEL CAM S.A.'s activities such as constructions, ore extraction, ore enrichment, transportation, power generation, setting up the mining terminal.
- b) Further clarification on the mapping of positions and jobs at SINOSTEEL CAM S.A. are well detailed and annexed to this agreement.



(3)-Training and Technology transfer

- a) SINOSTEEL CAM S.A. commits to offer throughout the project or instruct the main co-contractors and/or main sub-contractors to offer in-service vocational training programmes on health, safety, risk management and skills needed for the operational phase of the project, with the aim of maximizing the "cameroonization" of the workforce and, overall, to protect local jobs.
- b) SINOSTEEL CAM S.A. commits to provide, or instruct the main co-contractors and/or main sub-contractors, in close collaboration with the relevant State services, to provide vocational training structures and programmes for its workforce.
- c) SINOSTEEL CAM S.A undertakes to agree with the state of the technical requirements serving as indicators of recognition of the quality of qualified professional, in order to help the main co-contractors, to implement the planned training programs.

(4) Recruitment plan

- a) SINOSTEEL CAM S.A undertakes to achieve during the operation phase, and to demand this same objective from main co-contractors and main sub-contractors, the minimum quotas of Cameroonian nationals among their employees who are in the Cameroon and are working on the Project, as follows:
- for managerial positions: at least 50% (fifty per cent) of nationals;
 - for supervisory positions: at least 60% (sixty per cent) of nationals ;
 - for unskilled positions: at least 90% (ninety per cent) of nationals.
- b) Data on jobs created shall be forwarded to the relevant Government services.

(5) Training program

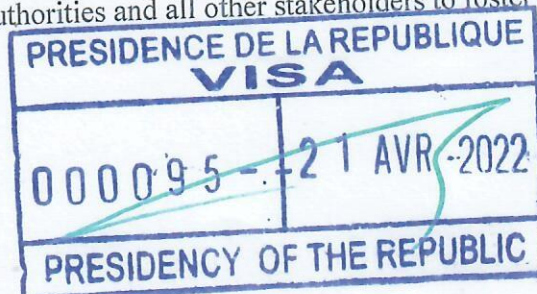
SINOSTEEL CAM S.A, shall forward to the Ministry in charge of mines the job descriptions and the job reference in order to anticipate the training and upgrading programs

(6) Participation in the development of local SMEs

- a) SINOSTEEL CAM S.A. commits to hire in priority, for sub-contracting under the project, national SMEs with the necessary capacity to provide goods, products, materials, equipment and services.

(7) Social development programme for the local communities

- a) Within the framework of this project, SINOSTEEL CAM S.A. commits in close collaboration with local authorities and all other stakeholders to foster development in the



local communities by implementing its community development programme found in the annex.

b) The terms for the management and follow-up of this programme will be subject to a co-management protocol signed between the Ministry in charge of Mines, any institution mandated to the effect, the representatives of the population and SINOSTEEL CAM S.A.

c) SINOSTEEL CAM S.A. undertakes to construct, within the framework of its operations, appropriate lodging facilities as well as medical, school, sports and recreational facilities for its employees.

ARTICLE 10.- LAND AND MINING GUARANTEES

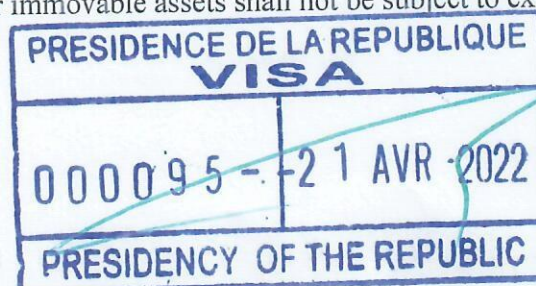
- (1) The State guarantees to SINOSTEEL CAM S.A. the tenure of the land subject of the mining permit in accordance with the provisions of the mining Code.
- (2) Pursuant to the provisions of the mining Code, SINOSTEEL CAM S.A shall have movable rights over the resources and property rights over the land.
- (3) The State guarantees SINOSTEEL CAM S.A, its co-contractors and sub-contractors that all administrative permits and procedures to facilitate the mining operations shall be granted in compliance with the regulatory deadlines and conditions.
- (4) SINOSTEEL CAM S.A. shall, under strict respect of the regulation in force, have the right to use blasting materials and the elements founds within the authorized perimeter.

ARTICLE 11.- EXPROPRIATION, DAMAGES AND COMPENSATION OF LOCAL COMMUNITIES

- (1) The conditions for expropriation, damages and compensation of local communities shall be those stipulated by the Mining Code.
- (2) Fees, allowances and overall, all charges resulting from the execution of procedures to liberate and assign tenure of land shall behove on SINOSTEEL CAM S.A.
- (3)The communities concerned by (1) above are those identified by Sections 116 and 118 of Law No. 2016/017 of 14 December 2016 instituting the Mining Code.

ARTICLE 12.- COMPENSATION IN CASE OF ASSIGNMENT OF THE ASSETS OF SINOSTEEL CAM S.A.

