

BOND TERMS

FOR

Copper Mountain Mining Corporation 8% senior secured USD 250,000,000 bonds 2021/2026

ISIN NO0010968415

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ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT

ATTACHMENT 3 CMM LOAN TERMS

| BOND TERMS between | |
|--|---|
| ISSUER: | Copper Mountain Mining Corporation, a company existing under the laws of the Province of British Columbia, Canada with business incorporation number BC0755294 and LEI-code 5493006C53WJSL5MMV91. |
| BOND TRUSTEE: | Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85. |
| DATED: | 8 April 2021 |
| These Bond Terms shall remain in effect for so long as any Bonds remain outstanding. | |

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

"**Accounting Standard**" means GAAP.

"**Adjusted EBITDA**" means, in respect of any Relevant Period, the Group's earnings before interest expenses, taxes, depreciation, amortisation and impairment for that Relevant Period:

- (a) excluding any items (positive or negative) of a one off, non-recurring, non-operational, extraordinary, unusual or exceptional nature; and
- (b) before taking into account any unrealised gains or losses on foreign exchange, derivative instruments or hedging arrangements (other than any derivative instruments which are accounted for on a hedge accounting basis),

"**Affiliate**" means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person who has Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity who has Decisive Influence over that person (directly or indirectly).

"**Annual Financial Statements**" means the audited consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

"**Attachment**" means any schedule, appendix or other attachment to these Bond Terms.

"**Bond Terms**" means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

"**Bond Trustee**" means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

"**Bond Trustee Fee Agreement**" means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

"**Bondholder**" means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

"**Bondholders' Meeting**" means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

"**Bonds**" means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

"**Business Day**" means a day on which both the relevant CSD settlement system is open, and the relevant currency of the Bonds settlement system is open.

"**Business Day Convention**" means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

"**Call Option**" has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

"**Call Option Repayment Date**" means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

"**Change of Control Event**" means the occurrence of an event or series of events whereby a person or group of persons acting in concert (not theretofore having Decisive Influence over the Issuer) gaining Decisive Influence over the Issuer.

"**CMM**" means Copper Mountain Mine (BC) Ltd, incorporated under the laws of the Province of British Columbia, Canada, owning substantially all assets relating to the Copper Mountain Mine, and being 75% owned by the Issuer.

"**CMM Credit Agreement**" means the agreement providing for the CMM Loan.

"**CMM Finance Documents**" means the CMM Credit Agreement, all other ancillary documents necessary to enter into the CMM Loan and all of the documents creating and perfecting the CMM Loan Security.

"**CMM Loan**" means a senior secured loan with the Issuer as lender and CMM as borrower for the purposes set forth in Clause 2.3 (*Use of Proceeds*), on such further terms as set out in Attachment 3 (*CMM Loan Terms*).

"**CMM Loan Security**" has the meaning ascribed to such term in Attachment 3 (*CMM Loan Terms*).

"**CMM Reorganisation**" means the reorganisation or elimination of Similco Finance Ltd, Princeton GP Ltd and Copper Mountain Mine Limited Partnership, with CMM remaining the sole surviving entity.

"**CMMC Shareholder Loans**" means collectively, certain existing loans with CMM and Similco Finance Ltd as borrowers and, directly or indirectly, the Issuer as lender, with an outstanding principal amount of approximately USD 28,000,000 as of the Issue Date.

"**CMMC Subordinated Loan**" means an existing loans with CMM as borrower and the Issuer as lender, with an outstanding principal amount of approximately USD 8,000,000 as of the Issue Date.

"**Compliance Certificate**" means a statement substantially in the form as set out in Attachment 1 (*Compliance Certificate*).

"**Copper Mountain Mine**" means the property situated near Princeton, British Columbia which consists of Crown granted mineral claims, located mineral claims, mining leases and fee simple properties, covering an area of 6,702.1 hectares (or 67 square kilometres).

"**Copper Mountain Mine Subsidiaries**" means:

- (a) CMM;
- (b) the Management Company;
- (c) Similco Finance Ltd, incorporated under the laws of the Province of British Columbia, Canada and being 75% owned by the Issuer;
- (d) Princeton GP Ltd, incorporated under the laws of the Province of British Columbia, Canada and being 75% owned by the Issuer; and
- (e) Copper Mountain Mine Limited Partnership, created under the laws of the Province of British Columbia, and with 75% of the limited partnership units owned by the Issuer,

of which the entities listed in (c) through (e) will be subject to reorganisation or elimination as part of the CMM Reorganisation.

"**CSD**" means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

"**Decisive Influence**" means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or

- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

"Default Notice" means a written notice to the Issuer as described in Clause 14.2 (*Acceleration of the Bonds*).

"Default Repayment Date" means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

"Deferred Tolling Fee" means an existing aggregate amount of approximately USD 54,000,000 as of the Issue Date owed by CMM to Princeton GP Ltd relating to deferred payment of tolling fees.

"Distribution" means any dividend payment, repayment or service of any loan, redemption of share capital or other restricted equity with repayment to shareholders, repurchase of shares or other distribution by a person to its shareholders (including but not limited to total return swaps involving any shares issued).

"DSR Account" means a debt service retention account established as a client account with the Escrow Agent or in the name of the Issuer with an account bank approved by the Bond Trustee, blocked and pledged on first priority as Security for the Issuer's obligations under the Finance Documents, and operated in accordance with Clause 13.24 (*Transfers to the DSR Account*), where the Issuer shall, subject to the DSR Account Pledge, be entitled to all interest receivable (if any) derived from the amount in the DSR Account.

"DSR Account Pledge" means the pledge over the DSR Account, where the bank operating the account has waived any set-off rights.

"Escrow Account" means an account in the name of the Issuer established with the Escrow Agent, blocked and pledged on first priority as Security for the Issuer's obligations under the Finance Documents.

"Escrow Account Pledge" means the pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

"Escrow Agent" means NT Services AS, P.O. Box 1470 Vika, NO-0116 Oslo, Norway.

"EVA Project" means the Eva Copper Project located 75 kilometres from the town of Cloncurry and 95 kilometres north-east of Mt Isa in north-west Queensland, Australia, envisioned to be a conventional open pit with a conventional crush, grind, flotation circuit.

"EVA Subsidiary" means

- (a) Copper Mountain Mining Australia Pty Ltd, incorporated under the laws of Australia with business registration number ACN622 566 910 and being wholly-owned by the Issuer ("CMMA");
- (b) Eva Copper Mine Pty Ltd, incorporated under the laws of Australia with business registration number CAN 625 712 138;

- (c) Copper Mountain Mining Pty Ltd, incorporated under the laws of Australia with business registration number CAN 090 468 018, and being the owner of Eva Copper Mine Pty Ltd; and
- (d) any other Group Company which is party to or enters into any contract related to and/or becomes the owner of any material assets or material contracts which are used in relation to the EVA Project, as well as any Group Company holding shares in such company.

