

DATED 4 December 2024

**CONDOR GOLD PLC** (1)  
as Borrower

and

**METALS EXPLORATION PLC** (2)  
as Lender

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**WORKING CAPITAL LOAN AGREEMENT**

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Reference **B55412.00005**

**DATE OF LOAN AGREEMENT**

4 December

**2024**

**PARTIES**

- (1) **CONDOR GOLD PLC** a public limited company incorporated in England and Wales with registered number 05587987 and having its registered office at 7/8 Innovation Place, Douglas Drive, Godalming, Surrey GU7 1JX ("**Borrower**"); and
- (2) **METALS EXPLORATION PLC** a public limited company incorporated in England and Wales with registered number 05098945 and having its registered office at 27-28 Eastcastle Street, London W1W 8DH ("**Lender**").

**BACKGROUND**

This Agreement sets out the terms on which the Lender is willing to provide a facility to the Borrower.

**IT IS AGREED THAT:**

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement:

"**Acquisition**" means the recommended acquisition by the Lender of the entire issued and to be issued share capital of the Borrower to be implemented by means of the Scheme on the terms and subject to the conditions set out in the Announcement.

"**Agreement**" means this agreement.

"**Announcement**" means the announcement made by the Lender and the Borrower regarding the Acquisition published on or about the date of this Agreement in accordance with Rule 2.7 of the City Code.

"**Availability Period**" means the period from and including the date of this Agreement to and including the date being one month from the date of this Agreement.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

**"Change of Control"** means any person or group of persons acting in concert gains direct or indirect control of the Borrower (other than pursuant to the Scheme). For the purposes of this definition:

- (a) **"control"** of the Borrower means:
  - (i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
    - (A) cast, or control the casting of more than 50% of the maximum number of votes that might be cast at a general meeting of the Borrower;
    - (B) appoint or remove all, or the majority, of the directors or other equivalent officers of the Borrower; or
    - (C) give directions with respect to the operating and financial policies of the Borrower with which the directors or other equivalent officers of the Borrower are obliged to comply; or
  - (ii) the holding beneficially of more than 50% of the issued share capital of the Borrower (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital); and
- (b) **"acting in concert"** means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition directly or indirectly of shares in the Borrower by any of them, either directly or indirectly, to obtain or consolidate control of the Borrower.

**"City Code"** means the UK's City Code on Takeovers and Mergers, administered by the Panel on Takeovers and Mergers.

**"Commitment"** means an amount equal to USD2,500,000.

**"Constitutional Documents"** means, in respect of the Borrower, its memorandum and articles of incorporation.

**"Default"** means an Event of Default or any event or circumstance specified in clause 11 (Events Of Default) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

**"Event of Default"** means any events specified in clause 11 (Events Of Default).

**"Facility"** means the term loan facility made available under this Agreement as described in clause 2 (The Facility).

**"Finance Documents"** means this Agreement and all other documents or instruments granted or created in favour or for the benefit of the Lender under this Agreement and any other document so designated as such by the Lender and the Borrower.

**"Fixed Rate"** means 10 per cent. per annum.

**"Group"** means the Borrower and each of its Subsidiaries for the time being.

**"Holding Company"** means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

**"Indebtedness"** means

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of finance leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under FRS 101);
- (f) any derivative transaction (and, when calculating the value of that derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of the Borrower or (ii) any liabilities of any member of the Borrower relating to any post-retirement benefit scheme;
- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Final Repayment Date or are otherwise classified as borrowings under FRS 101;
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under FRS 101; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

**"Indicative Offer Letter"** means the indicative offer letter in relation to the proposed Acquisition from the Lender to the Borrower setting out the terms of the proposed Acquisition dated 27 November 2024.

**"Legal Reservations"** means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under any applicable law and defences of set-off or counterclaim;
- (c) similar principles, rights and defences available in respect of the enforceability of obligations.

**"Lender Illegality Event"** means any event the result of which renders it illegal or a breach of applicable regulation for the Lender to lend money to the Borrower on the terms set out in this Agreement.

**"Loan"** means the loan made or to be made under the Facility to the Borrower or the principal amount outstanding for the time being of that loan.