- (1) The State guarantees that the company SINOSTEEL CAM S.A. and other affiliated companies that their mining facilities, the mine and mineral substances from mining, the fields and other immovable assets shall not be subject to expropriation.



(2) However, if circumstances or a particular situation require such measures, the State commits, in accordance with the law and regulation in force, to pay fair compensation for damaged interests as agreed between the parties.

ARTICLE 13.- HEALTH, HYGIENE, OCCUPATIONAL SAFETY AND ENVIRONMENTAL PROTECTION

(1) General provisions

Any harmful health, hygiene, safety and environmental injury accountable to SINOSTEEL CAM S.A shall concern the latter.

(2) Environment and Sustainable development.

SINOSTEEL CAM S.A. undertakes to protect the environment and foster sustainable development, to protect living things and local communities within the framework of this Project, as per the regulation in force, codes of good practices as well as recognized international standards in this area, especially for:

- soil protection;
- air emissions;
- sewage disposal, water crossings or water body management;
- management of tailings, solid and liquid waste;
- noise;
- spills.

As such, SINOSTEEL CAM S.A. undertakes, in particular, to comply with the Environmental and Social Management Plan of the Project.

(3) Occupational Hygiene, Health and Safety

a) SINOSTEEL CAM S.A. undertakes to elaborate, adopt and comply with rules on occupational hygiene, health and safety as per the law and regulation in force, and to instruct all co-contractors and sub-contractors to comply with Quality, Hygiene, Safety and Environmental plan of the Project.

b) The rules mentioned in (3) above shall extend to general conditions for the construction, use and maintenance of project facilities and infrastructure.

c) SINOSTEEL CAM S.A. shall forward to the State the reports of preventive maintenance of facilities in accordance with the regulation in force and the provisions of this agreement.

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(4) Obligations pertaining to abandonment of facilities and rehabilitation of affected sites

SINOSTEEL CAM S.A. undertakes to respect the regulation pertaining to the abandonment of facilities and the rehabilitation of affected sites, notably in accordance with:

- Section 9 (d) of Framework Law No. 96/12 of 5 August 1996 relating to Environmental Management, and subsequent texts,
- Section 136 of Law No. 2016/017 of 14 December 2016 instituting the mining Code.

ARTICLE 14.- CONTRIBUTION TO THE MINING POLICY IMPLEMENTATION FUND

(1) SINOSTEEL CAM S.A. will be subjected to the payments of amounts owed for:

- a) the Mining Sector Development Fund whose annual contribution is fixed at 2 francs CFA per tone of the gross production of SINOSTEEL CAM S.A.
- b) the Mining Site and Quarry Restoration, Rehabilitation and Closure Fund whose annual contribution is fixed according to estimated costs of executing the environmental preservation and rehabilitation programme drawn up and approved by mutual agreement by the parties, **and attached as an annex.**

Restoration costs are annual and spread over the life of the mine.

The rehabilitation and closure costs are paid into an escrow account provided for this purpose.

- c) the Special Account to Develop Local Capacities whose amount of annual contributions agreed between the parties is fixed at **0.5% (zero point five per cent)** of turnover excluding taxes.

(2) The terms for the recovery and management of the contribution to the Special Account to Develop Local Capacities shall be subject to a co-management protocol signed between the Ministry in charge of mines, any institution mandated to this effect, the representative of the local community and SINOSTEEL CAM S.A.

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ARTICLE 15.- PAYMENT OF DUTIES, TAXES AND ROYALTIES

(1) In addition to ordinary duties and taxes under the tax law in force, SINOSTEEL CAM S.A. shall be subjected to the payment of non-refundable survey and exploration fees, the following duties, taxes and royalties provided under the Mining Code:

- a) non-refundable survey and exploration fees;
- b) fixed duties;
- c) Area-based royalties;
- d) Value-based royalties.

(2) The amount and the terms of payment of the fixed duties, taxes and royalties due, are those provided for by Law No. 2016/017 of December 14, 2016 on the mining Code

ARTICLE 16.- MINING PERMIT RIGHTS

(1) SINOSTEEL CAM S.A. shall, inter alia, have the right:

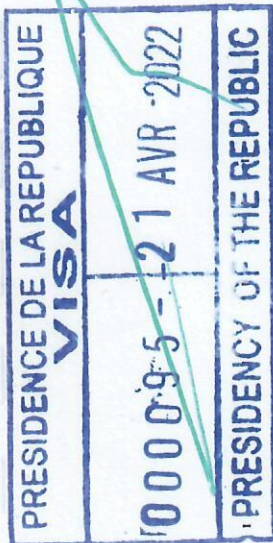
- to access and occupy the land, subject of the permit for industrial mining pursuant to the provisions of Section 106, 107 and 113 of the Mining Code in a bid to carry out activities relating to the mining title;
- to extract from the earth or below the earth's surface, mineral substances, by any process or method which complies with the proper rules', to extract useful substances;
- to build a beneficiation plant on the land under consideration;
- to process specific minerals, subject of the permit for industrial mining on the said field or elsewhere and to declare the other associated substances;
- to erect any other structure necessary for the processing of piles and tailings;
- to remove and pick rocks, ground and minerals from the earth before or after processing;
- to withdraw and use water found on or flowing through the field in question, needed for mining and beneficiation activities, in accordance with the law in force;
- to carry out any other appropriate action for the execution of mining or beneficiation activities on the field under consideration.
- to exclusively carry out mining activities on the land, subject of the permit, for extraction and all activities thereto related and to only possess ores, subject of the said permit.