"Event of Default" means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

"Exchange" means:

- (a) Nordic ABM; or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

"Finance Documents" means these Bond Terms, the Bond Trustee Fee Agreement, the DSR Account Pledge, the Escrow Account Pledge, any Guarantee, any Intercreditor Agreement, any other Transaction Security Document, any Security Agent Agreement, any Perfection Certificate and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalized as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into and, when calculating the value of any 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

an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;

- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

"Financial Reports" means the Annual Financial Statements and the Interim Accounts.

"Financial Support" means any loans, guarantees, Security securing obligations of another person or other financial assistance (whether actual or contingent).

"First Call Date" means the Interest Payment Date in October 2023.

"First Release" has the meaning ascribed to such term in Clause 6.16.1(b) (*Disbursement – First release*).

"GAAP" means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, if applicable, IFRS.

"General Security Agreements" means the first priority general security agreements granted by each of the Issuer and the Management Company charging all present and after-acquired real and personal property, assets and undertakings of whatsoever nature, character and kind of each of the Issuer and the Management Company, including without limitation:

- (a) all rights and interests of, and underlying Security held by, the Issuer in the CMM Loan; and
- (b) all other current and future intercompany loans made by the Issuer to any Group Company,

provided that no non-disturbance or similar agreements shall be required by the Security Agent in respect of the office premises of the Issuer.

"Group" means the Issuer and its Subsidiaries from time to time.

"Group Company" means any person which is a member of the Group.

"Guarantee" means the unconditional guarantee and indemnity issued by each of the Guarantors in respect of the Secured Obligations, to be governed by the law of incorporation of the relevant

Guarantor or such other law as the Bond Trustee may reasonably require, and which, in respect of the guarantee from each EVA Subsidiary, shall be fully subordinated on customary terms to any new senior secured debt (including under any streaming arrangement) incurred by that EVA Subsidiary, inter alia with no right of enforcement or receipt of payments until such senior secured debt has been repaid in full, and, to the extent relevant, as further regulated in a future Intercreditor Agreement.

"Guarantor" means the Management Company and each EVA Subsidiary from time to time.

"IFRS" means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

"Initial Nominal Amount" means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"Insolvent" means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

"Intercreditor Agreement" means any future intercreditor agreement and/or subordination undertaking on customary terms to be negotiated and entered into by the Bond Trustee on behalf of the Bondholders in order to regulate the subordination of the Guarantees from the EVA Subsidiaries, on customary terms, to any new senior secured debt incurred by the relevant EVA Subsidiary.

"Interest Payment Date" means the last day of each Interest Period, the first Interest Payment Date being 9 October 2021 and the last Interest Payment Date being the Maturity Date.

"Interest Period" means, subject to adjustment in accordance with the Business Day Convention, the period between 9 April and 9 October each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

"Interest Rate" means 8 percentage points per annum.

"Interim Accounts" means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on each Quarter Date in each year, prepared in accordance with the Accounting Standard.

"ISIN" means International Securities Identification Number.

"Issue Date" means 9 April 2021.

"Issuer" means the company designated as such in the preamble to these Bond Terms.

"Issuer's Bonds" means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

"JBIC" means the Japan Bank for International Cooperation, the international arm of Japan Finance Corporation.

"JBIC Facility" means the unsecured term loan facility with JBIC, with an outstanding principal amount of approximately USD 32,000,000 as of the Issue Date.

"Joint Lead Managers" means Clarksons Platou Securities AS, Munkedamsveien 62C, NO-0270 Oslo, Norway and DNB Markets, a part of DNB Bank ASA, Dronning Eufemias gate 30, NO-0191 Oslo, Norway.

"Leverage Ratio" means, in respect of any Relevant Period, the ratio of Net Debt on the last day of that Relevant Period to Adjusted EBITDA in respect of that Relevant Period.

"Liquidity" means unencumbered and unrestricted cash and cash equivalents in accordance with the Accounting Standard (not including, for the avoidance of doubt, any cash standing to the credit of the Escrow Account and the DSR Account).

"Listing Failure Event" means:

- (a) that the Bonds have not been admitted to listing on an Exchange within 9 months following the Issue Date, or
- (b) in the case of a successful admission to listing, that a period of 9 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange.

"Make Whole Amount" means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the price as set out in paragraph (a) (ii) of Clause 10.2 as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds, less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date, to the First Call Date,

where the present value shall be calculated by using a discount rate of 0.73% per cent. per annum.

"Management Company" means Copper Mountain Operating Company Ltd, incorporated under the laws of the Province of British Columbia, Canada and being wholly-owned by the Issuer.

"Mandatory Redemption Event" means:

- (a) in the event that the conditions precedent set out in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) for the First Release have not been fulfilled within 60 calendar days from the Issue Date; or

- (b) in the event that conditions precedent set out in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) for the Second Release have not been fulfilled within 200 calendar days from the Issue Date.

"Mandatory Redemption Repayment Date" means the settlement date for the Mandatory Redemption Event pursuant to Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*).

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

- (a) the ability of the Issuer or any other Relevant Group Company to perform and comply with its obligations under any of the Finance Documents or the CMM Finance Documents; or
- (b) the validity or enforceability of any Finance Document or CMM Finance Document.

"Maturity Date" means 9 April 2026, adjusted according to the Business Day Convention.

"Mitsubishi" means MM Copper Corporation, incorporated under the laws of the Province of British Columbia, Canada and with incorporation number BC0857954.

"Mitsubishi Distribution" means the distribution made in connection with the First Release in an approximate amount (principal and interest) of USD 13,000,000 by Princeton GP Ltd to Mitsubishi.

"Mitsubishi Parent" means Mitsubishi Materials Corporation, incorporated under the laws of Japan.

"Mitsubishi Shareholder Loans" means collectively, certain loans with CMM and Similco Finance Ltd as borrowers and, directly or indirectly, Mitsubishi Parent as lender, with an outstanding amount (principal and interest) of approximately USD 132,000,000 as of the Issue Date and comprising funded advances and guarantee fees.

"Net Debt" means, in respect of any Relevant Period and on a consolidated basis for the Group, (a) total debt less (b) cash and cash equivalents, both as calculated in accordance with the Accounting Standard and as consistently reported by the Issuer in the Financial Report.

"Nominal Amount" means nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2.

"Offtake Contracts" means any purchase or sale agreements, refining agreements, production payment agreements, operating agreements, participation agreements, security agreements or any other agreements or arrangements to make future deliveries of production attributable to the Copper Mountain Mine or the EVA Project.

"Outstanding Bonds" means any Bonds not redeemed or otherwise discharged.

"Overdue Amount" means any amount required to be paid by a Relevant Group Company under any of the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

"Partial Payment" means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

"Paying Agent" means NT Services AS, P.O. Box 1470 Vika, NO-0116 Oslo, Norway, the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

"Payment Date" means any Interest Payment Date or any Repayment Date.

"Perfection Certificates" means, in respect of each relevant Restricted Group Company, the certificate of a senior officer of such person, addressed to the Bond Trustee, in form and substance satisfactory to the Bond Trustee and pursuant to which certain factual matters relating to such person and the assets of such person are certified true and correct in all material respects, together with all schedules and exhibits attached thereto or referred to therein, as the same may be updated from time to time.