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the business, operations, property or financial condition of the Borrower; or
- (b) the ability of the Borrower to perform its obligations under the Finance Documents; or
- (c) the rights or remedies of the Lender under any of the Finance Documents.

**"Month"** means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) (subject to paragraph (c) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last Month of any period.

**"Party"** means a party to this Agreement.

**"Permitted Financial Indebtedness"** means:

- (a) any Indebtedness up to £475,000 (and associated interest) owing to Galloway Limited in connection with the unsecured term loan facility made available to the Borrower from 4 November 2024;
- (b) monies outstanding and owing to Servicios Minero-Metalurgicos e Industriales SA de CV ("SMMI") under an asset purchase agreement dated 11 March 2021

between the Borrower and SMMI relating to the purchase of a SAG Mill and related assets (amounting to US\$300,000 as at the date of this Agreement); and

- (c) monies outstanding and owing to Hanlon Engineering & Associates, Inc by the Borrower under an agreement for the provision of engineering services dated 4 June 2021 relating to the FS Level Plant Engineering (amounting to US\$38,998.94 as at the date of this Agreement)..

**"Scheme"** means the proposed scheme of arrangement under Part 26 of the Companies Act 2006 relating to the proposed acquisition by the Lender of the Borrower.

**"Security"** means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Subsidiaries"** means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

**"Termination Date"** means the date falling 12 months after the date of this Agreement (or such later date as the Lender, in its absolute discretion, may agree in writing).

**"Utilisation Date"** means the date on which the Loan is made.

**"Utilisation Request"** shall have the meaning given to that term in clause 5 (Utilisation).

## 1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Agreement to:
- (i) the **"Lender"**, the **"Borrower"** or any **"Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under this Agreement;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as amended, novated, supplemented, extended or restated;
  - (iii) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership or other entity (whether or not having separate legal personality);
  - (iv) a Default (other than an Event of Default) is **"continuing"** if it has not been remedied or waived and an Event of Default is "continuing" if it has not been waived;
  - (v) 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 of any regulatory, self-regulatory or other authority or organisation;

- (vi) a provision of law is a reference to that provision as amended or reenacted; and
- (vii) a time of day is a reference to London time.

(b) Section, clause and Schedule headings are for ease of reference only.

### 1.3 **Currency symbols and definitions**

"\$", "USD" and "dollars" denote the lawful currency of the United States of America.

### 1.4 **Third Party Rights**

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.

## 2 **THE FACILITY**

The Lender agrees to make available a US dollar term loan facility in an aggregate amount equal to the Commitment to the Borrower on the terms of, and subject to the conditions of, this Agreement.

## 3 **PURPOSE**

### 3.1 **Purpose**

The Borrower shall apply all amounts borrowed by it under this Agreement as follows:

- (a) in the repayment or prepayment, in whole or in part, of principal and interest under the loan agreement referred to in sub-paragraph (a) of the definition of Permitted Financial Indebtedness;
- (b) up to a maximum of USD160,000 in order to procure directors' and officers' run-off insurance on industry standard terms in respect of the Borrower's current directors and officers who will leave their respective positions following completion of the Acquisition; and
- (c) for general corporate and working capital purposes, provided that:
  - (i) the relevant expenditures are made in accordance with the amounts and sequencing set out in the use of proceeds budget agreed by the parties out at Schedule Two;
  - (ii) any expenditure, or series of connected expenditures, of USD10,000 or more (other than as otherwise provided for in this Clause 3.1) shall be subject to the Lender's prior approval following receipt of appropriate supporting documents;
  - (iii) to the extent applied in the payment of salaries and emoluments of the Group, such costs shall only be paid at the existing ordinary course levels; and
  - (iv) the facility shall not be used to fund fixed asset purchases.

### 3.2 **Monitoring**

The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

## 4 **CONDITIONS OF UTILISATION**

4.1 The Borrower may not deliver a request for the Loan pursuant to clause 5 (Utilisation) unless the Lender has confirmed in writing that it has received all of the documents and other evidence listed in Schedule 1 (Conditions Precedent) in form and substance satisfactory to the Lender, (the date upon which the Lender gives such written confirmation being the "**Effective Date**").

