



Registration of a Charge

Company name: **ALUFER MANAGEMENT SERVICES LIMITED**

Company number: **09901496**



X7C86LOA

Received for Electronic Filing: **13/08/2018**

Details of Charge

Date of creation: **08/08/2018**

Charge code: **0990 1496 0002**

Persons entitled: **OMF FUND II (LI) LP (OFFSHORE SECURITY AGENT)**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

HERBERT SMITH FREEHILLS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9901496

Charge code: 0990 1496 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th August 2018 and created by ALUFER MANAGEMENT SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th August 2018 .

Given at Companies House, Cardiff on 15th August 2018

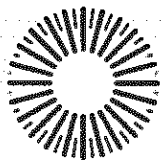
The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



HERBERT
SMITH
FREEHILLS

EXECUTION VERSION

8 August 2018

ALUFER MANAGEMENT SERVICES LIMITED
as the Company

and

OMF FUND II (LI) LP
as the Offshore Security Agent

SUPPLEMENTAL DEBENTURE

Herbert Smith Freehills LLP

TABLE OF CONTENTS

Clause	Headings	Page
1.	DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS	1
2.	COVENANTS TO PAY	4
3.	FIXED SECURITY	5
4.	FLOATING CHARGE	6
5.	FURTHER ASSURANCE	7
6.	GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS	7
7.	RIGHTS OF THE OFFSHORE SECURITY AGENT	9
8.	EXONERATION	10
9.	APPOINTMENT OF RECEIVER OR ADMINISTRATOR	10
10.	RECEIVER'S POWERS	11
11.	PROTECTION OF PURCHASERS	12
12.	POWER OF ATTORNEY AND DELEGATION	12
13.	APPLICATION OF MONIES RECEIVED UNDER THIS DEED	12
14.	RELEASE OF SECURITY	13
15.	AMOUNTS PAYABLE	13
16.	POWER OF SEVERANCE	14
17.	REPRESENTATIONS AND WARRANTIES	14
18.	NEW ACCOUNTS	15
19.	MISCELLANEOUS	16
20.	NOTICES	18
21.	COUNTERPARTS	18
22.	LAW	18
23.	ENFORCEMENT	18
	SCHEDULE 1 FORMS OF NOTICE AND ACKNOWLEDGMENT	19

THIS DEED is made on 8 August 2018

BETWEEN:

- (1) **ALUFER MANAGEMENT SERVICES LIMITED**, a company registered in England and Wales with registration number 09901496 whose registered office is at 52 - 53 Conduit Street, London W1S 2YX, United Kingdom (the "Company"); and
- (2) **OMF FUND II (LI) LP**, a Bermuda exempted partnership duly incorporated and existing under the laws of Bermuda with registered office at Canon's Court, 22 Victoria Street, Hamilton HM 12 Bermuda, as agent and trustee for itself and each of the other Secured Parties (the "Offshore Security Agent").

RECITALS

- (A) Pursuant to a facility agreement dated 9 December 2016 made between, among others, certain affiliates of the Company, Alufer Mining Limited as the Borrower and OMF Fund II (Li) LP as Facility Agent, OMF Fund II (Li) LP as original lender agreed to make available a credit facility of up to US\$80,000,000 to Alufer Mining Limited as Borrower (as amended and supplemented from time to time before the date of the Amendment and Restatement Agreement (defined below)) (the **Original Facility Agreement**). The Company acceded to the Original Facility Agreement as an Obligor (as defined in the Original Facility Agreement) and to the Intercreditor Agreement (as defined below) as a Debtor on 24 July 2017.
- (B) Pursuant to an amendment and restatement agreement to the Original Facility Agreement dated on or about the date of this Deed (the **Amendment and Restatement Agreement**) made between, among others, the Company and OMF Fund II (Li) LP as Facility Agent, the Additional Lender (as defined therein) has agreed to provide a further US\$15,000,000 facility to Alufer Mining Limited as Borrower (as defined in the Original Facility Agreement) on the terms set out therein (the amended and restated facility agreement as amended and supplemented from time to time being the **Senior Facility Agreement**).
- (C) Pursuant to the Existing Debenture (as defined below) the Company assigned and charged to the Offshore Security Agent all of its rights, title and interest in and to the Secured Assets under a first ranking debenture.
- (D) The Company and the Offshore Security Agent consider that the Security granted by the Company under the Existing Debenture secures payment of the Secured Obligations now or hereafter due, owing or incurred by it or any other Debtor to any Secured Party under or pursuant to the Secured Debt Documents (as from time to time varied, extended and replaced including pursuant to the Supplemental Transaction Documents (as defined in the Amendment and Restatement Agreement)), but enter into this Deed in case they do not.
- (E) This Deed is supplemental to the Existing Debenture and is a Supplemental Transaction Document (as defined in the Amendment and Restatement Agreement) and Supplemental Security Document (as defined in the Senior Facility Agreement) and a Security Document for the purposes of the Intercreditor Agreement.

IT IS AGREED as follows:

1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS

1.1 Definitions

- 1.1.1 Terms defined in the Intercreditor Agreement will, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms will have the following meanings:

"**Administrator**" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the Company's affairs, business and property.

"**Additional Lender**" means Barak Fund SPC Limited (on behalf of Barak Structured Trade Finance Segregated Portfolio) (Company No. 217675), a

company duly registered and incorporated in the Cayman Islands with registered address at PO Box 10240, 4th Floor Harbour Place, 103 South Church Street, George Town, Grand Cayman KY1 100.

"Assigned Agreement" means any present or future material agreement, contract, deed, lease, underlease, tenancy, licence, undertaking, guarantee or other contract to which the Company is now or may in the future become a party, (including each Insurance Policy).

