

**GUINEA FARAFINA INVESTMENT INC.**

**PERITIMOS INVESTMENTS LIMITED**

**MR ILIA KARAS**

**MR NUMUKEH TUNKARA**

as Sellers

and

**FARAFINA GOLD GROUP S.A.**

as Purchaser

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**AGREEMENT**

**relating to the sale of shares of**

**FARAFINA MINERAL SARL**

**FARAFINA RESSOURCES SARL**

**LIONS HEAD RESOURCES (GUINEA) – SARL**

**KANGUELA MINING COMPANY – SARL**

**TIGER RESOURCE SARL**

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20 August 2018

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**SCHEDULES**

**Schedule (A):** Companies

**Schedule (B):** Template of Reiterative Instrument

**THIS AGREEMENT** is entered into on 20 August 2018.

**BY AND BETWEEN:**

1. **GUINEA FARAFINA INVESTMENT INC.**, a company incorporated under the laws of Panama, registered on 21 October 2014 with the mercantile section of the trade and companies registry of Panama, Microjacket 847172, document 2693820, duly represented for the purposes hereof,
2. **PERITIMOS INVESTMENTS LIMITED**, a company incorporated under the laws of Cyprus having its registered office at 84 Spyrou Kyprianou, 4004 Limassol, Cyprus, registered with the trade and companies registry of Cyprus under number HE357312, duly represented for the purposes hereof,
3. **MR ILIA KARAS**, born on 19 December 1948 in URSS, residing at 2a, 3 Fihtegasse, Vienna 10, Austria, Belizean nationality,
4. **MR NUMUKEH TUNKARA**, born on 5 December 1977 à Svensk (Suède), residing at Gbessia port2, Comune de Matoto, Conakry, Guinea, Guinean nationality,

hereinafter referred to as the **Sellers**,

**OF THE FIRST PART,**

**AND:**

5. **FARAFINA GOLD GROUP SA**, incorporated under the laws of the Republic of Guinea, having its registered office at Immeuble Mamou, 6<sup>th</sup> floor, Cité Chemin de fer, Commune de Kaloum, Conakry – Republic of Guinea, registered with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry (Guinea) under number RCCM/GN.KAL.2018.B.082 318, duly represented for the purposes hereof,

hereinafter referred to as the **Purchaser**,

**OF THE SECOND PART,**

The Sellers and the Purchaser are hereinafter collectively referred to as the **Parties**, and individually as a **Party**.

**WHEREAS:**

- (A) On the date hereof, the Sellers owns 100% of the shares of the Guinean companies listed in **Schedule (A)**, i.e. Farafina Mineral, Farafina Ressources, Lions Head Resources, Kanguela Mining Company and Tiger Resource (hereinafter collectively referred to as the **Companies**, and individually as a **Company**).
- (B) The Companies are primarily engaged in the acquisition, exploration and evaluation of mineral assets in the Republic of Guinea.
- (C) On the date hereof, the share capital of each Company amounts to GNF 10,000,000, divided into 100 shares with a par value of GNF 100,000, representing the entire share

capital and voting rights of each Company allocated as follows:

Shareholder	Number of shares of each Company	% of the share capital of each Company
Guinea Farafina Investments Inc.	60	60%
Mr. Iliia Karas	15	15%
Mr. Numukeh Tunkara	10	10%
Peritimos Investments Limited	15	15%
<b>Total</b>	<b>100</b>	<b>100%</b>

- (D) The Purchaser has informed the Sellers of its intent to acquire:
- (i) 100 shares of Farafina Mineral numbered from 1 to 100, representing 100% of its share capital and voting rights (the *FM Shares*);
  - (ii) 100 shares of Farafina Ressources numbered from 1 to 100, representing 100% of its share capital and voting rights (the *FR Shares*);
  - (iii) 100 shares of Lions Head Resources numbered from 1 to 100, representing 100% of its share capital and voting rights (the *LHR Shares*);
  - (iv) 100 shares of Kanguela Mining Company numbered from 1 to 100, representing 100% of its share capital and voting rights (the *KMC Shares*); and
  - (v) 100 shares of Tiger Resource numbered from 1 to 100, representing 100% of its share capital and voting rights (the *TR Shares*).

The FM Shares, the FR Shares, the LHR Shares, the KMC Shares and the TR Shares are collectively referred to as the *Shares* and individually as a *Share*.

- (E) As a consequence, the Sellers wish to sell the entirety of the Shares to the Purchaser and the Purchaser wishes to purchase such Shares from the Sellers. As a result, the Parties have agreed to proceed with the sale by the Sellers to the Purchaser of the entirety of the Shares (the *Sale*).
- (F) Following completion of the Sale, the share capital and voting rights of each Company shall be allocated as follows:

Shareholder	Number of shares of each Company	% of the share capital of each Company
Farafina Gold Group S.A.	100	100%
<b>Total</b>	<b>100</b>	<b>100%</b>

- (G) The Parties have consequently decided to enter into this agreement (the *Agreement*) in order to organize the terms and conditions of the Sale.