"Permitted Disposal" means a transfer, sale, disposal of or (as relevant) dilution of ownership to:

- (a) product in the ordinary course of business, including pursuant to the Offtake Contracts;
- (b) assets that are obsolete or worn out;
- (c) assets (except for shares) that are not necessary in the ordinary course of business or for the operation of the Copper Mountain Mine or the EVA Project;
- (d) all or substantially all of the Copper Mountain Mine (directly, or indirectly by sale of shares in CMM), subject to that, upon such disposal, the Issuer redeeming the Bonds in full at a price equal to the lower of (i) 106% of the Nominal Amount for each redeemed Bond and (ii) the prevailing call price at the time of such disposal; and
- (e) ownership share in an EVA Subsidiary through a sale of shares or issuing of new shares, in each case for cash consideration, provided, for the avoidance of doubt, that such sale or issuing of new shares does not result in a breach of the ownership covenant relating to the EVA Subsidiaries.

"Permitted Distribution" means:

- (a) the repayments and distributions contemplated by the use of proceeds of the Bonds and of the CMM Loan, and repayment of the Remaining Intra-group Claims;
- (b) any Distribution solely in favour of the Issuer or solely in favour of any 100% owned Subsidiary of the Issuer; and
- (c) any other Distribution to the direct shareholders of any Group Company, provided that such other Distribution is made on a pro-rata basis to such shareholders,

provided always that no Event of Default has occurred and is continuing or will occur as a result of such Distribution.

"Permitted Financial Indebtedness" means:

- (a) any Financial Indebtedness incurred pursuant to the Finance Documents;
- (b) the CMM Loan;
- (c) Financial Indebtedness arising out of paragraph (c), (d) and (e) of the definition of Permitted Loan;
- (d) up until the First Release, any Financial Indebtedness outstanding under the Senior Loan Facility, the Subordinated Loan and the Mitsubishi Shareholder Loans;
- (e) up until the Second Release, the JBIC Facility;
- (f) Financial Indebtedness arising as a result of any purchase money security interest, capital lease or similar arrangement in respect of the acquisition of mining and milling equipment and other assets required for the business comprised in the Copper Mountain Mine or the Issuer, limited to an aggregate amount not exceeding USD 85,000,000 at any time;
- (g) Financial Indebtedness incurred under any surety bonding for reclamation obligations in the ordinary course of business to a maximum of USD 30,000,000 for the Copper Mountain Mine;
- (h) Financial Indebtedness related to hedging of interest rates or currency fluctuations or products in the ordinary course of business and on a non-speculative basis;
- (i) Financial Indebtedness incurred under any pension or tax liabilities in the ordinary course of business;
- (j) Financial Indebtedness arising as a result of a contemplated refinancing of the Bonds in full provided that (i) an irrevocable and unconditional call notice has been served on the Bonds (in full) and (ii) such debt is (from settlement (in case refinancing through bonds or note issuance)) fully cash collateralised or (in case of refinancing with any other form of loan or credit) undrawn until full repayment of the Bonds;
- (k) Financial Indebtedness incurred by an EVA Subsidiary related to the EVA Project in the form of (i) capital market debt instruments secured on 1st priority or (ii) loan facilities secured on 1st priority incurred from a third party financial institution or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets and not being a shareholder of the Issuer or an Affiliate thereof;
- (l) Financial Indebtedness incurred by an EVA Subsidiary arising as a result of any purchase money security interest, capital lease or similar arrangement in respect of the acquisition of mining and milling equipment and other assets required for the business comprised in the EVA Project or for surety bonding for reclamation obligations in the ordinary course of business;
- (m) Financial Indebtedness incurred by an EVA Subsidiary in the form of a stream or similar finance arrangement linked to the production or delivery of assets from the EVA Project; and

- (n) any other Financial Indebtedness not permitted by the preceding paragraphs in an outstanding principal amount which does not exceed USD 10,000,000 in aggregate for the Group at any time.

"Permitted Guarantees" means:

- (a) any guarantee obligation arising under or out of the Finance Documents;
- (b) any guarantee by the Issuer in favour of any debt financing related to the EVA Project as permitted pursuant to paragraph (k) of the definition of Permitted Financial Indebtedness;
- (c) any guarantee by an EVA Subsidiary in respect of any debt financing related to the EVA Project;
- (d) the endorsement of negotiable instruments in the ordinary course of trade of a Restricted Group Company or an EVA Subsidiary;
- (e) any guarantee securing performance under any contract by, or which is in respect of an underlying obligation of a Restricted Group Company or an EVA Subsidiary, which, in each case, is entered into in the ordinary course of business; and
- (f) any guarantees or indemnities not permitted by the preceding paragraphs and the outstanding principal amount of which, when aggregated with any Financial Indebtedness permitted pursuant to paragraph (n) of the definition of Permitted Financial Indebtedness does not exceed USD 30,000,000 (or its equivalent in other currencies) in aggregate of the Group at any time.

"Permitted Loan" means:

- (a) deposits of cash or cash equivalent investments with financial institutions for cash management purposes or in the ordinary course of business;
- (b) the CMM Loan (including, for the avoidance of doubt, as may be increased from time to time);
- (c) any intercompany loan with the Issuer as a lender and any EVA Subsidiary as borrower in an aggregated amount which, when aggregated with any Permitted Transfers, over the term of the Bond does not exceed the amount set out in paragraph (a) through (c) of the definition of Permitted Transfer;
- (d) any intercompany loan between the EVA Subsidiaries;
- (e) up until the date falling 120 days after the Issue Date, the Remaining Intra-group Claims; and
- (f) any loan made or credit extended by any Restricted Group Company or EVA Subsidiary to its customers in the ordinary course of business.

"Permitted Security" means:

- (a) any Transaction Security, including cash collateral to secure obligations under the Finance Documents;
- (b) up until the First Release, Security granted pursuant to the Senior Loan Facility;
- (c) the CMM Loan Security;
- (d) any Security from time to time which is consented to in writing by the Bondholders;
- (e) any Security granted by an EVA Subsidiary as Security for any debt financing related to the EVA Project;
- (f) Security incidental to construction or current operations including carriers', warehousemen's, materialmen's, workmen's, repairmen's, and mechanics' liens and other similar liens arising by operation of applicable law and which (i) are in respect of sums not yet due and payable, or (ii) are the subject of proceedings under a bona fide dispute, which proceedings have the effect of preventing the forfeiture or sale of the property subject to such liens and where adequate reserves are maintained in accordance with the Accounting Standard;
- (g) liens securing taxes that are not yet due or delinquent or that are the subject of a bona fide dispute and for which adequate reserves are being maintained in accordance with Accounting Standard;
- (h) undetermined or inchoate liens and charges incidental to the operations of Copper Mountain Mine which have not been registered against the assets of the relevant Restricted Group Company and which relate to obligations not due or delinquent;
- (i) reservations, limitations, provisos and conditions expressed in any original grant from the Crown and statutory exceptions to title set forth in the Land Title Act (British Columbia);
- (j) easements, rights-of-way, servitudes and other similar encumbrances on title (including easements, rights-of-way and servitudes for sewers, drains, railways, pipelines, gas or water mains or electric light and power or telephone, cable television and telegraph conduits, poles, wires and cables), and other restrictions and minor title defects or irregularities which do not in aggregate materially detract from the value of the property subject thereto or materially impair the use thereof in the operations of the Copper Mountain Mine or the mine to be developed under the EVA Project;
- (k) Security given to a public utility or municipality or other governmental authority when required by such utility or municipality or other governmental authority in connection with the operations of the Copper Mountain Mine in the ordinary course of its business, and similar Security granted by an EVA Subsidiary in respect of the EVA Project;
- (l) Security contemplated by, and in an aggregate amount not to exceed the figure set forth in, item (f) of the definition of Permitted Financial Indebtedness or in the case of the EVA Project in item (l) of the definition of Permitted Financial Indebtedness, where such Security extends solely to the assets financed and the proceeds thereof;