"Assigned Rights" means all rights, titles, benefits and interests, whether present or future, of the Company in, to or arising under each Assigned Agreement including rights to any sums payable to the Company and the full benefit of any Security, options, indemnities, guarantees and warranties in respect of such Assigned Agreement.

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clauses 3 (*Fixed Security*) and 4.1 (*Creation of Floating Charge*) of this Deed.

"Debts" means all of the Company's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to the Company or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

"Enforcement Date" means the date on which the Offshore Security Agent or any other Secured Party becomes entitled to demand the payment or discharge of all or any of the Secured Liabilities in accordance with the Secured Debt Documents.

"Insurance Policies" means all present and future contracts or policies of insurance (including life policies) in which the Company has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise).

"Insurance Proceeds" means all monies from time to time payable to the Company under or pursuant to the Insurance Policies, including (without limitation) the proceeds of claims, the refund of any premiums and ex gratia payments.

"Intercreditor Agreement" means the intercreditor agreement dated 9 December 2016 between, amongst others, the Offshore Security Agent, the Borrower (as defined in the Original Facility Agreement) and OMF Fund II (Li) LP as Facility Agent.

"LPA" means the Law of Property Act 1925.

"Real Property" means:

- (a) all freehold and leasehold property or immovable property of the Company situated in England and Wales;
- (b) any buildings, fixtures (including trade fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraph (a) above; and
- (c) the Related Property Rights.

"Related Property Rights" means, where used in relation to a particular property, asset or right, the following:

- (a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and

- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

"Secured Assets" means all of the property of the Company over which Security has been given or created (or is purported to have been given or created) by the Company in favour of the Offshore Security Agent under the terms of the Existing Debenture, including each Insurance Policy and related Assigned Rights and Insurance Proceeds and each Assigned Agreement and the related Assigned Rights.

"Secured Liabilities" means all monies, obligations and liabilities covenanted to be paid or discharged under or pursuant to Clause 2 (*Covenants to Pay*).

"Security Period" means the period from the date of this Deed until the date on which the Offshore Security Agent has determined that all of the Secured Liabilities (whether actual or contingent) have been irrevocably and unconditionally paid and discharged in full.

- 1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.

1.2 Construction and Third Party Rights

- 1.2.1 Unless a contrary indication appears, any reference in this Deed to:

- (A) the singular includes the plural and vice versa;
- (B) the Offshore Security Agent, Facility Agent or a Secured Party will be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (C) "assets" includes present and future properties, revenues and rights of every description;
- (D) a "person" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- (E) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (F) a provision of law is a reference to that provision as amended or re-enacted;
- (G) a Clause or a Schedule is a reference to a clause of or schedule to this Deed;
- (H) this Deed will be construed as references also to any separate or independent stipulation or agreement contained in it;
- (I) another agreement (including the Intercreditor Agreement and the Secured Debt Documents) will be construed as a reference to that agreement as the same may have been modified, extended, amended, varied or supplemented or novated from time to time;
- (J) references to any form of property or asset (including a Charged Asset) will include a reference to all or any part of that property or asset);
- (K) the word "including" is without limitation; and
- (L) provisions of the Intercreditor Agreement applying *mutatis mutandis* to this Deed shall be interpreted so that: (i) all relevant and applicable Intercreditor Agreement references to Obligor(s) or Borrower(s) shall be replaced by 'the Company', (ii) all relevant references to Party or Parties

shall mean parties to this Deed and (iii) all relevant and applicable Intercreditor Agreement provisions shall be interpreted as if such provisions were applicable to this Deed.

- 1.2.2 Clause and Schedule headings are for ease of reference only.
- 1.2.3 The words "other", "or otherwise" and "whatsoever" will not be construed *ejusdem generis* or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.
- 1.2.4 The terms of this Deed may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

1.3 Effect as a Deed

This Deed is intended to take effect as a deed notwithstanding that the Offshore Security Agent may have executed it under hand only.

1.4 Security Trust Provisions

The Offshore Security Agent holds the benefit of this Deed on trust for the Secured Parties in accordance with clause 17 (*The Offshore Security Agent and the Onshore Security Agent*) of the Intercreditor Agreement.

1.5 Prior Security and Ranking

- 1.5.1 It is acknowledged that the Company previously entered into a debenture dated 24 July 2017 with the Offshore Security Agent (the "Existing Debenture") under which the Company granted first ranking security over the same assets as the Charged Assets under this Deed as security for the payment for all the Secured Liabilities (as defined in the Existing Debenture).
- 1.5.2 The parties to this Deed consider that all obligations and liabilities of the Company arising under the Supplemental Transaction Documents (as defined in the Amendment and Restatement Agreement) form part of the Secured Liabilities (as defined in the Existing Debenture) but for the avoidance of doubt, the Company wishes to enter into this Deed as Security for the payment of such obligations and liabilities if and to the extent any of them are not secured by the Existing Debenture.
- 1.5.3 Except insofar as supplemented hereby, the Existing Debenture will remain in full force and effect.
- 1.5.4 The Company agrees that the execution of this Deed shall in no way prejudice or affect the security granted by it (or the covenants given by it) under the Existing Debenture.
- 1.5.5 Where this Deed purports to create first ranking fixed Security, that Security will rank subject to the equivalent Security created by the Existing Debenture until such time as the Security created by the Existing Debenture ceases to have effect or is discharged.
- 1.5.6 Where a right or asset has been assigned under the Existing Debenture and the same asset or right is expressed to be assigned again under this Deed, that assignment will take effect as a fixed charge over the right or asset and will only take effect as an assignment if the relevant Security created by the Existing Debenture ceases to have effect at a time when this Deed still has effect.