(2) Notwithstanding the provisions of paragraph (1) above, SINOSTEEL CAM S.A. undertakes not to carry on any activity other than that covered by the said mining permit

(3) It is agreed that the mining permit shall grant to SINOSTEEL CAM S.A. the exclusive right to occupy and use the sites and infrastructure, subject of the project leases, to concession, or to ownership title, for the duration of the mining permit.

ARTICLE 17.- INSURANCE

(1) SINOSTEEL CAM S.A. commits to subscribe to insurance policies, which cover the risks listed in this agreement, in accordance with all laws applicable to insurance and the acquisition of appropriate coverage.



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(2) The sub-contractors and co-contractors of SINOSTEEL CAM S.A. shall be required to subscribe to insurance which notably covers the following risks:

- prejudice or damages caused to the Project facilities, and other facilities, equipment, existing or completed elements within the occupied Project area;
- professional civil liability for business executives;

ARTICLE 18.- ACCOUNTING

(1) Accounting provisions

SINOSTEEL CAM S.A. undertakes to keep its accounts in accordance with OHADA accounting principles, as well as the provisions of article 189 of the Mining Code.

(2) Accounting reports

SINOSTEEL CAM S.A. undertakes to send annually to the Minister in charge of mines, with a copy to the Minister in charge of finance, a financial report including the income statement and the balance sheet.

(3) Depreciation of investments

a) SINOSTEEL CAM SA recognizes that the State has the right to carry out at its expense, via a body approved by the State, a second-opinion audit of the total amount of investments during the research phase, previously audited by the firm PRICE WATER HOUSE directly mandated by SINOSTEEL CAM SA .

b) The new amount obtained from the audit will be approved by joint order of the Ministers responsible for mines and finance, and then mentioned in this agreement as an amendment to the agreement.

c) SINOSTEEL CAM SA acknowledges having waived the list of fixed assets eligible for accelerated depreciation.

d) SINOSTEEL CAM SA can benefit from the reimbursement of VAT on the elements necessary for its activity under the conditions set by the General Tax Code.

(4) Procedure to open, hold and close bank accounts in Cameroon, in foreign currencies

a) Within the framework of implementation and operation of the Project, subject of this agreement, SINOSTEEL CAM S.A. shall have the right to open accounts in local currency within credit institutions of their choice, duly approved by the State.

b) The opening of bank accounts on the national territory in foreign currencies by SINOSTEEL CAM S.A. shall be subjected to the principle of freedom of choice stated in (a) above, provided that it however complies with the conditions thereof.

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c) The terms and conditions of their holding and closing shall be those fixed by the banking conditions of credit institutions where the said accounts are lodged, the relevant provisions of the aforementioned Regulation and its subsequent amendments.

(5) Indexing according to business environment of mineral substances

SINOSTEEL undertakes to negotiate with the State the conditions for the implementation of indexation clauses to the economic environment of mineral substances, in the event of a change in the conditions which would significantly affect the interests of the Parties, duly noted by the latter.

ARTICLE 19.- ARCHAEOLOGICAL EXCAVATIONS AND TREASURES

(1) Any archaeological wealth, treasures or other elements deemed valuable, discovered during the execution of works are and remain the property of the State. These discoveries shall immediately be declared by SINOSTEEL CAM S.A. to the Ministry in charge of Culture.

(2) When the perimeter undergoes archaeological excavations, SINOSTEEL CAM S.A. undertakes to work in a way that does not hamper continuation or conduct of excavation.

(3) SINOSTEEL CAM S.A. also undertakes to preserve the cultural heritage of the indigenous peoples and local communities within the framework of implementation of its project.

SECTION 2:

RIGHTS AND OBLIGATIONS OF THE STATE

ARTICLE 20. - STATE HOLDING

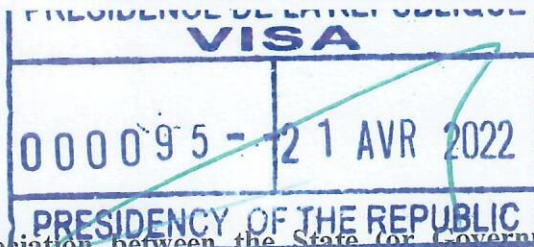
(1) Mining permit, subject of this agreement, compulsorily awards to the State, 10% (ten per cent) of the shares of SINOSTEEL CAM S.A., free of charge. The state's stake cannot be diluted in the event of an increase in the share capital of Sinosteel Cam S.A.

(2) In addition to the 10% free shares allocated under paragraph (1) above, the parties agree, at the express request of the State of Cameroon, on a production sharing mechanism by allocating to the State one percent (1%) of the iron concentrate produced by SINOSTEEL CAM S.A., as from the first production, under the conditions and according to the modalities to be defined by agreement between the parties.