- (m) the right reserved to or vested in any governmental authority by the terms of any lease, license, franchise, grant or permit, or by any statutory provision, to terminate any such lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- (n) any interest or title of a lessor in the property subject to any lease that does not materially impair the use thereof in the operations of the Copper Mountain Mine or the EVA Project; and liens or rights of distress reserved in or exercisable under leases for payment of rent (provided that no such payment is overdue) or other compliance with the terms of the lease (provided that lessee is in compliance with the terms of the lease);
- (o) liens in favour of custom and revenue authorities arising under any requirement of law to secure payment of customs or import duties in connection with the importation of goods in the ordinary course of business;
- (p) any lien or trust arising in connection with worker's compensation, employment insurance, pension and employment law, where such liens have not at the time been filed or registered in accordance with applicable law or which written notice of which has not been given in accordance with applicable law or which although filed or registered are not yet due or delinquent;
- (q) customary bankers' liens, rights of set-off and other similar liens existing solely with respect to cash and cash equivalents on deposit in one or more accounts (except for the DSR Account), in each case granted in the ordinary course of business in favour of the institution with which such accounts are maintained, securing amounts owing to such institution with respect to operating account arrangements (but excluding any loan, overdrafts, or other credit facilities);
- (r) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Security referred to in the preceding paragraphs (a) to (q) inclusive of this definition, so long as any such extension, renewal or replacement of such Security is limited to all or any part of the same property that secured the Security extended, renewed or replaced (plus improvements on such property) and the Financial Indebtedness, liability or obligation secured thereby is not increased; or
- (s) any other Security not permitted pursuant to the preceding paragraphs and securing indebtedness in an aggregate principal amount of which does not exceed USD 5,000,000 (or its equivalent in other currencies) at any time.

"Permitted Transfer" means any equity investment, in cash or in kind in an aggregated amount for the Restricted Group over the term of the Bond which, when aggregated with the amount of any loans permitted pursuant to paragraph (c) of the definition of Permitted Loan, does not exceed:

- (a) USD 175,000,000; plus
- (b) 100% of the aggregate cash proceeds from any new equity raised by the Issuer after the Issue Date; plus

- (c) an amount, if positive, of 50% of the consolidated net income of the Issuer for the period (taken as one accounting period) from 1 January 2024 to the end of the Issuer's most recent Financial Report at the time of such equity investment (if negative, deemed to be zero).

"Put Option" has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Put Option Event" means a Change of Control Event or a Stock De-Listing Event.

"Put Option Repayment Date" means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

"Quarter Date" means 31 March, 30 June, 30 September and 31 December each year.

"Relevant Group Company" means any Group Company that is a party to a Finance Document or a CMM Finance Document.

"Relevant Jurisdiction" means the country in which the Bonds are issued, being Norway.

"Relevant Period" means each period of 12 months ending on or about the last day of the financial year and each period of 12 months ending on or about each Quarter Date.

"Relevant Record Date" means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

"Remaining Intra-group Claims" means any amount outstanding under the Deferred Tolling Fee, the Similco Loans and the CMMC Subordinated Loans.

"Repayment Date" means any date for payment of instalments in accordance with Clause 10.1 (*Redemption of Bonds*), any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date, the Mandatory Redemption Repayment Date or the Maturity Date.

"Restricted Group" means the Issuer and the Copper Mountain Mine Subsidiaries.

"Restricted Group Company" means any company in the Restricted Group.

"Scheduled Amortisation" has the meaning ascribed to such term in paragraph (a) of Clause 10.1 (*Redemption of Bonds*).

"Second Release" has the meaning ascribed to such term in paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

"**Secured Obligations**" means all present and future obligations and liabilities of the Issuer under the Finance Documents.

"**Secured Parties**" means the Security Agent and the Bond Trustee on behalf of itself and the Bondholders.

"**Securities Trading Act**" means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

"**Security**" means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Agent**" means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

"**Security Agent Agreement**" means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

"**Senior Loan Facility**" means the senior loan facility with MUFG Bank Ltd. (formerly The Bank Of Tokyo-Mitsubishi UFJ Ltd.) and Mizuho Corporate Bank Ltd, with an outstanding principal amount of approximately USD 70,000,000 as of the Issue Date.

"**Similco Loans**" means certain existing loans with CMM as borrower and Similco Finance Ltd as lender, with an outstanding principal amount of approximately USD 192,000,000 as of the Issue Date.

"**Stock De-Listing Event**" means if the common stock of the Issuer ceases to be listed on:

- (a) the Toronto Stock Exchange; or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

"**Subordinated Loan**" means an existing loan with CMM as borrower and Mitsubishi as lender, with an outstanding amount (principal and interest) of approximately USD 12,000,000 as of the Issue Date.

"**Subsidiary**" means a company over which another company has Decisive Influence.

"**Summons**" means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

"**Tax Event Repayment Date**" means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

"**Transaction Security**" means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

"**Transaction Security Documents**" means, collectively the Escrow Account Pledge and all of the other documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*).

"**Voting Bonds**" means the Outstanding Bonds less the Issuer's Bonds.

"**Written Resolution**" means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European time unless otherwise stated;
- (e) references to a provision of "**law**" is a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organization, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*),
- (j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is "**continuing**" if it has not been remedied or waived.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds in the amount of USD 250,000,000.
- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.

- (c) The Initial Nominal Amount of each Bond is USD 1.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN; and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1.

2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.3 Use of proceeds

The Issuer will use the net proceeds from the issuance of the Bonds, together with the cash on hand of the Group to the extent necessary:

- (a) to repay the Senior Loan Facility in full, in an approximate aggregate principal amount of USD 70,000,000 through on-lending of funds under the CMM Loan;
- (b) to (i) repay the Subordinated Loan in full, in an approximate aggregate amount (principal and interest) of USD 12,000,000, (ii) repay the Mitsubishi Shareholder Loans in full, in an approximate aggregate amount (principal and interest) of USD 132,000,000 and (iii) pay the Mitsubishi Distribution, in an aggregate approximate amount (principal and interest) of USD 13,000,000, each through on-lending of funds under the CMM Loan; and
- (c) to repay the JBIC Facility in full, in an approximate aggregate principal amount of USD 32,000,000 through on-lending of funds under the CMM Loan.