2. COVENANTS TO PAY

2.1 Covenant to Pay Secured Liabilities

The Company covenants that it will on demand pay to the Offshore Security Agent all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it or any other Debtor to any Secured Party under or pursuant to the Secured Debt

Documents (as from time to time varied, extended and replaced) and/or this Deed whether by acceleration or otherwise, and whether those monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to a Secured Party or purchased (whether by assignment or otherwise) or acquired in any other way by it.

2.2 Potential Invalidity

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Liabilities*) nor the obligation to pay interest pursuant to Clause 2.3 (*Interest*) nor the security created by this Deed will extend to or include any liability or sum which would, but for this Clause 2.2, cause that covenant, obligation or security to be unlawful under any applicable law.

2.3 Interest

2.3.1 The Company hereby agrees to pay to the Offshore Security Agent, in respect of any amount demanded from it in accordance with this Deed (to the extent that interest on such amount is not otherwise being paid pursuant to any Secured Debt Document) interest from first demand by the Offshore Security Agent of the Company:

- (A) at the rate of interest payable or deemed to be payable by the Company in respect of the amount demanded as calculated and compounded in accordance with the relevant Secured Debt Document; or
- (B) if no rate of interest is prescribed, at the rate per annum which is two per cent. (2%) above the interest cost to the relevant Secured Party (as conclusively determined by that Secured Party) of funding the amount demanded, calculated daily on the basis of a 360 day year and such interest being compounded with monthly rests.

2.3.2 Such interest will accrue due on a daily basis from the demand by the Offshore Security Agent until actual payment by the Company (as well after as before any further demand or judgment or the liquidation of the Company).

3. FIXED SECURITY

3.1 Creation of Fixed Security

The Company charges to the Offshore Security Agent by way of fixed charge (which so far as relates to Real Property vested in the Company at the date of this Deed will be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in any and each of the following:

- 3.1.1 all plant, machinery, vehicles, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;
- 3.1.2 (to the extent that the same are not the subject of a fixed charge under Clause 3.1.1) all Debts;
- 3.1.3 all goodwill and uncalled capital; and
- 3.1.4 (to the extent not effectively assigned under Clause 3.2 (*Assignments*)), the Assigned Agreements, the Insurance Proceeds and all related Assigned Rights.

3.2 Assignments

The Company hereby assigns by way of security to the Offshore Security Agent with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in each Assigned Agreement, the Insurance Proceeds and all related Assigned Rights.

3.3 Preservation of fixed charge

Without prejudice to Clause 3.1.2 (*Creation of Fixed Security*) and Clause 3.2 (*Assignments*), if the Company is entitled to withdraw the proceeds of any book and other debts standing to the credit of an account and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clauses 3.1 (*Creation of Fixed Security*) and 3.2 (*Assignments*), the release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of the Company and the proceeds of those debts.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

4.1.1 The Company charges to the Offshore Security Agent by way of a floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Company's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future, other than any property, assets, rights and revenues validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 (*Creation of Fixed Security*) or 3.2 (*Assignments*).

4.1.2 The floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4.1.3 Without prejudice to Clause 4.1.2, the Offshore Security Agent reserves its rights to appoint an administrative receiver on and following the Enforcement Date in accordance with sections 72B to H (inclusive) of the Insolvency Act 1986.

4.2 Automatic Crystallisation of Floating Charge

Notwithstanding anything express or implied in this Deed, and without prejudice to any law which may have similar effect, if:

4.2.1 the Company creates or attempts to create any Security over all or any of the Charged Assets without the prior consent of the Offshore Security Agent or save as expressly permitted under the Intercreditor Agreement;

4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets;

4.2.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of the Company; or

4.2.4 an Administrator is appointed or any step intended to result in such appointment is taken,

then the floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to the floating charge.

4.3 Crystallisation on Notice of Floating Charge

Notwithstanding anything express or implied in this Deed, the Offshore Security Agent may at any time:

4.3.1 following the occurrence of an Enforcement Date; or

4.3.2 if the Offshore Security Agent reasonably considers in good faith that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Offshore Security Agent reasonably believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding-up of the Company,

by giving notice in writing to that effect to the Company convert the floating charge created by Clause 4.1 (*Creation of Floating Charge*) into a fixed charge as regards any assets specified in such notice. The conversion will take effect immediately upon the giving of the notice.

5. FURTHER ASSURANCE

5.1 The Company will promptly upon request by the Offshore Security Agent in writing execute (in such form as the Offshore Security Agent may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Offshore Security Agent or its nominees and do all such assurances and things as the Offshore Security Agent may reasonably require for:

5.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed (including security over any Real Property) whether now or in future;

5.1.2 conferring upon the Offshore Security Agent such security as it may require over the assets of the Company outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;

5.1.3 facilitating the realisation, at any time on or after the occurrence of an Enforcement Date, of all or any part of the Charged Assets; and

5.1.4 exercising all powers, authorities and discretions conferred on the Offshore Security Agent or any Receiver pursuant to this Deed or by law.

5.2 The Company will, at any time, promptly upon request, execute over all or any of the Charged Assets, a charge by way of legal mortgage or legal sub-mortgage or legal assignment, as the case may be, in favour of the Offshore Security Agent in such form as the Offshore Security Agent shall require.

5.3 The Company will take all such action as may be available to it for the purpose of creating, perfecting or maintaining the security created or intended to be created pursuant to this Deed including the obtaining of any necessary consent (in form and content satisfactory to the Offshore Security Agent) to enable its assets (including any future Charged Assets) to be mortgaged, charged or assigned pursuant to this Deed. Immediately upon obtaining any necessary consent the asset concerned will become subject to the security created by this Deed. The Company will promptly deliver a copy of each such consent to the Offshore Security Agent.

6. GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS

6.1 The Company undertakes to the Offshore Security Agent with respect to the Charged Assets that:

6.1.1 Negative Pledge

except as expressly permitted and not prohibited by the Secured Debt Documents, it will not, without the prior consent in writing of the Offshore Security Agent, create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them;

6.1.2 Disposals

except as expressly permitted and not prohibited by the Secured Debt Documents, it will not dispose of the Charged Assets or any part of them or agree so to do except assets which are the subject of the floating charge created by this Deed which may be disposed of by the Company in the ordinary course of its business (and for these purposes the term "disposal" will include any form of disposal of any interest in any asset including any conveyance, transfer, lease, assignment, sale, right to use or occupy, surrender, declaration of trust, assignment, sale, novation or the creation of any other form of legal or equitable interest in or over a Charged Asset);

6.1.3 Compliance with Laws

it will at all times comply in all material respects with all laws and regulations applicable to it and will obtain and maintain in full force and effect all consents, licences, approvals or authorisations of, exemptions by or registrations or declarations with, any governmental or other authority which may at any time be required with respect to the Charged Assets;

6.1.4 Subsequent Charges

subject to Clause 6.1.1 (*Negative Pledge*), it will procure that any Security created by the Company after the date of this Deed (otherwise than in favour of the Offshore Security Agent) shall be expressed to be subject to this Deed;

6.1.5 Deposit of Title Documents

it will deposit with the Offshore Security Agent or its nominee the deeds and documents of title relating to the Charged Assets (if so required by the Offshore Security Agent); and

6.1.6 Prejudicial Action

it will not do or cause or permit to be done anything which may in any way reduce, jeopardise or otherwise prejudice the value to the Offshore Security Agent of the Charged Assets.

6.2 Notices of Charge and/or Assignment

6.2.1 The Company will promptly deliver to the Offshore Security Agent and serve on each counterparty to an Assigned Agreement, an account bank, debtor or other person required by the Offshore Security Agent, notices of assignment and notices of charge in respect of the assets assigned or charged (as the case may be) pursuant to Clause 3.1 (*Creation of Fixed Security*) or 3.2 (*Assignments*) of this Deed and use its reasonable endeavours to procure that each notice is acknowledged by any debtor specified by the Offshore Security Agent.

6.2.2 The notices of charge and/or assignment and/or acknowledgement of such notices by the relevant counterparties referred to in Clause 6.2.1 will be in a form substantially similar to those contained in Schedule 1 (*Forms of Notice and Acknowledgement*) or such other form as the Offshore Security Agent may require.

6.3 No Liability

Notwithstanding anything contained in this Deed:

6.3.1 the Secured Parties will be under no obligation or liability under or in respect of the Charged Assets or be liable to make any payment under or in respect of the Charged Assets;

6.3.2 the Secured Parties will not be obliged to take any steps necessary to preserve the Charged Assets or enforce against the Company or any other person under

any term of the Assigned Agreement (as they case may be), or to make any enquiries as to the nature or sufficiency of any payment received by the Company pursuant to the terms of the Assigned Agreement; and

- 6.3.3 the Company will remain solely and fully liable under or in respect of an Assigned Agreement to perform all the obligations and to pay all losses, costs, expenses, taxes and damages payable by it under or in connection with such Assigned Agreement.

6.4 Debts: Position after an Enforcement Date

After the occurrence of an Enforcement Date, the Company will not, except with the consent of the Offshore Security Agent, withdraw or otherwise transfer the proceeds of realisation of any Debts standing to the credit of any account.

7. RIGHTS OF THE OFFSHORE SECURITY AGENT

7.1 Enforcement

At any time on or after the occurrence of an Enforcement Date, the security created pursuant to this Deed will be immediately enforceable and the Offshore Security Agent may in its absolute discretion and without notice to the Company or the prior authorisation of any court:

- 7.1.1 enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit;
- 7.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
- (A) conferred from time to time on mortgagees by the s (as varied or extended by this Deed) or by law; and
- (B) granted to a Receiver by this Deed or from time to time by law;
- 7.1.3 exercise in relation to any of the Charged Assets all the powers, authorities and things which it would be capable of exercising if it were the absolute owner of the same; and
- 7.1.4 fulfil, at the Company's expense and risk, its obligations under the Assigned Agreement.

7.2 Restrictions on Consolidation

Section 93 of the LPA will not apply to this Deed or to any sale made under it or to the right of the Offshore Security Agent to consolidate all or any of the Security created pursuant to this Deed with any other security in existence at any time. This power may be exercised by the Offshore Security Agent at any time on or after the Enforcement Date.

7.3 Restrictions on Exercise of Power of Sale

Section 103 of the LPA will not apply to this Deed to restrict the exercise by the Offshore Security Agent of its power of sale which will arise on the date of this Deed (and the Secured Liabilities will be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver will be immediately exercisable by the Offshore Security Agent at any time on or after the Enforcement Date.

7.4 No Prior Notice Needed

The powers of the Offshore Security Agent set out in Clauses 7.2 (*Restrictions on Consolidation*) and 7.3 (*Restrictions on Exercise of Power of Sale*) above may be exercised by the Offshore Security Agent without prior notice to the Company.

7.5 Right of Appropriation

7.5.1 Without prejudice to the other provisions of this Deed, to the extent that any of the Charged Assets constitute "financial collateral", and this Deed and the obligations of the Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003/3226) (the "Regulations")), the Offshore Security Agent will have the right to appropriate all or any part of those Charged Assets in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of any such Charged Assets so appropriated will be the market price of such Charged Assets at the time the right of appropriation is exercised as determined by the Offshore Security Agent by reference to such method or source of valuation as the Offshore Security Agent may select, including by independent valuation. The parties agree that the methods of valuation provided for in this Clause or selected by the Offshore Security Agent in accordance with this Clause will constitute a commercially reasonable method of valuation for the purposes of the Regulations.