(3) Notwithstanding the provisions of (1) above, the State may, at its own cost and after agreement by the Parties, increase its holding in the social capital which shares shall not exceed the additional 25% (twenty five per cent) in accordance with Section 59(2) of the Mining Code.

(4) At the time of its integration in the share capital of SINOSTEEL CAM SA, the State or the public body duly mandated by the State shall sign with SINOSTEEL CAM a shareholders' agreement which shall specify in particular the rules relating to the share capital, the exercise of voting rights and the conditions of participation in the organization and functioning of SINOSTEEL CAM. SA.

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(5) Rules of association between the State (or Government institution) and the commercial companies Parties to the agreement

When, during SINOSTEEL CAM S.A.'s evolution mentioned in (1) above, there is a transfer of shares from another shareholder, the State or Government institution designated to this effect shall have priority over the said shares. In this case, the State or designated Government institution may transfer the said shares to private operators or to a new strategic partner within a maximum period of 5 (five) years. The transfer shall be approved by decree of the President of the Republic.

ARTICLE 21.- GENERAL GUARANTEES

(1) Under this agreement, SINOSTEEL CAM S.A. shall benefit from general guarantees and advantages stipulated by the law instituting by Mining Code.

As such, the State shall provide its support towards achieving the purpose of this agreement. It shall guarantee that all the obligations stipulated under its responsibility will be executed according to legislative and regulatory provisions and this agreement, either by itself, or any institution mandated by it thereof.

(2) In the line of their professional activities, foreign employers and workers of SINOSTEEL CAM S.A. for any reason under this agreement or the execution of their activities shall be subject without discrimination to the law and regulation in force.

(3) Subject to the law and regulation in force and international agreements, SINOSTEEL CAM S.A., as well as all natural and corporate bodies linked to the Project, for any reason, and established lawfully shall benefit from:

- the right to dispose freely of their property and to organize their business in their own way;
- the freedom to hire and to fire;
- the free choice of suppliers and service providers;
- the free access to raw materials and inputs;
- the free movement within the territory of their semi-finished and finished products.

ARTICLE 22.- LEGAL, FISCAL AND CUSTOMS STABILITY

(1) The State shall guarantee SINOSTEEL CAM S.A. the legal, fiscal and customs stability under the conditions fixed by Law No. 2016/017 of 14 December 2016 instituting the Mining Code, notably Sections 177 et seq. and 190 of the above law. This includes:

- the stability of rates and rules for tax base, duties and fees applicable to SINOSTEEL CAM S.A. under this agreement;
- the stability of the legal, fiscal, customs and exchange regime;
- the stability of the terms and conditions of this agreement;
- tax incentives and customs exemptions;

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(2) The period of stability enjoyed by SINOSTEEL CAM S.A is the mining period that enables her to reach a fifteen percent (15%) internal rate return, as indicated in the feasibility study and entered in the mining convention. In any case, SINOSTEEL CAM S.A cannot claim legal and fiscal-customs stability for a period exceeding fifteen (15) years of operation.

(3) No modification to the legal and fiscal and customs regime currently in force in Cameroon, likely to have a negative effect on the rights and obligations of SINOSTEEL CAM S.A as it results from this agreement, will be applicable to SINOSTEEL CAM S.A.

ARTICLE 23.- CUSTOMS INCENTIVES

In the operating phase covered by an operating permit, SINOSTEEL CAM S.A is subject to the common law customs regime, with the exception of the following specific customs advantages, during the period of installation or construction of the mine:

-exemption from taxes and customs duties on equipment, materials, inputs and capital goods necessary for production as well as on the first batch of spare parts which should accompany the start-up equipment, with the exception of passenger vehicles, office equipment and supplies;

-exemption from taxes and customs duties on replacement of equipment in the event of a technical incident and on equipment to be used for expending the mining operation;

-exemption from taxes and customs duties on the importation of inputs, materials and equipment needed for the construction of buildings, as well as on specific lubricants, up to the date of the first commercial production established by a joint order of the Minister in charge of mines and the Minister in charge of finance.

The above customs exemptions shall not exclude taxes on services provided.

ARTICLE 24.- TAX INCENTIVES

(1) In the operating phase covered by an operating permit, SINOSTEEL CAM S.A is subject to the common law tax regime, with the exception of the following specific tax advantages, during the period of installation or construction of the mine:

a) Payment of registration fees on corporation, company duration extension and capital increase deeds spread out over a period of one (01) year. Such fees may be split and paid as follows:

- The first third upon submission of incorporation deed;
- The second third and final third semi-annually.

b) Extension of the loss carry forward period from four (04) to five (05) years.

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Products intended for export shall be liable to a zero (0) VAT rate where such products are liable to this tax. However, products meant for consumption on the domestic market shall be liable to the duties and taxes levied on similar imported products.

(2) SINOSTEEL CAM S.A. deeds shall be exempt from payment of registration fees and stamp duty, up to the date of the first commercial production, with the exception of deeds on leasing and renting of accommodation premises.