For greater certainty:

- (A) each of the foregoing payments (to the extent not already stated to be inclusive of interest) shall be made together with all accrued and unpaid interest on the amount being repaid;
- (B) each of the foregoing payments (to the extent not being funded by cash on hand at CMM) shall be effected through the on-lending of funds by the Issuer to CMM under the CMM Loan and,
 - (i) in the case of the Senior Loan Facility, by repayment of the Senior Loan Facility in full by CMM to the lenders under the Senior Loan Facility;
 - (ii) in the case of the Subordinated Loan, by repayment of the Subordinated Loan in full by CMM to Mitsubishi;
 - (iii) in the case of the Mitsubishi Shareholder Loans, through partial repayment of the Similco Loans by CMM to Similco Finance Ltd and repayment of the Mitsubishi Shareholder Loans in full by Similco Finance Ltd to Mitsubishi Parent;

- (iv) in the case of the Mitsubishi Distribution, by payment of the Mitsubishi Distribution in full by CMM to Princeton GP Ltd. on account of Deferred Tolling Fee and a distribution by Princeton GP Ltd. to Mitsubishi; and
- (v) in the case of the JBIC Facility, through partial repayment of the Similco Loans by CMM to Similco Finance Ltd and repayment of the JBIC Facility in full by Similco Finance Ltd to JBIC.

2.4 Status of the Bonds

The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

2.5 Transaction Security

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent with first priority within the times agreed in Clause 6 (*Conditions for disbursement*):
 - (i) the Escrow Account Pledge;
 - (ii) the DSR Account Pledge;
 - (iii) the General Security Agreements; and
 - (iv) a security agreement pledging all ownership interests in the Management Company, CMMA and CMM held by the Issuer.
- (b) The Transaction Security and any Intercreditor Agreement shall be entered into on such terms and conditions as the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.
- (c) The Security Agent shall be irrevocably authorised to release any Guarantees and Transaction Security over assets which are sold or otherwise disposed of (directly or indirectly) (A) in any merger, de-merger or disposal permitted in compliance with Clauses 13.5 (*Mergers and de-mergers*) or 13.11 (*Disposals*) and (B) following an enforcement.

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures, or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 (*Bondholders' rights*) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 6 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

(a) Payment to the Escrow Account

Payment of the proceeds from the issuance of the Bonds (net of fees and legal cost of the Joint Lead Managers and the Bond Trustee and any other agreed costs and expenses incurred in connection with the issuance of the Bonds) to the Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:

- (i) these Bond Terms duly executed by all parties hereto;
- (ii) confirmation that no potential default or actual Event of Default exists;
- (iii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute, deliver and perform its obligations under the applicable Finance Documents to which it is a party and incumbency certificate setting forth specimen signatures of each person authorized to sign the applicable Finance Documents on behalf of the Issuer;
- (iv) copies (by way of a director's or secretary's certificate) of (i) the constating documents (i.e. certificate, notice of articles, articles of incorporation (as amended, if applicable), by-laws etc.) for the Issuer, as applicable, evidencing that it was duly formed under the laws of its governing jurisdiction and (ii) certificates of compliance, good standing, or the equivalent thereof evidencing that the Issuer is existing and registered under the laws of its governing jurisdiction;
- (v) the Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;
- (vi) copies of the Issuer's latest Financial Reports;
- (vii) confirmation that the applicable prospectus requirements (ref the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
- (viii) copies of any necessary third party, regulatory body or governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds, execute the applicable Finance Documents, or perform the obligations thereunder;
- (ix) copies of the Offtake Contracts;

- (x) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
 - (xi) confirmation of acceptance from any process agent;
 - (xii) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Joint Lead Manager in connection with the issuance of the Bonds;
 - (xiii) the Bond Trustee Fee Agreement duly executed by the parties thereto; and
 - (xiv) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) Disbursement - First release
- USD 212,000,000 of the net proceeds from the issuance of the Bonds (in the Escrow Account) will be disbursed to the Issuer at such time that the Bond Trustee has received prior to such disbursement or is satisfied that it will receive in due time (as determined by the Bond Trustee), subject to agreed closing procedures, each of the following documents, in form and substance satisfactory to the Bond Trustee (such disbursement, the "**First Release**"):
- (i) a duly executed release notice from the Issuer, as set out in Attachment 2 (*Release Notice*);
 - (ii) unless delivered under paragraph (a) above, as pre-settlement conditions precedent:
 - (A) copies of all necessary corporate resolutions of each Relevant Group Company required to execute, deliver and perform its obligations under the applicable Finance Documents or CMM Finance Documents to which it is a party and incumbency certificate setting forth specimen signatures of each person authorized to sign the applicable Finance Documents or CMM Finance Documents on behalf of the Relevant Group Company; and
 - (B) copies (by way of a director's or secretary's certificate) of (i) the constating documents (i.e. certificate, notice of articles, articles of incorporation (as amended, if applicable), by-laws etc.) for each Relevant Group Company, as applicable, evidencing that it was duly formed under the laws of its governing jurisdiction and (ii) certificates of compliance, good standing, or the equivalent thereof evidencing that such Group Company is existing and registered under the laws of its governing jurisdiction;
 - (iii) duly executed consent and waiver agreement between the Mitsubishi Parent, Mitsubishi, the Issuer, Similco Finance Ltd, CMM and the Bond Trustee in respect of the pledge of shares of CMM by the Issuer and the incurrence of the CMM Loan, in form and substance satisfactory to the Bond Trustee;

- (iv) the Transaction Security Documents and the Guarantees duly executed and delivered by all parties thereto and evidence of the establishment and perfection of the Transaction Security (including registration thereof where required);
 - (v) the CMM Finance Documents duly executed and delivered by all parties thereto and evidence of the establishment and perfection of the CMM Loan Security (including registration thereof where required);
 - (vi) evidence that the Senior Loan Facility will be repaid and satisfied in full upon the First Release, and that the lenders under the Senior Loan Facility have confirmed in accordance with customary arrangements that all liens, mortgages, pledges, charges, assignments by way of security, hypothecations and security interests granted in connection therewith will be released and discharged;
 - (vii) evidence that the Subordinated Loan, the Mitsubishi Shareholder Loans and the Mitsubishi Distribution have been paid or repaid or will be paid or repaid in full upon the release of the relevant funds from the Escrow Account;
 - (viii) copy of insurance policies together with an undertaking from the Issuer confirming that insurances have been obtained in accordance with this term sheet;
 - (ix) a report of an insurance consultant appointed by the Issuer, which shall confirm, without limitation, that the insurance policies of the Restricted Group Companies contain customary terms, conditions, limits and deductibles, are typical for the assets and business, and conform with the requirements set forth in this term sheet;
 - (x) an overview of the Restricted Group and the EVA Subsidiaries; and
 - (xi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to each Relevant Group Company and the legality, validity and enforceability of the Finance Documents and CMM Finance Documents (unless delivered in connection with the Conditions Precedent for Pre-Settlement)).
- (c) Disbursement – Second release
- The remaining amount of the net proceeds from the issue of the Bonds (in the Escrow Account) will be disbursed to the Issuer only upon the Bond Trustee receiving prior to such disbursement, or being satisfied that it will receive in due time (as determined by the Bond Trustee), the following document, in form and substance satisfactory to the Bond Trustee (such disbursement, the "**Second Release**"):
- (i) a duly executed release notice from the Issuer, as set out in Attachment 2 (*Release Notice*); and
 - (ii) evidence that the JBIC Facility has been or will be repaid in full upon the release of the relevant funds from the Escrow Account.
- (d) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), waive the requirements for documentation or

decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (d) of Clause 6.1 above.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and warranties*), in respect of itself and in respect of each other Restricted Group Company and each Eva Subsidiary, to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) at the date of these Bond Terms;
- (b) at the Issue Date; and
- (c) on each date of disbursement of proceeds from the Escrow Account.