**NOW THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:**

**ARTICLE 1. DEFINITIONS AND INTERPRETATION**

## 1.1 Definitions

Capitalized terms and expressions, whether used in the singular or plural form, shall have, for the purposes hereof, the meaning assigned to them in this Article, unless the context otherwise requires.

**Agreement** means this agreement, including its Recitals and its Schedules, which form an integral part thereof.

**Articles** means the articles of this Agreement.

**Companies** means the companies listed in Schedule (A).

**Completion** means the completion of the sale and purchase of the Shares in accordance with the terms of this Agreement.

**Completion Date** means the date of signature of this Agreement.

**Confidential Information** has the meaning ascribed to it in **Article 7.4** below.

**Consents and Approvals** means any notice, report or other filing required to be made, or any consent, registration, approval, permit or authorization required to be obtained from any Governmental Authority.

**Farafina Mineral** has the meaning ascribed to it in Schedule (A).

**Farafina Ressources** has the meaning ascribed to it in Schedule (A).

**FM Shares** has the meaning ascribed to it in the Recitals.

**FR Shares** has the meaning ascribed to it in the Recitals.

**Governmental Authority** means any national state, local or territorial authority having jurisdiction over the Companies and any regulatory or administrative authority, agency, commission, court, tribunal or judicial body exercising executive, legislative, judicial, regulatory or administrative functions.

**Kanguela Mining Company** has the meaning ascribed to it in Schedule (A).

**KMC Shares** has the meaning ascribed to it in the Recitals.

**Law** means any law, statute, regulation, rule, order or decree of any Governmental Authority (including any judicial or administrative interpretation thereof) in force, fully implemented and enforceable as of the Completion Date.

**Lien** shall mean any lien, pledge, guarantee, charge, claim, mortgage, put or call option, pre-emption right, right of first refusal, security interest, encumbrance, security interest or surety or other limitation or restriction on any right (including any restriction on the voting rights or right to sell or otherwise dispose of securities).

**Lions Head Resources** has the meaning ascribed to it in Schedule (A).

**LHR Shares** has the meaning ascribed to it in the Recitals.

**OHADA Revised Uniform Act** means revised the Acte Uniforme OHADA portant organisation du droit des sociétés commerciales et du GIE adopted on 30 January

2014.

**Party(ies)** has the meaning ascribed to it in the identification of the Parties to this Agreement.

**Purchaser** has the meaning ascribed to it in the identification of the Parties to this Agreement.

**Recitals** means the recitals to this Agreement, which form an integral part thereof.

**Reiterative Instrument** means any reiterative instrument (*acte réitératif*) to be entered into between the Parties on the Completion Date in respect of the Sale of the Shares of each Company, for the purposes of registration and enforceability formalities, which shall be drafted under the same terms and conditions as those of the template appended as **Schedule (B)**.

**Sale** has the meaning ascribed to it in the Recitals.

**Schedule(s)** means any schedule to this Agreement.

**Sellers** has the meaning ascribed to it in the identification of the Parties to this Agreement.

**Shares** has the meaning ascribed to it in the Recitals.

**Shares Price** has the meaning ascribed to it in **Article 2.2.1** below.

**Tax** means all taxes, direct or indirect, levies, fees, duties, contributions, impositions, or charges, including without limitation corporate income tax, withholding tax, local taxes, value added tax, registration duties, customs duties, social contributions, payable by the Companies in accordance with the tax, custom and social security Laws and regulations applicable to the Companies, including interest, penalties, costs and other related charges.

**Tiger Resource** has the meaning ascribed to it in **Schedule (A)**.

**TR Shares** has the meaning ascribed to it in the Recitals.

## **1.2 Interpretation**

**1.2.1** Any references to the Agreement are to the Agreement and its Schedules, which form part of this Agreement, and any references to Recitals, Articles, paragraphs and Appendices are to Recitals, Articles, paragraphs and Schedules of the Agreement.

**1.2.2** The singular of defined terms includes the plural and vice versa.

**1.2.3** Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or modified and in effect from time to time in accordance with its terms.

**1.2.4** A reference to any Party to this Agreement or any other agreement or document shall include such Party's legal successors and permitted assigns.

**1.2.5** Subsequent to the signature hereof, no prior drafts of this Agreement may in the event of litigation arising be used for any purpose including showing the intention of the

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Parties.

- 1.2.6** Save where the context otherwise requires, a reference to a statutory provision shall include a reference to that statutory provision as from time to time amended, replaced or codified to the extent such amendment, replacement or codification is applicable to or may be applicable to the transactions set out by the Agreement.

## **ARTICLE 2. SALE AND PURCHASE OF THE SHARES**

### **2.1 Acquisition**

- 2.1.1** Upon the terms and subject to the conditions of this Agreement, the Sellers hereby agree to sell to the Purchaser, and the Purchaser hereby agrees to purchase from the Sellers, on the Completion Date, the Shares, free and clear from any Lien, together with the rights and obligations attaching thereto.

- 2.1.2** The ownership of the Shares shall be transferred to the Purchaser on the Completion Date upon and subject to the payment by the Purchaser of the Shares Price to the Sellers in accordance with **Article 2.2** below. As a result, the Purchaser shall have, as from Completion, full title to the entirety of the Shares, free and clear from any Lien.