ARTICLE 25.- EXCHANGE GUARANTEES

(1) It is acknowledged that under this agreement, the freedom to transfer capital and income shall be guaranteed to foreign natural and corporate bodies carrying out mining investment financed by currency contribution.

(2) Foreigners may carry out mining investments or be employed at SINOSTEEL CAM S.A. They would have the right, pursuant to the relevant exchange regulation, to transfer in the currency exchanged during the deployment of the said investments, dividends, products of all nature, invested capital, products from the liquidation or closure of assets, salaries, as well as social contributions and pension funds.

ARTICLE 26.- NON-DISCRIMINATION

(1) Through the duration of this agreement, ~~when a mining company operating~~ in Cameroon benefits from one or several conditions which, on the whole, are considered by SINOSTEEL CAM S.A. as more favourable than those in this agreement, the beneficial condition(s) may be granted to SINOSTEEL CAM S.A., at its request.

(2) The guarantees granted under this agreement to SINOSTEEL CAM S.A. and to third party beneficiaries shall remain valid without consideration of any other less favourable conditions applicable to other companies engaged in similar activities, even though such conditions may result from amendments to Cameroon law.

ARTICLE 27.- MINING INFORMATION AND CONFIDENTIALITY

(1) The State hereby acknowledges that the agreement, its annexes and all information on the execution of this agreement, all reports, results of analysis, order books, geological and mining data, maps and all other information received from SINOSTEEL CAM S.A., either through inspection or otherwise, shall be subject, vis-à-vis third parties, to confidential handling by the Parties. They shall constitute "Industrial Secrets".

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(2) The State guarantees SINOSTEEL CAM S.A. that none of its agents or workers should communicate these industrial secrets to third parties without the prior written agreement of SINOSTEEL CAM S.A. The latter shall claim compensation for damage resulting from non-compliance by the State, of its commitment not to disclose industrial secrets, during the validity of the mining permit.

(3) However, this obligation of confidentiality stated in (1) above shall not contain information:

- in the public domain;
- previously known by one Party before communicating it under this agreement;
- lawfully obtained from third parties who themselves obtained them lawfully and are neither subject to any restriction to disclose nor obligation of confidentiality; or
- Local Content, as stipulated in this agreement.

(4) Without prejudice to the provisions of (1) above, the Parties shall have the possibility to forward the report of activities relating to mining information and data collection, in accordance with regulatory provisions in force, notably to the following persons:

- a) authorities in charge of regulation and surveillance, and their affiliated companies as well as stock market authorities if themselves, or their affiliated companies, are lawfully required to do so;
- b) legal or arbitral bodies, in the case of pending proceedings;
- c) their affiliated companies, on the understanding that the Party which communicates this information to an affiliated company guarantees to the other Party that the said affiliated beneficiary of the information shall comply with the obligation of confidentiality;
- d) to sub-contractors and workers of sub-contractors for mining activities, to their counsellors and consultants, to direct or indirect potential buyers, of all or part of the social capital, as well as their counsellors, still on the understanding that the beneficiaries of this information must have signed a prior confidentiality agreement or be subjected to an obligation of confidentiality by virtue of their duties;
- e) to workers, executives, leaders, agents of the liquidator or an affiliated company subject to respecting the confidentiality agreement, on the understanding that the disclosing Party shall assume the responsibility of any violation of this article by these persons; or
- f) to creditors and to its investors within the framework of financing mining operations, subject to the signing of a prior confidentiality agreement.

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ARTICLE 28.- ADMINISTRATIVE SURVEILLANCE AND TECHNICAL CONTROLS

(1) During the operational phase, SINOSTEEL CAM S.A. shall be subjected to administrative surveillance and technical controls provided by the administration in charge of mines, other relevant Government services or any duly mandated institution, under the conditions provided by the regulation in force.

(2) Administrative surveillance and technical controls may be subject to administrative sanctions and punishment of offences as per the provisions of PART X of Law No. 2016/017 of 14 December 2016 instituting the Mining Code.

ARTICLE 29.- RIGHTS AND OBLIGATIONS OF INSTITUTIONS MANDATED BY THE STATE TO MANAGE ITS COMMERCIAL INTERESTS

(1) The State shall have the right to mandate institutions in charge of managing its commercial interests resulting from this agreement. In the case where the State uses this right, it shall notify the mandate to SINOSTEEL CAM S.A., and all other companies involved in the project, if necessary.

(2) The notification should present, inter alia, the exact identification of the mandated institution, the person authorized to represent the institution, the scope and duration of its powers. The notification must be made prior to the exercise of the mandate.

However, the State shall act as a guarantor of the execution of all its obligations and be accountable for all actions taken by the mandated institution within the framework of managing its commercial interests.