4.2 If the Effective Date shall not have occurred on or before 13 December 2024, this Agreement shall lapse and shall cease to have any effect other than clause 12 (Costs and expenses) which shall remain in full force and effect.

## 5 **UTILISATION**

5.1 Subject to clause 4, the Borrower may utilise the Facility on any Business Day during the Availability Period.

5.2 To request the Loan the Borrower shall deliver to the Lender a duly executed written request (the "**Utilisation Request**") (which shall be irrevocable once made) in a form acceptable to the Lender by 11.00am London at least 2 Business Days prior to the proposed Utilisation Date (or within such other timeframe as the Lender may agree in writing).

5.3 The Utilisation Request is irrevocable and will not be regarded as having been duly completed unless it contains:

- (a) the amount of the Loan being requested (which shall not exceed the Commitment); and
- (b) confirmation of the proposed Utilisation Date.

5.4 Only one Loan may be requested in the Utilisation Request.

5.5 If the conditions set out in this Agreement have been met, and provided no Default is continuing or would result from the proposed Loan, the Lender shall make the Loan available to the Borrower on the Utilisation Date.

## 6 **REPAYMENT**

### 6.1 **Repayment of Loan**

- (a) The Borrower shall repay the outstanding amount of the Loan together with all accrued interest and all other amounts outstanding under this Agreement in full on or before the Termination Date.



- (b) If, in any applicable jurisdiction, it becomes unlawful for the Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain the Loan:
  - (i) the Lender, shall promptly notify the Borrower upon becoming aware of that event; and
  - (ii) the Loan shall become immediately due and payable.
- (c) Upon the occurrence of a Change of Control, the Facility will be immediately cancelled and all amounts outstanding under the Loan, together with accrued interest, shall become immediately due and payable.
- (d) Any monies received by the Borrower following the occurrence of the event set out in clause 6.1(c) shall be immediately applied in prepayment of the Loan and paid to the Lender in accordance with clause 8.

## 6.2 **No reborrowing**

No sum repaid under the Facility may be redrawn.

## 7 **INTEREST**

### 7.1 **Calculation of interest**

- (a) Interest calculated at the Fixed Rate and shall accrue from day to day on the outstanding balance of the Loan.
- (b) Interest which has accrued on the Loan shall be capitalised and added to (and shall for all purposes constitute part of) the principal amount of the Loan on the last day of each month and on the Termination Date (and all future calculations will be based on that increased principal amount). For the avoidance of doubt, all such amounts of interest which have been capitalised and added to the Loans shall be repaid in full on the Termination Date.

### 7.2 **Default interest**

If the Borrower fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 1 per cent per annum higher than the rate specified in clause 7.1. Any interest accruing under this clause 7.2 shall be immediately payable by the Borrower on demand by the Lender.

## 8 **PAYMENTS**

### 8.1 **Payments to the Lender**

All payments to be made by the Borrower to the Lender under the Finance Documents shall be made for value on the due date in US Dollar at the time and in such funds and to such account as may be specified by the Lender.

## 8.2 **No set-off by the Borrower**

All payments to be made by the Borrower under the Finance Documents shall be made without set-off, deduction or counterclaim.

## 9 **REPRESENTATIONS AND WARRANTIES**

The Borrower represents and warrants to the Lender on the date of this Agreement:

### 9.1 **Status**

- (a) It is a duly incorporated public limited liability company validly existing under the laws of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

### 9.2 **Power and authority**

- (a) It has the power to enter into, deliver and perform, and has taken all necessary action to authorise its entry into, delivery and performance of, this Agreement and the transactions contemplated by it.
- (b) No limit on its powers will be exceeded as a result of the borrowing contemplated by this Agreement.

### 9.3 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, this Agreement, do not and will not contravene or conflict with its constitutional documents, any agreement or instrument binding on it or its assets or constitute a default or termination event (however described) under any such agreement or instrument or any law or regulation or judicial or official order, applicable to it.

### 9.4 **Binding Obligations**

Its obligations under this Agreement are legal, valid, binding and enforceable in accordance with its terms.