7.5.2 The Offshore Security Agent will notify the Company as soon as reasonably practicable of the exercise of its right of appropriation as regards such of the Charged Assets as are specified in such notice.

8. EXONERATION

8.1 Exoneration

No Secured Party will, nor will any Receiver, by reason of its or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Offshore Security Agent under this Deed will for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions hereof will prevail and every Receiver and the Offshore Security Agent will in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

8.2 Indemnity

The Offshore Security Agent and every Receiver, attorney, delegate, manager, agent or other person appointed by the Offshore Security Agent hereunder will be entitled to be indemnified out of the Charged Assets or any part of them in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs properly incurred, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Offshore Security Agent and any Receiver may retain and pay all sums in respect of the same out of any monies received under the powers hereby conferred.

9. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

9.1 Appointment

9.1.1 At any time on or after the occurrence of an Enforcement Date, or at the request of the Company or its directors, the Offshore Security Agent may, without prior notice to the Company, in writing (under seal, by deed or otherwise under hand) appoint:

- (A) a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead; or

- (B) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.

9.1.2 Nothing in Clause 9.1.1 will restrict the exercise by the Offshore Security Agent of any one or more of the rights of the Offshore Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.

9.2 More than one Receiver

Where more than one Receiver is appointed, each joint Receiver will have the power to act severally, independently of any other joint Receivers, except to the extent that the Offshore Security Agent may specify to the contrary in the appointment.

9.3 Receiver as agent

A Receiver will be the agent of the Company which will be solely responsible for his acts or defaults and for his remuneration. No Receiver will at any time act as agent of any Secured Party.

9.4 Receiver's Remuneration

A Receiver will be entitled to remuneration for his services at a rate to be determined by the Offshore Security Agent from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

9.5 Actions of the Administrator

Save as provided for in statute or as otherwise agreed in writing by the Offshore Security Agent and except to the extent caused by its own gross negligence or wilful misconduct, the Offshore Security Agent will have no liability for the acts or omissions of an Administrator.

10. RECEIVER'S POWERS

10.1 Powers

A Receiver will have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- 10.1.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 10.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 10.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Company itself could do or omit to do; and
- 10.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including, without limitation, the bringing or defending of proceedings in the name of, or on behalf of, the Company; the collection and/or realisation of the Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Company (whether under hand, or by way of deed or by utilisation of the company seal of the Company).

10.2 Powers may be Restricted

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Offshore Security Agent) appointing him but they will not be restricted by any winding-up or dissolution of the Company.

11. PROTECTION OF PURCHASERS

11.1 Absence of Enquiry

No person or persons dealing with the Offshore Security Agent or any Receiver appointed by it will be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of those powers or of any act purporting or intended to be an exercise of those powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA will apply to any person purchasing from or dealing with the Offshore Security Agent or any Receiver.

11.2 Receipt: Conclusive Discharge

The receipt of the Offshore Security Agent or any Receiver will be a conclusive discharge to any purchaser of the Charged Assets.

12. POWER OF ATTORNEY AND DELEGATION

12.1 Power of Attorney: General

The Company hereby irrevocably and by way of security appoints the Offshore Security Agent and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

- 12.1.1 to execute and deliver any documents or instruments which the Offshore Security Agent or Receiver may require for perfecting the title of the Offshore Security Agent to the Charged Assets or for vesting the same in the Offshore Security Agent, its nominee or any purchaser;
- 12.1.2 to sign, execute, seal and deliver and otherwise perfect any further security document which the Company is required to enter into but has not entered into pursuant to this Deed; and
- 12.1.3 otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Offshore Security Agent or any Receiver under this Deed or which the Company is required to do pursuant to this Deed, but has not done, or which may be deemed necessary by the Offshore Security Agent or a Receiver in connection with any preservation, disposition, realisation or getting in by the Offshore Security Agent or Receiver of the Charged Assets or any part thereof or in connection with any other exercise of any other power under this Deed.

12.2 Power of Attorney: Ratification

The Company ratifies and confirms and agrees to ratify and confirm all lawful acts and things which any attorney mentioned in this Clause 12 (*Power of Attorney and Delegation*) will do or purport to do in exercise of the powers granted by this Clause.

12.3 General Delegation

The Offshore Security Agent and any Receiver will have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he sees fit which will not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

13. APPLICATION OF MONIES RECEIVED UNDER THIS DEED

All monies received by the Offshore Security Agent or any Receiver pursuant to this Deed shall be applied to payment of the Secured Liabilities in accordance with clause 15 (*Application of Proceeds*) of the Intercreditor Agreement.

14. RELEASE OF SECURITY

14.1 Release

At the end of the Security Period, the Offshore Security Agent will, at the request and cost of the Company, execute or procure the execution by its nominee (in each case in a form acceptable to the Offshore Security Agent) and do all such deeds, acts and things as may be necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

14.2 Avoidance of Payments

14.2.1 No amount paid, repaid or credited to a Secured Party will be deemed to have been irrevocably paid if the Offshore Security Agent considers that the payment or credit of that amount is capable of being avoided or reduced by virtue of any laws applicable on bankruptcy, insolvency, liquidation or similar laws.

14.2.2 If any amount paid, repaid or credited to a Secured Party is avoided or reduced by virtue of any laws applicable on bankruptcy, insolvency, liquidation or similar laws then any release, discharge or settlement between that Secured Party and the Company will be deemed not to have occurred and the Offshore Security Agent will be entitled to enforce this Deed subsequently as if that release, discharge or settlement had not occurred and that payment had not been made.