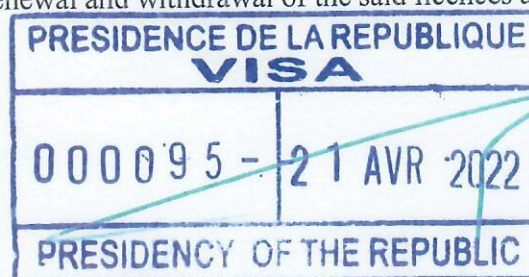
PART III:
MISCELLANEOUS AND FINAL PROVISIONS

ARTICLE 30.- TERMS AND CONDITIONS FOR THE AWARD, RENEWAL AND WITHDRAWAL OF LICENCES AND PERMITS NEEDED FOR THE EXECUTION OF PROJECTS

(1) The Parties acknowledge that the different activities related to the subject of this agreement, shall be subordinated, where relevant, to the obtainment of each prior administrative licence, or the issues of Permit, in accordance with legislative or regulatory instruments governing the sector of the project concerned.

In this respect, SINOSTEEL CAM S.A. undertakes to comply with the terms and conditions for the award, renewal and withdrawal of the said licences and permits, as the case

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may be, in accordance with legislative or regulatory instruments governing each of the activities subjects of this mining agreement.

(2) The State, through the Ministry in charge of mines, shall take all necessary measures to ensure issuance by the Government services concerned, of the necessary licences and permits for the execution of the said projects within deadlines fixed by the regulation in force.

ARTICLE 31.- THIRD PARTY ACCESS RIGHTS

(1) Any other operator requesting the use of the infrastructure constructed by SINOSTEEL CAM S.A. within the project perimeter, in addition to complying with the conditions fixed by SINOSTEEL CAM S.A., shall be required to comply with the law in force, notably Sections 129 to 132 of the Mining Code.

(2) The access of third parties to facilities and infrastructure dedicated to projects purpose of this agreement shall be subject to the prior authorization of SINOSTEEL CAM S.A. as appropriate.

ARTICLE 32.- AMENDMENT OF THE AGREEMENT

This agreement can be amended only by written agreement between the parties.

ARTICLE 33.- SUSPENSION OF OPERATIONS

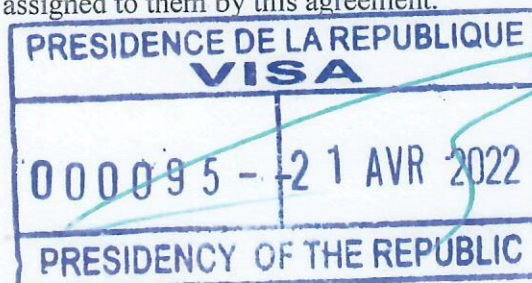
(1) When SINOSTEEL CAM S.A. will envisage a suspension of operations for whatever reason; it shall inform the Minister in charge of mines in writing with supporting documents. The Parties to this agreement will meet to discuss on the relevance of the measure without prior interruption to mining activities.

(2) Beyond a period of 45 days without reply from the Minister in charge of mines as from the date of reception of the letter from the mining company, the latter may halt its activities.

(3) In case of force majeure, the suspension shall run from the date of occurrence of the said force majeure.

ARTICLE 34.- NON-WAIVER OF RIGHTS

(1) Each Party shall have the obligation to comply with the commitments, responsibilities and duties assigned to them by this agreement.



(2) The fact that one of the Parties shall not require the other Party to strictly execute the terms and conditions of this agreement, or that it takes the necessary measures at its disposal to ensure execution, shall not be considered as a waiver to whatever rights are assigned to it within the framework of this agreement.



ARTICLE 35.- SETTLEMENT OF DISPUTES

(1) Amicable settlement

a) The Parties undertake to amicably settle any conflict or dispute which may arise from the interpretation or application of this agreement within a period of 90 (ninety) days, as from the date of notification to the other party of the intention to amicably settle the said conflict.

b) Where the conflict is on purely technical issues notably work and expenditure commitment, research programmes, feasibility studies, handling operations and safety measures, the Parties shall refer it to an independent expert, reputed for its technical skills, jointly chosen on the basis of its technical and professional skills.

c) When the Parties do not agree on the designation of the expert, each of the Parties shall designate an expert; both experts shall then include a third one who they shall jointly designate. In case of disagreement by the first two experts on the designation of the third expert, the latter shall be subject to a designation by the President of the High Court of the place of operation of the mining title.

d) The findings of the expert(s) shall be presented within a maximum period of 60 (sixty) days as from the date of the designation of the expert or the third expert. It shall be final and binding.

e) The fees of the expert(s) shall be borne by both Parties whose allocation shall be subject to special agreement.

f) In case of no amicable settlement, the Parties agree to resort to the provisions of (2) below to resolve their conflicts.

(2) Litigation

a) Any dispute between the Parties to this agreement shall permanently be settled by arbitration in accordance with arbitration rules ("Arbitration Rules") of the Arbitration Centre of the OHADA Common Court of Justice and Arbitration at Abidjan, at the request of the more diligent Party.

b) The Parties to arbitration shall take care of their own arbitration fees and shall share in equal parts the fees of arbitrators and the panel.

c) The State, within the framework of arbitration by virtue of this article, shall waive its right to claim immunity from the jurisdiction of the arbitration tribunal.

d) Until the final ruling, the Parties commit to take interim measures which they deem necessary for the protection of people, goods and this agreement.

