

FRAMEWORK AGREEMENT

BETWEEN

THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA

AND

LZ NICKEL LIMITED

S/N	DESCRIPTION	DISCLOSED INFORMATION
1	DATE OF SIGNING	19 TH JANUARY, 2021
2	NAME OF THE PARTIES AND ADDRESS	THE GOVERNMENT OF THE UNITED REPUBLIC OF TANZANIA, REPRESENTED BY THE MINISTER FOR MINERALS, MINISTRY OF MINERALS OF P.O.BOX 422, GOVERNMENT CITY, MTUMBA AREA,40474DODOMA TANZANIA AND LZ NICKEL LIMITED (NOW KABANGA NICKEL LIMITED) INCORPORATED AND ORGANIZED UNDER THE LAWS OF ENGLAND AND WALES WITH REGISTERED NO. 11815983 AND WHOSE REGISTERED OFFICE IS AT 22 CHANCERY LANE, LONDON, WC2A 1LS.
3	NAME OF THE PROJECT AND LOCATION	Kabanga Nickel Deposits at Kabanga area in Ngara District, Kagera Region
4	HOLDER OF THE LICENCE	Tembo Nickel Corporation Limited, a Joint Venture Company Incorporated by the Parties, and shall set up two subsidiary companies.
5	SUBSIDIARY COMPANIES	Tembo Nickel Mining Company Limited for carrying out mining operations and Tembo Nickel Refining Company Limited for mineral refining operations.
6	TYPE OF LICENCE	SPECIAL MINING LICENCE (SML)
7	TYPE OF MINERALS	Nickel
8	NUMBER OF LICENCE	SML651/2021
9	DATE OF GRANT	25 TH October, 2021.
10	DURATION OF LICENCE	The Licence is valid from the date of grant up to 24 TH October,2054
11	SIZE OF THE LICENCE	201.85 SQKM.
12	OBJECTIVE OF THE PROJECT	To jointly develop, process and refine the concentrate from the Nickel Project through mineral facility to be established at Kahama Township in Shinyanga Region, Tanzania.
13	ECONOMIC BENEFITS SHARING PRINCIPLE	The parties agreed to derive economic benefit from joint financial model.
14	STRUCTURE OF JOINT VENTURE	<ul style="list-style-type: none"> • The JVC is established by the parties. • The JVC shall manage the operations of the mining through the JVC subsidiary. • The Parties agree and shall procure that the management of the JVC's operations shall be carried out in Tanzania with a focus on engaging local talent to maximize employment of

		<p>Tanzanians including:</p> <ul style="list-style-type: none"> - All records in relation to the business operations of the JVC be held in Tanzania. - Preference for Tanzanian nationals to be appointed to management positions within the JVC and - Implementing a local procurement plan that emphasizes spending in Tanzania except where goods or supplies are not available in Tanzania (or on commercially viable or competitive terms in Tanzania) or supplies are permitted to be procured from sources outside Tanzania as provided under the laws.
15.	OWNERSHIP	<ul style="list-style-type: none"> • The Government shall own sixteen (16) percent non dilutable Free Carried Interest shares and LZ Nickel Company eighty four (84) ordinary shares in JV. • At any time, the Government interest in the JVC is increased beyond the 16 percent Free Carried Interest shares, the Government agrees to make, at the time such changes come into effect and following discussion with and having obtained the consent of the other party.
16	FINANCE	<p>The parties agreed the financial requirement of the JVC and its subsidiaries shall be;</p> <ul style="list-style-type: none"> • The Company's own resources; • Borrowings from banks and other third party resources on the most favourable commercial terms reasonably obtained as to interest, repayments and security; • Shareholder loans as shall be agreed by the Parties; or • Such other mechanisms that the Parties may determine.
17	UNDERTAKING OF THE PARTIES	<p>The Parties shall be responsible for doing all such acts, deeds and things as are necessary to perform all the undertaking with respect to the Parties.</p>
18	WARRANTIES AND AUTHORITY	<p>Each Party warrants and represents to the others with respect to itself that it has full legal capacity, right, power and authority to enter into and perform this Agreement and Related Agreements to which it is a party in accordance with and subject to their respective terms, and that this Agreement and Related Agreements to which it is a party have been duly authorized, executed and delivered by it and, assuming due execution by the other Parties hereto and thereto, are legal, valid, binding and enforceable agreements of it (and in the case of the Government, all organs and agencies of the Government of the United Republic of Tanzania) in accordance with and subject to their respective term.</p>
19	DISCLOSURE	<p>The Parties and their respective Affiliate may disclose the existence and the terms of this Agreement:</p> <ul style="list-style-type: none"> • To their legal advisers and auditors; • In the event that disclosure is required by the law, by direction of a court or tribunal or Government agency or

		<p>regulatory body, or pursuant to stock exchange regulations or other rules, guidelines, regulations or practice;</p> <ul style="list-style-type: none"> • For the purpose of any claim in respect of, or breach of, this Agreement; • In the event that disclosure is necessary to enable or facilitate compliance with the Transaction Document; • In the event that disclosure is necessary to comply with audit, tax or regulatory requirements; and • In the case of the Government, to all organs and agencies of the Government to ensure their compliance with the terms of this Agreement.
20	GENERAL	<ul style="list-style-type: none"> • Each party shall bear its own cost in relation to this agreement and its implementation; • Any amendment, supplementation, variation or modification of this Agreement is not effective unless it is in written form and signed by the parties; • If any provision of this Agreement is determined to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. • A party may not assign or deal with or purport to assign or deal with its rights under this Agreement without the prior written consent of the other Parties. • This agreement and the other documents referred to in this Agreement constitute the entire agreement between the Parties and, supersede any previous agreement relating thereto; • This Agreement does not rely on any statement, representation, assurance or warranty of any person (whether a party to this Agreement or not and whether made in writing or not) other than as expressly set out in this Agreement.
21	NOTICE	All notices and other communication shall be in English and in writing addressed to the proper address of the Parties.
22	GOVERNING LAW	This Agreement shall be governed and constructed in accordance with the laws of the United Republic of Tanzania.
23	DISPUTE RESOLUTION	<ul style="list-style-type: none"> • Negotiation • Conciliation • Arbitration <p>The rule which shall be used in the Conciliation and Arbitration shall be UNCITRAL Conciliation Rules and UNCITRAL Arbitration Rules.</p> <p>Language for Arbitration is English.</p>