15. AMOUNTS PAYABLE

15.1 No Deduction

All payments to be made by the Company under this Deed will be made without any set-off, counterclaim or equity and (subject to the following sentence) free from, clear of and without deduction for any taxes, duties, levies, imposts or charges whatsoever, present or future. If the Company is compelled by the law of any applicable jurisdiction (or by an order of any regulatory authority in that jurisdiction) to withhold or deduct any sums in respect of taxes, duties, levies, imposts or charges from any amount payable to a Secured Party under this Deed or, if any withholding or deduction is made in respect of any recovery under this Deed, the Company will pay such additional amount as may be necessary to ensure that the net amount received by that Secured Party will equal the full amount due to it under the provisions of this Deed (had that withholding or deduction not been made).

15.2 Currency of Payment

The obligation of the Company under this Deed to make payments in any currency will not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent to which that tender or recovery results in the effective receipt by a Secured Party of the full amount of the currency expressed to be payable under this Deed.

15.3 Currency Indemnity

15.3.1 If any sum due from the Company under this Deed (a "Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "First Currency") in which that Sum is payable into another currency (the "Second Currency") for the purpose of:

- (A) making or filing a claim or proof against the Company;
- (B) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or
- (C) applying the Sum in satisfaction of any of the Secured Liabilities,

the Company will, as an independent obligation, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the

rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- 15.3.2 The Company waives any right it may have in any jurisdiction to pay an amount under this Deed in a currency unit other than that in which it is payable.

16. POWER OF SEVERANCE

In the exercise of the powers conferred by this Deed, the Offshore Security Agent or any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and the Offshore Security Agent or any Receiver may apportion any rent or other amount without the consent of the Company.

17. REPRESENTATIONS AND WARRANTIES

17.1 Representations

The Company represents and warrants in favour of each of the Secured Parties that on the date of this Deed:

17.1.1 Status

It is a company duly formed and validly existing under the laws of its jurisdiction of formation.

17.1.2 Powers and Authority

It has the power to enter into and perform, and has taken all necessary action to authorise the entry into, performance and delivery of, this Deed.

17.1.3 Legal Validity

This Deed constitutes its legal, binding, valid and enforceable obligations.

17.1.4 Non-Conflict

The entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:

- (A) any law or regulation or judicial or official order applicable to it;
- (B) its constitutional documents; or
- (C) any agreement or document which is binding upon it or any of its assets (or result in a requirement for the creation of any Security over any Charged Asset other than as contemplated by this Deed).

17.1.5 Status of Assets and Security

It is the legal and beneficial owner of the Charged Assets free from Security (other than under this Deed or as permitted and not prohibited by the Secured Debt Documents) and this Deed confers the security it purports to confer over the Charged Assets and the Security created under or pursuant to this Deed is not subject to any prior or pari passu Security and is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

17.1.6 Real Property and Accounts

As at the date of this Deed, the Company is not the legal or beneficial owner of any Real Property and does not hold any accounts with a bank, building society or other financial institution.

17.1.7 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency has been commenced, threatened or is pending against the Company which, if adversely determined, would have or be likely to have a material adverse effect on the Company, the Charged Assets or the performance of the Company's obligations under the Secured Debt Documents and/or this Deed.

17.1.8 No immunity

The execution by it of this Deed constitutes, and the exercise by it of its rights and performance of its obligations under this Deed will constitute, private and commercial acts performed for private and commercial purposes and it will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this Deed.

17.1.9 Licences

It is not necessary under the laws of its jurisdiction of incorporation:

- (A) in order to enable any Secured Party to enforce its rights under this Deed; or
- (B) by reason of the execution of this Deed or the performance by it of its obligations under this Deed,

that any Secured Party should be licensed, qualified or otherwise entitled to carry on business in its jurisdiction of incorporation and no Secured Party is or will be deemed to be resident, domiciled or carrying on business in its jurisdiction of incorporation by reason only of execution, performance and/or enforcement of this Deed.

17.1.10 Jurisdiction

Its:

- (A) irrevocable submission under this Deed to the jurisdiction of the courts of England;
- (B) agreement that this Deed is governed by English law; and
- (C) agreement not to claim any immunity to which it or its assets may be entitled,

are legal, valid and binding under the laws of its jurisdiction of incorporation and any judgment obtained in England will be recognised and be enforceable by the courts of its jurisdiction of incorporation.

17.1.11 Stamp taxes and registration

No stamp or registration duty or similar Tax or charge is payable in its jurisdiction of incorporation in respect of this Deed and it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in any jurisdiction (other than with the Registrar of Companies under section 859A of the Companies Act 2006).

17.2 Times for Making Representations and Warranties

The representations and warranties set out in this Clause are made on the date of this Deed and are deemed to be repeated on each day that representations and warranties are deemed to be repeated pursuant to the Senior Facility Agreement and the Convertible Facility Agreement, respectively.

18. NEW ACCOUNTS

If a Secured Party receives notice of any subsequent charge or other interest affecting any part of the Charged Assets (the date of receipt of that notice being the "Notice Date") it

may, without prejudice to its rights under this Deed, open a fresh account or accounts with the Company and continue any existing account in the name of the Company and may appropriate to any fresh account any monies paid in, received or realised for the credit of the Company after that time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Liabilities. If a Secured Party fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Liabilities outstanding on the Notice Date.

19. MISCELLANEOUS

19.1 The Company

This Deed will be binding on the successors and assigns of the Company.

19.2 Assignment and Transfer

The Company may not assign any of its rights or transfer any of its rights or obligations under this Deed. The Offshore Security Agent may assign and transfer all or any part of its rights and obligations under this Deed.