However, no substituted entity shall have the right to agree to amendments or modifications of this agreement.

ARTICLE 36.- ASSIGNMENT AND TRANSFER OF RIGHTS/REPLACEMENT OF CREDITORS

(1) The duties and obligations resulting from this agreement may be assigned, pledged, transferred, leased by SINOSTEEL CAM S.A. to any lender or creditor, as well as their successors and assigns.

(2) The assignment, the enforcement of a pledge or the transfer of rights resulting from this agreement shall automatically carry, unless otherwise specified in the deed of assignment, transfer or pledge, the transfer of all buildings, structures and facilities belonging to SINOSTEEL CAM S.A. as well as the advantage of allotment for tenure of access rights to lands as stipulated by the Mining Code and the provisions of this agreement.

(3) Any transfer of rights conferred by this agreement shall be subject to the approval of the Minister in charge of mines.

(4) The shares of the companies likely to be created under the mining agreement shall be subscribed, held and ceded in accordance with the regulation in force, notably the revised OHADA Uniform Act on Commercial Companies and Economic Interest Groups and the Mining Code.

ARTICLE 37.- LANGUAGE OF THE AGREEMENT

This agreement shall be drafted in English and in French and the 02 (two) versions shall have equal value.

ARTICLE 38.- FORCE MAJEURE

(1) Under this agreement, force majeure should be considered as defined in Article 1 of this agreement.

(2) If one party finds it impossible to full or partially fulfil its obligations arising from this agreement, due to a case of force majeure as defined above, it must inform the other party in writing within 20 days following the occurrence of the event by indicating the reasons, except for material impossibility.

(3) The performance of assigned obligations shall be subject to a suspension for the duration of the event.

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(4) In case of the resumption of activities, the mining permit and the agreement shall be extended for a period equal to that of the suspension.

ARTICLE 39.- RIGHTS AND OBLIGATIONS AT THE END OF THE AGREEMENT

(1) Upon expiry of the mining permit and this agreement, SINOSTEEL CAM S.A. shall, according to a prior validated and approved timetable by the Minister in charge of Mines, dismantle according to standard practice all facilities of the project found on the land, subject of the mining title. SINOSTEEL CAM S.A. may export all these equipment in accordance with the conditions in force.

(2) SINOSTEEL CAM S.A. shall have the right to assign its assets to any individual or company of its choice. However, if the State wishes to acquire them, it must react to the sale offer within a period of not more than 120 (one hundred and twenty) days as from the notification by SINOSTEEL CAM S.A. of a sale offer including prices. Beyond this period, SINOSTEEL CAM S.A. shall be free to sell its assets while excluding the State.

(3) The assets shall be assigned to the State in exchange of a price corresponding to their exact market value, if it is the lone potential buyer, or to the price of the highest bidder in case of many potential buyers.

In case of assignment to the State as provided for in (3) above, the price of assignment to the State shall not be lower than market value. Assets purchased by the State will be transferred in exchange for payment.

(4) In case of non-dismantling within the deadlines fixed by the Minister in charge of mines, the latter will take measures for the facilities of the project to be auction publicly, or by public call to tender. The proceeds from the sale shall be paid into the public treasury.

(5) When upon expiry of the mining title and mining agreement, SINOSTEEL CAM S.A. does not retrieve the other extracted ores; they shall become the property of the State.

(6) SINOSTEEL is required to pay the duties and taxes still payable and to comply with the obligations incumbent on it with regard to the environment and the rehabilitation of of mined sites.

(7) All social infrastructures such as health centres, schools, leisure centres, remote sites, created by SINOSTEEL CAM S.A. under this project, shall belong to the State as of right at the end of the project.

ARTICLE 40.- END OF CONVENTION

(1) This agreement terminates, either before term or at term:

a) By termination by agreement of the Parties, when the Parties deem it to be mutually beneficial.

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Handwritten signature in green ink.

b) By waiver or termination of SINOSTEEL CAM SA, in the event of the State's failure to meet its obligations.

In this case, SINOSTEEL CAM SA undertakes to seize by correspondence against discharge, the State by identifying the alleged breach, indicating the time limits within which the company wishes the State to remedy the breaches and possibly, specifying the measures required. It advocates in order putting an end to the alleged breaches in the best operational and security conditions;

When at the end of this period, the State has not remedied the said breach, SINOSTEEL CAM SA can either pronounce without recourse to the judge, and without prejudice to the compensation by the State of the damage suffered, the termination of the corresponding agreement, or request payment by the State of damages in compensation for the damage suffered.

c) By withdrawal of the operating license of SINOSTEEL CAM SA, in the event of breaches of its obligations and after an unsuccessful formal notice within a period not exceeding ninety (90) clear days, or without justification by SINOSTEEL CAM SA for the reasons why it cannot implement the measures recommended in said formal notice, in accordance with the provisions of articles 57 (4), 211 and 213 of the Mining Code.

d) By expiration of the initial duration of the operating license of SINOSTEEL CAM SA or by exceeding the renewal deadlines, or by the State's refusal to renew said license (in the event of non-compliance with the renewal conditions), in accordance with with the provisions of article 212 of the Mining Code.