### 9.5 **No filings or stamp taxes**

Under the laws of its jurisdiction of incorporation it is not necessary to file, record or enrol this Agreement with any court or other authority or pay any stamp, registration or similar taxes relating to this Agreement or the transactions contemplated by this Agreement.

### 9.6 **No Default**

- (a) No Event of Default has occurred or is continuing, or is reasonably likely to result from making the Loan or the entry into, the performance of, or any transaction contemplated by this Agreement.

- (b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination thereof, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on the Borrower or to which any of its assets is subject which has or is likely to have a Material Adverse Effect.

#### **9.7 No proceedings**

No litigation, arbitration or administrative proceedings are taking place or pending, or, to the best of the Borrower's knowledge and belief (after due and careful enquiry), have been threatened against it, any of its directors or any of its assets, which might reasonably be expected to have a material adverse effect on its business, assets or condition, or its ability to perform its obligations under this Agreement.

#### **9.8 Financial Indebtedness**

It does not have any Financial Indebtedness outstanding other than as permitted under this Agreement.

### **10 UNDERTAKINGS**

10.1 The Borrower undertakes with the Lender that, from the date of this Agreement until all its liabilities under this Agreement have been discharged:

- (a) it shall comply in all respects with all laws and regulations to which it may be subject, if failure to do so has or is reasonably likely to have a Material Adverse Effect;
- (b) it will notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence;
- (c) it will not without the consent of the Lender (not to be unreasonably withheld or delayed) amend any of its Constitutional Documents (subject to the requirements of the Scheme);
- (d) it will carry on and conduct its business in a proper and efficient manner and will not make any change to the general nature or scope of its business as carried on at the date of this Agreement;
- (e) at all times any unsecured and unsubordinated claims of the Lender against it or any other member of the Group under the Finance Documents will rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies;
- (f) it shall not:
  - (i) create, or permit to subsist, any Security on or over its assets; or
  - (ii) sell, transfer, lease or otherwise dispose of any of its assets on terms whereby such assets are or may be leased to or re-acquired or acquired by it;

- (g) it shall not incur or permit to be outstanding any Indebtedness other than:
  - (i) any Indebtedness incurred under the Finance Documents; and
  - (ii) any Permitted Financial Indebtedness.
- (h) It shall use all reasonable endeavours to provide such other authorisation, document, opinion or assurance which the Lender in its reasonable opinion considers necessary or desirable in connection with the entry into, and performance of, the transactions contemplated by the Finance Documents, or for the Finance Documents to be valid and enforceable.

## **11 EVENTS OF DEFAULT**

Each of the events or circumstances set out in this clause 11 (other than clause 11.7) is an Event of Default:

### **11.1 Non-payment**

The Borrower fails to pay any sum payable by it under this Agreement, unless its failure to pay is caused solely by an administrative error or technical problem and payment is made within three Business Days of its due date.

### **11.2 Other obligations**

The Borrower fails (other than by failing to pay), to comply with any provision of any Finance Document.

### **11.3 Misrepresentation**

Any representation, warranty or statement made, repeated or deemed made by the Borrower in, or pursuant to, any Finance Document is (or proves to have been) incomplete, untrue, incorrect or misleading when made, repeated or deemed made.

### **11.4 Insolvency and insolvency proceedings**

- (a) The Borrower stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due.
- (b) The value of the Borrower's assets is less than its liabilities (taking into account contingent and prospective liabilities).
- (c) A moratorium is declared in respect of any indebtedness of the Borrower.
- (d) Any action, proceedings, procedure or step is taken for:
  - (i) the suspension of payments, a moratorium in respect of any Indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Borrower; or
  - (ii) the composition, compromise, assignment or arrangement with any creditor; or

- (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Borrower or any of its assets; or
- (iv) the enforcement of any Security over any assets of the Borrower, or any analogous procedure or step is taken in any jurisdiction.
- (e) The Borrower commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its indebtedness (because of actual or anticipated financial difficulties).
- (f) The ending of any moratorium referred to in clause 11.4(c) shall not remedy any Event of Default caused by that moratorium.
- (g) A distress, attachment, execution, expropriation, sequestration or another analogous legal process is levied, enforced or sued out on, or against, the Borrower's assets.