19.3 Disclosure of Information

The Offshore Security Agent may disclose to:

- 19.3.1 any of its professional advisers;
- 19.3.2 any person to (or through) whom a Secured Party assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under this Deed;
- 19.3.3 a Receiver, prospective Receiver, administrator, liquidator or similar officer;
- 19.3.4 any person (together with professional advisers) who may have an interest in the benefits arising under this Deed and/or the Secured Debt Documents; or
- 19.3.5 any person to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation,

any information about the Company, the Secured Debt Documents or this Deed as the Offshore Security Agent considers appropriate.

19.4 Remedies and Waivers Cumulative

Save as expressly provided in this Deed, no failure to exercise, or delay in exercising any right, power, privilege or remedy under this Deed, on the part of any Secured Party will operate as a waiver, nor will any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise, or the exercise of any other right, power, privilege or remedy. No waiver by a Secured Party will be effective unless it is in writing. The rights and remedies of a Secured Party provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

19.5 Set-Off

A Secured Party may set-off any matured obligation due from the Company to that Secured Party under this Deed against any matured obligation owed by that Secured Party to the Company or the Borrower, regardless of the place of payment, booking branch or currency of either obligation and apply any credit balance to which the Company is entitled on any account with that Secured Party in accordance with clause 15 (*Application of Proceeds*) of the Intercreditor Agreement. If the obligations are in different currencies, a Secured Party may, at the cost of the Company, convert either obligation at a market rate of exchange in its usual course of business for the purpose of that set-off.

19.6 Partial Invalidity

Clause 23.1 (*Partial Invalidity*) of the Intercreditor Agreement shall apply *mutatis mutandis* to this Deed.

19.7 Property

This Deed is and will remain the property of the Offshore Security Agent.

19.8 Continuing Security

This Deed will be a continuing security and will not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

19.9 Additional Security

This Deed will be in addition to and not be affected by any other security or guarantee now or hereafter held by any Secured Party for all or any part of the Secured Liabilities nor will any other security or guarantee of liability to any Secured Party or by any person not a party to this Deed be in any way impaired or discharged by this Deed nor will this Deed in any way impair or discharge that other security or guarantee.

19.10 Variation of Security

This Deed will not in any way be affected or prejudiced by any Secured Party now or hereafter dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 19.9 (*Additional Security*) above or any rights which any Secured Party may now or hereafter have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

19.11 Enforcement of Other Security

No Secured Party will be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Deed.

19.12 Redemption of Prior Incumbrances

The Offshore Security Agent may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. Those agreed accounts will be conclusive and binding on the Company. Any amount paid in connection with the redemption or transfer (including expenses) will be paid on demand by the Company to the Offshore Security Agent and until that payment will form part of the Secured Liabilities.

19.13 Stamp Taxes

The Company covenants to pay to each Secured Party and any Receiver, attorney, manager, agent or other person appointed by the Offshore Security Agent under this Deed immediately on demand a sum equal to any liability which that Secured Party, Receiver, attorney, manager, agent or other person appointed by the Offshore Security Agent under this Deed incurs in respect of stamp duty, registration fees and other taxes which is or becomes payable in connection with the entry into, performance or enforcement of this Deed (including any interest, penalties, liabilities, costs and expenses resulting from any failure to pay or delay in paying any those duties, fees or taxes).

19.14 Costs and Expenses

The Company will on demand reimburse each Secured Party and any Receiver, attorney, manager, agent or other person appointed by the Offshore Security Agent under this Deed for all costs and expenses (including legal fees) properly incurred by that Secured Party, that Receiver, attorney, manager, agent or other person (on a full indemnity basis together with any applicable VAT) in connection with the negotiation, preparation, printing and execution of this Deed, the completion of the transactions and perfection of the security

contemplated by this Deed and the exercise, preservation and/or enforcement or attempted enforcement of the security created by or contemplated by this Deed.

20. NOTICES

Clause 22 (*Notices*) of the Intercreditor Agreement shall apply *mutatis mutandis* to this Deed.

21. COUNTERPARTS

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Deed.

22. LAW

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) will be governed by and construed in accordance with English law.

23. ENFORCEMENT

23.1 Jurisdiction of English Courts

23.1.1 The courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Deed or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual dispute or claim) (a "Dispute").

23.1.2 Subject to Clause 23.1.3 below, the parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly the Company will not:

- (A) argue to the contrary; or
- (B) initiate or pursue any proceedings relating to a Dispute in any jurisdiction other than England.

23.1.3 This Clause 23.1.3 is for the benefit of the Offshore Security Agent only. As a result, the Offshore Security Agent will not be prevented from initiating or pursuing proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Offshore Security Agent may initiate or pursue:

- (A) proceedings in any other court; and
- (B) concurrent proceedings in any number of jurisdictions.

irrespective of whether proceedings have already been initiated by any party in England. The Company irrevocably waives any right it may have to claim that the action has been brought in an inconvenient forum.

IN WITNESS whereof this Deed has been duly executed and delivered as a deed on the date first above written.

SCHEDULE 1

FORMS OF NOTICE AND ACKNOWLEDGMENT

PART 1

NOTICE TO COUNTERPARTY

[On letterhead of the Company]

To: **[debtor (etc)]**

[Date]

Dear Sirs,

Supplemental Security Agreement dated [] between Alufer Management Services Limited and [the Offshore Security Agent] (the "Supplemental Security Agreement") and an existing debenture dated [•] between us and the Offshore Security Agent (the "Existing Debenture").