(2) Withdrawal and renunciation also imply the termination of the lease after payment of the rent due.

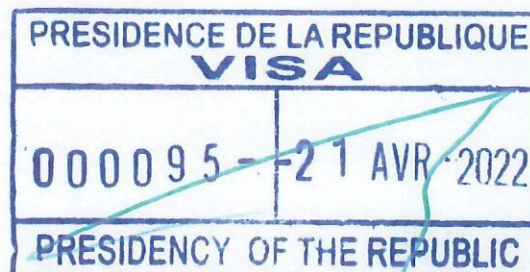
ARTICLE 41.- CONFLICT OF INTEREST

(1) Executives and workers of SINOSTEEL CAM S.A. may not, under threat of sanctions, have direct or indirect financial interests in the direct or indirect sub-contracting companies and/or other companies with any financial interest in SINOSTEEL CAM S.A.

(2) Civil servants within public administration and staff of public institutions attached or under the supervision of the Ministry in charge of mines may not have direct or indirect financial interests in SINOSTEEL CAM S.A. and in the direct and indirect sub-contractors of SINOSTEEL CAM S.A.

(3) Without prejudice to (2) above, these civil servants and public workers mentioned above shall be required, under threat of sanction provided in the regulation in force, to declare their interest and/or decline jurisdiction in any decision making with a direct or indirect incidence on their interests within SINOSTEEL CAM S.A.

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ARTICLE 42.- APPLICABLE LAW

This agreement and any dispute or claim arising from its content or training, or thereto related, shall be governed and interpreted in accordance with the legislation and principles of Cameroon law, including international treaties and commitments to which Cameroon is a party.

ARTICLE 43.- ANNEXES AND PREAMBLE TO THE AGREEMENT

The preamble and annexes attached to this agreement shall form an integral part of the agreement.

ARTICLE 44.- SPECIAL AGREEMENTS

This agreement shall be subject to special agreements signed between the Parties to handle specific issues with the concerned Government services.

ARTICLE 45.- MONITORING THE IMPLEMENTATION OF THE CONVENTION

The Parties agree to the establishment of an interministerial committee by the Minister in charge of mines to monitor the implementation of this convention. The local or indigenous populations near the mine, as well as civil society, participate in the monitoring activities of the said Committee.

ARTICLE 46.- ENTRY INTO FORCE

This agreement signed between the State and SINOSTEEL CAM S.A shall enter into force as from the date of notification and availability of the mining permit to SINOSTEEL CAM S.A.

ARTICLE 47.- REGISTRATION

This agreement shall be drafted, printed and registered at the expense of SINOSTEEL CAM S.A.

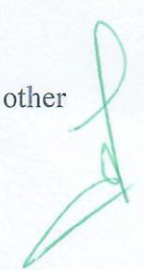
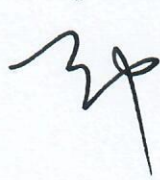
ARTICLE 48.- NOTIFICATIONS

(1) Means of issuance

All communication or notification to Parties provided under this agreement shall be drafted in English or in French and shall be done by any means that leaves a written record.

(2) Addresses

a) The notifications to the State shall be sent to the address below or to any other address provided as a replacement, in compliance with this Agreement:



REPUBLIC OF CAMEROON

Ministry in charge of Mines
Yaounde, Republic of Cameroon

and copy sent to:

SINOSTEEL CAM S.A.

To: Mr Managing Director of SINOSTEEL CAM S.A

Street: 1828, Bastos-Ekoudou

P. O. Box: 252 YAOUNDE-CAMEROON

b) The notifications to SINOSTEEL CAM S.A. shall be sent to the address below or to any other address provided as a replacement, in compliance with this Agreement:

SINOSTEEL CAM S.A.

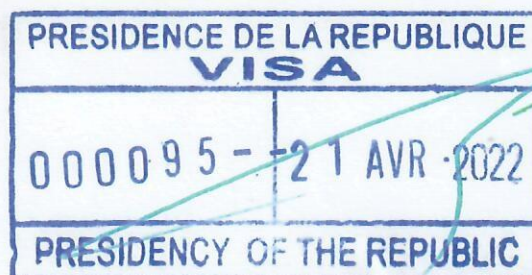
To: Mr Managing Director of SINOSTEEL CAM S.A

Street: 1828, Bastos-Ekoudou

P. O. Box: 252 YAOUNDE-CAMEROON

ANNEXES

- Geographical and cadastral map of the mining site and its location with the area and the geographical coordinates;
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- Reserves certification report
- Powers given by the Investor to the signatory of this agreement;
- Detailed layout plan ;
- Mapping of positions and jobs.



DONE IN YAOUNDE, ON

06 MAI 2022

FOR SINOSTEEL CAM S.A.,	FOR THE REPUBLIC OF CAMEROON
	 <i>Dodo Ndoké Gabriel</i>
The Managing Director	MINISTER OF MINES, INDUSTRY AND TECHNOLOGICAL DEVELOPMENT