#### **11.5 Unlawfulness and invalidity**

- (a) Any provision of this Agreement is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect.
- (b) A Transaction repudiates or rescinds or shows an intention to repudiate or rescind any Finance Document.
- (c) The Borrower suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a substantial part of its business.

#### **11.6 Material adverse change**

Any event or circumstance occurs which the Lender reasonably believes has or is reasonably likely to have a Material Adverse Effect.

#### **11.7 Acceleration**

On and at any time after the occurrence of an Event of Default which is continuing the Lender may by notice to the Borrower:

- (a) cancel all outstanding obligations of the Lender under this Agreement whereupon they shall immediately be cancelled; and/or
- (b) declare that the Loan (and all accrued interest and all other amounts outstanding under this Agreement) is immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (c) declare that the Loan be payable on demand, whereupon it shall become immediately payable on demand by the Lender.

## **12 COSTS AND EXPENSES**

### **12.1 Transaction expenses**

Each of the Borrower and the Lender shall bear their own costs and expenses incurred in connection with:

- (a) the negotiation, preparation, execution and perfection of the Finance Documents and the other documents referred to in them (in the amount agreed by e-mail between the Borrower and the Lender); and
- (b) any amendment, extension, waiver, consent or suspension of rights (or any proposal for any of these) relating to a Finance Document or a document referred to in any of them.

### **12.2 Enforcement and preservation costs**

The Borrower shall, on demand, pay to the Lender the amount of all reasonable costs and expenses (including legal, printing and out-of-pocket expenses) incurred by the Lender in connection with enforcing, preserving any rights under, or monitoring the provisions of, any Finance Document.

## **13 CHANGES TO THE PARTIES**

### **13.1 Assignments and transfers by the Lender**

The Lender may:

- (a) assign all of its rights; or
  - (b) transfer by novation all of its rights and obligations,
- to any person.

### **13.2 Borrower consent**

The consent of the Borrower (such consent not to be unreasonably withheld or delayed) is required for an assignment or transfer by the Lender, unless the assignment or transfer is:

- (a) to any of the Lender's affiliates, successors and permitted assigns; or
- (b) made at a time when an Event of Default is continuing.

### **13.3 Disclosure of information**

The Lender may disclose to any person:

- (a) to (or through) whom the Lender assigns or transfers (or may potentially assign or transfer) all of its rights and obligations under this Agreement; or
- (b) to whom, and to the extent that, information is required or is desirable to be disclosed by any applicable law, regulation or otherwise,

any information about the Borrower and this Agreement as the Lender shall consider appropriate.

#### **13.4 Assignments and transfer by Borrower**

The Borrower may not assign any of its rights or transfer any of its rights or obligations under this Agreement.

#### **14 SET-OFF**

The Lender may set off any matured obligation due from the Borrower under this Agreement against any matured obligation owed by the Lender to the Borrower, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

#### **15 NOTICES**

##### **15.1 Communications in writing**

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by letter or email.

##### **15.2 Addresses**

The address and email address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is that identified with its name on the execution page to this Agreement or any substitute address or email address or department or officer as one Party may notify to the other Party by not less than five (5) Business Days' notice in writing.

##### **15.3 Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:
  - (i) if by way of letter, when it has been left at the relevant address or seven (5) Business Days after being couriered with a reputable international courier company in an envelope addressed to it at that address; or
  - (ii) if by way of email, when received in accordance with clause 15.4(c) (Electronic Communication) below,

and, if a particular department or officer is specified as part of its address details provided under clause 15.2 (Addresses), if addressed to that department or officer.

- (b) Any communication or document which becomes effective, in accordance with paragraph (a) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

#### **15.4 Electronic communication**

- (a) Any communication to be made between the Borrower and the Lender under or in connection with this Agreement may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if the Borrower and the Lender:
  - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
  - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above to be made between the Borrower and the Lender may only be made in that way to the extent that both Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above made between the Borrower and the Lender will be effective only when actually received (or made available) in readable form.
- (d) Any reference in this Agreement to a communication being sent or received shall be construed to include that communication being made available in accordance with this clause 15.4.