We hereby give you notice that under the Supplemental Security Agreement we have [charged (by way of fixed charge)] **[OR assigned]** in favour of [the Offshore Security Agent] (the "Offshore Security Agent") all of our rights to, benefits and interest from time to time in [•] *[describe the property being charged or assigned]*¹ (the "**[Assigned]/[Charged] Assets**").

We had also served you a notice of [charge]/[assignment] on [•] in respect of the first ranking fixed charge and assignment (by way of security) created by us under the Existing Debenture over the **[Charged]/[Assigned] Assets** (the "Prior Notice").

This notice is without prejudice to the Prior Notice.

We hereby irrevocably instruct and authorise you to:

- (A) disclose to the Offshore Security Agent such information regarding the **[Assigned]/[Charged] Property** as it may from time to time request;
- (B) following a confirmation from the Offshore Security Agent that an Enforcement Date (defined in the Supplemental Security Agreement) has occurred (and without prejudice to any such notice served under the Existing Debenture) pay any amount payable by you under the **[Assigned]/[Charged] Property** to the our account with [•] at [], Sort Code [], Account No. [] or to such other account as the Offshore Security Agent may notify to you in writing.

[We will remain liable to perform all our obligations under the **[Assigned]/[Charged] Property** and the Offshore Security Agent will not be under any obligation or liability under the **[Assigned]/[Charged] Property** by reason of the Supplemental Security Agreement or anything arising therefrom.

We will also remain entitled to exercise all our rights, powers and discretions under [or in respect of] the **[Assigned]/[Charged] Property** and you should continue to give notices under [or in respect of] the **[Assigned]/[Charged] Property** to us, in each case unless and until you receive notice from the Offshore Security Agent to the contrary stating that the Supplemental Security Agreement has become enforceable. In this event, all the rights, powers and discretions under [or in respect of] the **[Assigned]/[Charged] Property** will be exercisable by, and notices should be given to, the Offshore Security Agent or as it directs.

Your acknowledgement will be deemed to confirm in favour of the Offshore Security Agent that you:

¹ Notice and acknowledgment forms to be adapted to suit the nature of property being charged or assigned at the time of service of notice.

- (1) have not received notice of the interest of any third party relating to the **[Assigned]/[Charged]** Property;
- (2) are not aware of any dispute between ourselves and yourselves relating to the **[Assigned]/[Charged]** Property; and
- (3) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the **[Assigned]/[Charged]** Property.

The instructions in this letter apply until you receive notice from the Offshore Security Agent to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Offshore Security Agent.

This letter and any non-contractual obligations arising out of or in connection with this letter are governed by English law.

Please confirm your agreement to the above by sending the enclosed acknowledgement to the Offshore Security Agent at *[insert address]*, Attention: [] with a copy to us.

Yours faithfully,

(Authorised signatory)
for and on behalf of
Alufer Management Services Limited

PART 2
ACKNOWLEDGEMENT OF COUNTERPARTY

[On the letterhead of the debtor]

[On copy of Notice]

To: [the Offshore Security Agent]
Attention: []
Copy: Alufer Management Services Limited

Date: []

Dear Sir or Madam,

**Supplemental Security Assignment dated [] between Alufer Management
Services Limited
and [Offshore Security Agent] (the "Supplemental Security Agreement")**

We confirm receipt from Alufer Management Services Limited (the Chargor) of a notice dated [] (the Notice) of an assignment and charge by way of security upon the terms of the Supplemental Security Agreement of all the Chargor's rights, benefits and interests in the [Assigned]/[Charged] Property (as defined in the Notice).

We confirm that:

1. we have not received any notice (other than the Prior Notice) that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the [Assigned]/[Charged] Property;
2. following a confirmation from you that an Enforcement Date (defined in the Supplemental Security Agreement) has occurred (without prejudice to any such notice served under the Existing Debenture) we will pay any amount payable by us in respect of the [Assigned]/[Charged] Property to the Chargor's account with [●] at [], Sort Code [], Account No. [] or to such other account as you notify to us in writing; and
3. we must accept your instructions in relation to the Chargor's rights in respect of the [Assigned]/[Charged] Property following a confirmation from you that an Enforcement Date (defined in the Security Agreement) has occurred.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....
(Authorised signatory)
[Counterparty]

EXECUTED AS A DEED by
ALUFER MANAGEMENT SERVICES LIMITED
acting by

_____)
in the presence of:)


(Director)

Signature of witness

Name of witness

(in BLOCK CAPITALS)

MARGARETA CHLUBNOVA

Address of witness

NORTON ROSE FULBRIGHT

Norton Rose Fulbright LLP

3 More London Riverside

London SE1 2AQ United Kingdom

nortonrosefulbright.com

Notice details for Alufer Management Services Limited for Clause 20

Alufer Management Services Limited
52 – 53 Conduit Street
London W1S 2YX
United Kingdom

Attention: Rachel Rhodes

Fax: 

Email: 

EXECUTED AS A DEED by

OMF FUND II (LI) LP

By Orion Mine Finance GP II LP,
its general partner

By Orion Mine Finance GP II
Limited, its general partner

)
)
)
)

(Signature of authorised person)

By: Janita BURKE

Authorized Signatory

In the presence of:

Name: MICHEL JAMES

(Signature of witness)

Address: Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

Occupation: Corporate Administrator

[Notice details for OMF FUND II (LI) LP for Clause 20

Estera Services (Bermuda) Limited

Canon's Court

22 Victoria Street

Hamilton

HM 12

Bermuda

Attention: Michell James

Fax: 

Email: BAM@orionresourcepartners.com

With a copy to:

Orion Resource Partners (USA) LP

1211 Avenue of the Americas

New York

NY 10036

Attention: General Counsel

Fax: 212-596-3489

Email: notices@orionresourcepartners.com