7.1 Status

It is a corporation duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the corporate power to enter into, perform and deliver, and has taken all necessary corporate action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document and CMM Finance Document to which it is a party and the transactions contemplated by those Finance Documents and CMM Finance Documents.

7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document and CMM Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document or CMM Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any drawdown under these Bond Terms or the entry into, the performance of, or any transaction contemplated by, any Finance Document or CMM Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorizations and consents

All authorisations, consents, approvals, resolutions, licenses, exemptions, filings, notarizations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document or CMM Finance Document to which it is a party; and
 - (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,
- have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under these Bond Terms.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document or CMM Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 (*Default interest*) will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations;
 - (i) the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*), or
 - (ii) as a result of a resolution according to Clause 15 (*Bondholders' decisions*).

8.4 Taxation

- (a) Each Relevant Group Company is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Relevant Group Companies shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the denomination of the Bonds set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*). If, however, the denomination differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.

- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

No Relevant Group Company may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST

9.1 Calculation of interest

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
 - (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
 - (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

- (a) The Bonds will be repaid by the Issuer by semi-annual instalments in an amount of USD 10,000,000 on each Interest Payment Date (each a "**Scheduled Amortisation**").
- (b) Instalment payments will be made pro rata in accordance with the applicable regulations of the CSD.
- (c) Any remaining Outstanding Bonds will be redeemed in full on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds (the "**Call Option**") on any Business Day from and including:
 - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
 - (ii) the First Call Date to, but not including, the Interest Payment Date in April 2024 at a price equal to 104% of the Nominal Amount for each redeemed Bond;
 - (iii) the Interest Payment Date in April 2024 to, but not including, the Interest Payment Date in October 2024 at a price equal to 103% of the Nominal Amount for each redeemed Bond;
 - (iv) the Interest Payment Date in October 2024 to, but not including, the Interest Payment Date in April 2025 at a price equal to 102% of the Nominal Amount for each redeemed Bond;
 - (v) the Interest Payment Date in April 2025 to, but not including, the Interest Payment Date in October 2025 at a price equal to 101% of the Nominal Amount for each redeemed Bond; and
 - (vi) the Interest Payment Date in October 2025 to, but not including, the Maturity Date at a price equal to 100% of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to Clause 10.2 (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice. Any call notice may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, which shall be satisfied at least three Business Days prior to the Call Option Repayment Date.
- (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to

Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.

- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5th Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3 (*Mandatory repurchase due to a Put Option Event*), the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

10.5 Mandatory early redemption due to a Mandatory Redemption Event

Upon a Mandatory Redemption Event, the Issuer shall, within 10 Business Days after the Mandatory Redemption Event, redeem all of the Outstanding Bonds at a price of 101 per cent. of the Nominal Amount plus accrued interest, by inter alia applying the funds deposited on the Escrow Account for such redemption.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer's purchase of Bonds

The Issuer may purchase and hold Bonds and such Bonds may be retained or sold, but not cancelled, in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these

Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two months after the end of the relevant interim period (save for the Interim Accounts for the financial quarter ending on 31 December which will be delivered together with the Annual Financial Statements).

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports are fairly representing its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.25 (*Financial covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied, and that they include (i) a profit and loss account, balance sheet and cash flow statement together with any management discussion and analysis related thereto and (ii) the balance of the CMM Loan and cash balance for CMM.

12.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to Listing*) or (ii) to inform of such Listing Failure Event, only default interest in accordance with paragraph (c) of Clause 8.2 will accrue as long as such Listing Failure Event is continuing.

12.5 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) promptly send to the Bond Trustee copies of all documents sent by the Issuer to its shareholders generally (or any class of them);
- (e) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (f) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (g) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (h) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13 (*General and financial Undertakings*).

13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out at the date of these Bond Terms if a failure to do so would have a Material Adverse Effect.

13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time if a failure to do so would have a Material Adverse Effect

13.3 Continuation of business

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

13.4 Corporate status

The Issuer shall not, and shall procure that no other Restricted Group Company or EVA Subsidiary will, change its jurisdiction of incorporation outside of British Columbia (Canada) or Australia, as applicable.

13.5 Mergers

- (a) The Issuer shall not, and shall procure that no Group Company not being a Restricted Group Company will, carry out any merger or other business combination or corporate reorganisation involving the consolidation of any of their assets and obligations, if such merger or combination would have a Material Adverse Effect, and always provided that if such merger or combination involves the Issuer, the Issuer shall be the surviving entity.
- (b) The Issuer shall procure that no other Restricted Group Company will carry out any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of any other entity, except for the CMM Reorganisation.

13.6 De-mergers

- (a) The Issuer shall procure that no Group Company not being a Restricted Group Company will, carry out any demerger or other corporate reorganisation having the same or equivalent effect as a demerger, if such demerger or reorganisation would have a Material Adverse Effect.
- (b) The Issuer shall not carry out, and procure that no other Restricted Group Company carries out, any demerger or other corporate reorganisation having the same or equivalent effect as a demerger or reorganisation involving a Restricted Group Company.

13.7 Financial Indebtedness

The Issuer shall not, and shall procure that no other Restricted Group Company or EVA Subsidiary will, incur or allow to exist any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness other than any Permitted Financial Indebtedness.

13.8 Negative pledge

The Issuer shall not, and shall procure that no other Restricted Group Company or EVA Subsidiary will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future) other than any Permitted Security.

13.9 Financial support

The Issuer shall not, and shall procure that no other Restricted Group Company or EVA Subsidiary will, be a creditor in respect of any Financial Support to or for the benefit of any person other than any Permitted Loan, any Permitted Guarantee or Permitted Security.

13.10 Transfers to Group Companies

The Issuer shall not, and shall procure that no other Restricted Group Company will make any equity investment, in cash or in kind, to any member of the Group not being a Restricted Group Company, other than any Permitted Transfer.

13.11 Disposals

- (a) The Issuer shall procure that no Group Company not being a Restricted Group Company or a EVA Subsidiary will, sell, transfer or otherwise dispose of all or substantially all of its assets (including shares or other securities in any person) or operations, if such sale, transfer or disposal would have a Material Adverse Effect.