### **16 CALCULATIONS AND CERTIFICATES**

#### **16.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Lender are prima facie evidence of the matters to which they relate.

#### **16.2 Certificates and Determinations**

Any certification or determination by the Lender of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

#### **16.3 Day count convention**

Any interest, commission or fee accruing under this Agreement will accrue from day to day and is calculated on the assumption of 30 days elapsed per Month and a year of 360 days.

### **17 PARTIAL INVALIDITY**

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or



enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

## **18 REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

## **19 AMENDMENTS AND WAIVERS**

- 19.1 No amendment of this Agreement shall be effective unless it is in writing and signed by, or on behalf of, each party to it (or its authorised representative).
- 19.2 A failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Agreement.

## **20 COUNTERPARTS**

This Agreement 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 this Agreement.

## **21 GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by, construed, and take effect in accordance with English law.

## **22 ENFORCEMENT**

### **22.1 Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

**IN WITNESS** of which the parties have signed this agreement on the date set out above.

## **SCHEDULE 1**

### **Conditions Precedent**

#### **1 CONSTITUTIONAL DOCUMENTS, RESOLUTIONS AND CERTIFICATES**

A copy of the resolutions duly passed by the Borrower's board of directors:

- (a) approving the entry into, terms of and transactions contemplated by the Finance Documents;
- (b) authorising specified persons to execute the Finance Documents on its behalf, to give all notices (including any Utilisation Request) and take all other action in connection with the Finance Documents;
- (c) confirming no limit on the powers of the Borrower or its directors to borrow money, create security or grant guarantees (as applicable) would be exceeded by its entry into or performance of its obligations under the Finance Documents; and

#### **2 FINANCE DOCUMENTS**

Each of the Finance Documents, duly executed by each Party to it.

**SCHEDULE 2****AGREED USE OF PROCEEDS EXPENDITURES**

	Dec	Jan (or subsequently during the term)	Total
Nicaragua operating costs	£165,000	£140,000	£305,000
Nicaragua taxes for concession	-	£200,000	£200,000
UK operating costs	£90,000	£75,000	£165,000
Rule 3 Advisor (1)	£41,600	£11,600	£53,200
Legal Nicaragua	£10,000	£10,000	£20,000
Accountants & Auditors PKF and BJCA	£20,000	£10,000	£30,000
Company Secretarial	£10,000	£10,000	£20,000
UK Circular printing/distribution	-	£5,000	£5,000
Computershare Canada & UK	-	£15,000	£15,000
De-listing UK	-	£12,000	£12,000
Hanlon deferred payment for FS (2)	-	£33,333	£33,333
London Severance costs (3)	-	£419,333	£419,333
Nicaraguan employees costs	-	£50,000	£50,000
Delayed salaries / NED Fees (4)	-	£135,417	£135,417
Galloway loan repayments	£206,667	-	£206,667
	<u>£543,267</u>	<u>£1,126,683</u>	<u>£1,669,950</u>

1. £11,600 per month from receipt of Approach, £30,000 on Rule 2.7 announcement, £150k on completion
2. Hanlon payment to be paid after approval of the Scheme at the Court sanctions hearing but prior to the Scheme becoming effective.
3. Severance costs to be paid after Court sanctions hearing but prior to the Scheme becoming effective.
4. Delayed salaries / NED Fees to be paid after Court sanctions hearing but prior to the Scheme becoming effective.

**EXECUTION PAGE**

**THE BORROWER**

**Condor Gold plc**



By: 

**Notice Details**

Address: 

E-mail address: 

Attention: 

**THE LENDER**


**Metals Exploration plc**

By:

**Notice Details**

Address: 

E-mail address: 

Attention: 

**EXECUTION PAGE**

**THE BORROWER**

**Condor Gold plc**

By:

**Notice Details**

Address: [REDACTED]

E-mail address: [REDACTED]

Attention: [REDACTED]

**THE LENDER**

[REDACTED]

**Metals Exploration plc**

By: [REDACTED]

**Notice Details**

Address: [REDACTED]

E-mail address: [REDACTED]

Attention: [REDACTED]