- (b) The Issuer shall not, and shall procure that no other Restricted Group Company or EVA Subsidiary will sell, transfer or otherwise dispose of any shares or other assets, or otherwise dilute their ownership in or to, including without limitation mining tenements or other assets of or related to the Copper Mountain Mine or the EVA Project, other than a Permitted Disposal.

13.12 Related party transactions

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall, and shall procure that each other Group Company will, conduct all business transactions with any Affiliate on an arm's length basis.

13.13 Transaction Security

The Issuer shall procure that the Transaction Security remains valid, binding and enforceable

13.14 CMM Loan

The Issuer shall procure that the CMM Loan and CMM Loan Security remains valid, binding and enforceable and that no material change or waiver is made to or under the CMM Loan, in respect of any Security related to such loan or any CMM Finance Document, provided that:

- (a) any change or waiver of the terms set out in Attachment 3 (*CMM Loan Terms*) under the headings Borrower, Lender, Amount (save of any increase thereof), Maturity Date, Interest rate and interest payment, Repayment, Use of Proceeds; or
- (b) any amendment to (other than amendments of a clerical or administrative nature which have no adverse effect on the rights or interests of the secured party) or release of any security document thereunder; or
- (c) any release or discharge of the lien of the Security against any asset or interest,

shall always be considered material.

13.15 Additional Guarantors

The Issuer shall procure that any Subsidiary which becomes an EVA Subsidiary issues a Guarantee in favour of the Security Agent (together with such resolutions, constitutional documents and legal opinions as the Bond Trustee may reasonably require in that respect) within 20 Business Days after such Subsidiary became an EVA Subsidiary.

13.16 CMM Reorganisation

The Issuer shall use its best endeavours to complete the CMM Reorganisation.

13.17 Ownership

The Issuer shall maintain:

- (a) direct ownership over not less than 75% of the shares, and control not less than 75% of the voting rights, of CMM and, subject to the CMM Reorganisation, Similco Finance Ltd, Princeton GP Ltd and Copper Mountain Mine Limited Partnership;

- (b) direct ownership over all of the shares, and control over all of the voting rights, of the Management Company; and
- (c) direct or indirect ownership over more than 50% of the shares, and control, directly or indirectly, more than 50% of the voting rights of each EVA Subsidiary.

13.18 Distributions

- (a) The Issuer shall not make any Distributions to its shareholders.
- (b) The Issuer shall procure that no Subsidiary will make any Distributions other than a Permitted Distribution.

13.19 Investments

The Issuer shall procure that all investment related to:

- (a) the Copper Mountain Mine, including the acquisition of any assets relating thereto, shall be made in and remain with CMM, and that all such assets are subject to the CMM Loan Security (as amended, supplemented, extended and perfected from time to time); and
- (b) the EVA Project, including the acquisition of any assets relating thereto, shall be made in and remain with an EVA Subsidiary

13.20 Mining business

The Issuer shall ensure that all mineral claims and mining leases related to the ownership and operations of the Copper Mountain Mine and all related assets are held by CMM in good standing, and shall not render any mineral claims and mining leases liable to forfeiture or revocation, and not surrender, relinquish or amalgamate any part of any such mineral claims and mining leases other than those that are not necessary in the ordinary course of business or for the operation of the Copper Mountain Mine. The Issuer shall furthermore procure that all business operations and activities relating to the Copper Mountain Mine are conducted by CMM, and that both the Copper Mountain Mine and the EVA Project are conducted in material compliance with all applicable laws and good industry practices.

13.21 Inspection

The Issuer shall, and shall procure that each other Restricted Group Company will, following an Event of Default, allow the Security Agent or its representatives to have access at reasonable times on customary terms to all premises of the Issuer and CMM and (at the Issuer's cost) to inspect the assets and activities at the Copper Mountain Mine.

13.22 Insurances

The Issuer shall, and shall procure that each other Restricted Group Company and EVA Subsidiary will, maintain insurances on and in relation to its material business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business, including but limited to loss of profit insurance (for full coverage and subject to a grace period of maximum 30 days). All insurances must be with reputable independent insurance companies or underwriters.

13.23 Offtake Contracts

The Issuer shall procure that the Offtake Contracts remains with (as relevant) CMM or the EVA Subsidiaries, and that CMM and the EVA Subsidiaries will, perform and observe in all material respects all of its covenants and agreements contained in any Offtake Contracts to which it is or becomes a party or of which it is or becomes the holder, and take all reasonably necessary action to prevent the termination of any such Offtake Contracts, other than by expiration of the term of such Offtake Contract or other termination in accordance with the terms thereof.

13.24 Transfers to the DSR Account

- (a) The Issuer shall transfer a minimum amount corresponding to the sum of 1/6 of the next semi-annual interest payment on the Outstanding Bonds from time to time and 1/6 of the next Scheduled Amortisation (excluding the bullet payment on the Maturity Date) each month until the total amount deposited on the DSR Account corresponds to the sum of the interest and Scheduled Amortisation due on the next Interest Payment Date.
- (b) The first transfer to the DSR Account shall be made on the day falling one month following the Issue Date.
- (c) The Issuer shall have the right to use funds deposited on the DSR Account for the purpose of funding interest payments and Scheduled Amortisations on each Interest Payment Date, following which the Issuer shall again transfer funds to the account as described above under paragraph (a) until the total deposited amount on the account correspond to the amount of interest and Scheduled Amortisation due on the next Interest Payment Date.

13.25 Financial covenants

The Issuer shall, and shall procure that each other relevant Restricted Group Company will, comply with the following:

- (a) **Issuer Liquidity:** Subject to Liquidity Covenant Step-up, the Issuer shall on an unconsolidated basis maintain a minimum Liquidity of USD 10,000,000.
- (b) **CMM Liquidity:** The Issuer shall ensure that CMM maintains a minimum Liquidity of CAD 10,000,000.

The above financial covenants shall be measured as at each Quarter Date each year, such compliance to be certified by the Issuer in each Compliance Certificate to be delivered under Clause 12.2 (*Requirements as to Financial Reports*). The Issuer shall further, in each Compliance Certificate, report the Leverage Ratio as per the relevant Quarter Date.

13.26 Liquidity Covenant Step-up

In case any Compliance Certificate shows that the Leverage Ratio exceeds 4.00 : 1.00, the Issuer shall, from the date of such Compliance Certificate until the date of a more recent Compliance Certificate evidencing a Leverage Ratio not exceeding 4.00 : 1.00, on an unconsolidated basis maintain a minimum Liquidity of an amount equal to (i) USD 25,000,000 less (ii) an amount equal to the amount deposited on the Debt Service Retention Account.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) Non-payment

A Restricted Group Company or an EVA Subsidiary fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

(b) Breach of other obligations

A Restricted Group Company or an EVA Subsidiary does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) Misrepresentation

Any representation, warranty or statement (including statements in Compliance Certificates) made by a Restricted Group Company or an EVA Subsidiary under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) Cross default

If for a Restricted Group Company or an EVA Subsidiary:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 25,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

A Restricted Group Company or an EVA Subsidiary:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganization; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform the Issuer's payment obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph 14.1 (d) (*Cross default*) above; or
 - (E) for (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

however this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of a Restricted Group Company or an EVA Subsidiary having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for a Restricted Group Company or an EVA Subsidiary to perform or comply with any of its obligations under the Finance Documents or the CMM Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or

- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date);

- (a) for any Event of Default arising out of a breach of Clause 14.1 (*Events of Default*) paragraph (a) (*Non-payment*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to Clause 17.1 (*Procedure for amendments and waivers*) paragraph (a), section (i) and (ii), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the

website of the Bond Trustee (alternatively by press release or other relevant information platform).

- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt with regard to whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.

- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15 (*Bondholders' decisions*), a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial

meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting Rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5 (*Written Resolution*),shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority (the "**Voting Period**"), which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons.
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or paragraph (f) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet

expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the close of business on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Group Company unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.

- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee will ensure that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,
 will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefor) as it may reasonably require.
- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be

responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts; or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any of the Finance Documents which the Bond Trustee reasonably believes may constitute or lead to a breach of any of the Finance Documents or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any other Group Company, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond

Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.

- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5 (*Replacement of the Bond Trustee*), initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5 (*Replacement of the Bond Trustee*). The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

16.6 Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.

- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require the Issuer and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered

authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17 (*Amendments and waivers*), setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with Clause 17.1(a)(i) (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

- (a) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (b) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written

notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.

- (c) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter, e-mail or fax. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received;
 - (iii) if by fax, when received; and
 - (iv) if by publication on a relevant information platform, when published.
- (d) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone and fax numbers and contact persons.
- (e) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.1 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and
 - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

- (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*);
 - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
 - (C) any Relevant Group Company shall be released from any Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.1 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Relevant Group Company or any of their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

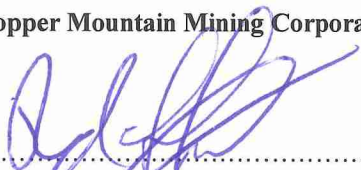
19.4 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
 - (i) irrevocably appoints Advokatfirmaet Thommessen AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
 - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

* * *

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

| | |
|--|--|
| The Issuer: Copper Mountain Mining Corporation  By: <i>Rod Shier</i> Position: <i>CFO</i> | As Bond Trustee and Security Agent: Nordic Trustee AS By: Position: |
|--|--|



By: Gilmour (Gil) Clausen
Position: President and Chief Executive Officer

19.4 Service of process


- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
 - (i) irrevocably appoints Advokatfirmaet Thommessen AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
 - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.

- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

* * *

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

| | |
|--|---|
| <p>The Issuer:</p> <p>Copper Mountain Mining Corporation</p> <p>.....</p> <p>By:</p> <p>Position:</p> | <p>As Bond Trustee and Security Agent:</p> <p>Nordic Trustee AS</p> <p></p> <p>.....</p> <p>By: Olav Slagsvold</p> <p>Position: Authorised signatory</p> |
|--|---|

**ATTACHMENT 1
COMPLIANCE CERTIFICATE**

[date]

**Copper Mountain Mining Corporation 8% senior secured USD 250,000,000 bonds 2021/2026 ISIN
NO0010968415**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*) we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

The financial covenants set out in Clause 13.25 (*Financial covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

Copper Mountain Mining Corporation

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

ATTACHMENT 2
RELEASE NOTICE – ESCROW ACCOUNT

[date]

Dear Sirs,

Copper Mountain Mining Corporation 8% senior secured USD 250,000,000 bonds 2021/2026 ISIN NO0010968415

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw an amount of [currency and amount] from the Escrow Account applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (ii) we repeat the representations and warranties set out in the Bond Terms as being still true and accurate in all material respects at the date hereof.

Yours faithfully,

Copper Mountain Mining Corporation

Name of authorized person

Enclosure: [copy of any written documentation evidencing the use of funds]

ATTACHMENT 3 CMM LOAN TERMS

The CMM Loan shall be entered into on terms acceptable to the Bond Trustee, including:

- Borrower:** Copper Mountain Mine (BC) Ltd ("CMM").
- Lender:** Copper Mountain Mining Corporation ("CMMC").
- Amount:** Up to USD 260,000,000 (or such higher amount as may be agreed between the Borrower and the Lender from time to time).
- Maturity Date:** 4 years and 11 months after the Issue Date.
- Interest rate and interest payment:** 5.565% annually and to be paid as part of quarterly repayment.
- Repayment:** Any cash above CAD 30,000,000 in the Borrower may at CMMC's discretion be used for repayment. Repaid amounts may be redrawn.
- Prepayment penalty:** None.
- Status:** Senior Secured.
- Use of proceeds:** The proceeds from the CMM Loan shall, together with the cash on hand of CMM, be applied as follows:
- (a) repayment of the Senior Loan Facility in full, in an approximate principal amount of USD 70,000,000;
 - (b) repayment of the Subordinated Loan in full, in an approximate amount (principal and interest) of USD 12,000,000;
 - (c) repayment of the Mitsubishi Shareholder Loans in full (in approximate aggregate amount (principal and interest) of USD 132,000,000), which shall be effected through partial repayment of the Similco Loans;
 - (d) payment of the Mitsubishi Distribution (in an approximate amount (principal and interest) of USD 13,000,000), which shall be effected through partial repayment of the Deferred Tolling Fee;
 - (e) repayment of the JBIC Facility in full (in an approximate principal amount of USD 32,000,000), which shall be effected through partial repayment of the Similco Loans; and
 - (f) (f) repayment of the CMMC Shareholder Loans in full (in approximate aggregate principal amount of USD 28,000,000), which shall be effected by both direct repayment and through partial repayment of the Similco Loans.

For greater certainty, each of the foregoing payments (to the extent not already stated to be inclusive of interest) shall be made together with all accrued and unpaid interest on the amount being repaid, and shall be effected in the manner described in Section

2.3 of the Bond Terms.

**CMM Loan
Security:**

First ranking security interest over all present and after-acquired property of whatever kind of CMM including the following, each in a form acceptable to the Bond Trustee:

- (a) a general security agreement granted by CMM charging all present and after-acquired real and personal property, assets and undertakings of whatsoever nature, character and kind, including without limitation accounts, intercompany-loans, permits, contracts and insurance; and
- (b) a charge over all owned and/or leased real property of CMM; and
- (c) a charge over all mineral claims, mining leases and fee simple properties comprising the Copper Mountain Mine.

**Undertakings /
Covenants:**

Confirmation of payout and full and final release of all security interests granted to secure all obligations under the Senior Loan Facility at First Release, and payout in full of the JBIC Facility upon the Second Release.

Undertakings and covenants consistent with those of the Issuer to the Bond Trustee, amended as necessary.

Other relevant restrictions and covenants as applicable under the Bonds in respect of CMM.

No netting:

No netting or set-off of other claims.