- 2.1.3** The Purchaser shall, as from Completion, be subrogated vis-à-vis the Companies in all the rights and actions attached to the Shares as of the Completion Date. Consequently, as from the Completion Date, any dividends, interim dividends or any other income deriving from the Shares that is processed for distribution, whatever the origin of the allocations and date on which the distribution has been decided, shall benefit the Purchaser exclusively and entirely.

- 2.1.4** The respective obligations of the Parties to complete the Sale are not subject to the satisfaction of any conditions precedent.

### **2.2 Purchase Price**

- 2.2.1** In consideration for the Sale of the Shares, the Purchaser shall pay to the Sellers, on the Completion Date, a global, fixed and definitive price of fifty millions Guinean Francs (GNF 50,000,000) for the entirety of the Shares (the *Shares Price*) in accordance with the following allocation:

<b>Shares</b>	<b>Shares Price</b>
FM Shares	<b>10,000,000 GNF</b>
FR Shares	<b>10,000,000 GNF</b>
LHR Shares	<b>10,000,000 GNF</b>
KMC Shares	<b>10,000,000 GNF</b>
TR Shares	<b>10,000,000 GNF</b>
<b>Total</b>	<b>50,000,000 GNF</b>

- 2.2.2** Payment of the Shares Price shall be made in cash by the Purchaser to the Sellers on

the Completion Date.

- 2.2.3** Each Seller shall receive a proportion of the Purchase Price pro rata to its interests in the Companies. The Purchase Price shall therefore be divided in accordance with the following allocation:

<b>Seller</b>	<b>% of the share capital of each Company</b>	<b>Allocation of the Purchase Price to each Seller</b>
Guinea Farafina Investments Inc.	60%	30.000.000 GNF
Mr. Ilia Karas	15%	7.500.000 GNF
Mr. Numukeh Tunkara	10%	5.000.000 GNF
Peritimos Investments Limited	15%	7.500.000 GNF
<b>Total</b>	<b>100 %</b>	<b>50.000.000 GNF</b>

### **ARTICLE 3. COMPLETION**

Completion shall take place as follows, by the performance by the relevant Party of the actions set out in this **Article 3**, all to be deemed performed and consummated simultaneously, so that, in the event that one act or action is not performed or consummated, Completion (and therefore the transfer of the Shares and the payment of the Shares Price) shall not take place.

#### **3.1 Obligations of the Sellers**

On the Completion Date, the Sellers shall deliver the following documents to the Purchaser:

- (i) a copy of the minutes of the resolutions of the shareholders' general meeting of Farafina Mineral deciding *inter alia* to amend the articles of association of Farafina Mineral so as to record the completion of the Sale of the FM Shares to the Purchaser;
- (ii) a copy of the minutes of the resolutions of the shareholders' general meeting of Farafina Ressources deciding *inter alia* to amend the articles of association of Farafina Ressources so as to record the completion of the Sale of the FR Shares to the Purchaser;
- (iii) a copy of the minutes of the resolutions of the shareholders' general meeting of Lions Head Resources deciding *inter alia* to amend the articles of association of Lions Head Resources so as to record the completion of the Sale of the LHR Shares to the Purchaser;
- (iv) a copy of the minutes of the resolutions of the shareholders' general meeting of Kanguela Mining Company deciding *inter alia* to amend the articles of association of Kanguela Mining Company so as to record the completion of the Sale of the KMC Shares to the Purchaser; and



- (v) a copy of the minutes of the resolutions of the shareholders' general meeting of Tiger Resource deciding *inter alia* to amend the articles of association of Tiger Resource so as to record the completion of the Sale of the TR Shares to the Purchaser.

### 3.2 Obligations of the Purchaser

On the Completion Date, the Purchaser shall pay the Shares Price in accordance with **Article 2.2** above and the Sellers shall acknowledge, upon receipt of such payment, that they have received full payment of the Shares Price on the Completion Date.

### 3.3 Obligations of the Parties

On the Completion Date, the Parties shall execute:

- (i) the Reiterative Instrument in respect of the Sale of the FM Shares;
- (ii) the Reiterative Instrument in respect of the Sale of the FR Shares;
- (iii) the Reiterative Instrument in respect of the Sale of the LHR Shares;
- (iv) the Reiterative Instrument in respect of the Sale of the KMC Shares; and
- (v) the Reiterative Instrument in respect of the Sale of the TR Shares.

## ARTICLE 4. NOTIFICATION OF THE SALE TO THE GUINEAN AUTHORITIES

Following Completion, the Parties shall take all actions reasonably necessary to ensure the timely notification of the Sale of the Shares of each Company to the Ministry of Mines of the Republic of Guinea (*Ministre en charge des Mines de la République de Guinée*), in accordance with article 90 of the amended 2011 Mining Code (*Code Minier*) of the Republic of Guinea.

## ARTICLE 5. REPRESENTATIONS AND WARRANTIES OF THE SELLER

The representations and warranties provided for under this **Article 5** constitute the only representations and warranties made and given by the Sellers in connection with the Sale of the Shares, to the exclusion of any other express or implied, oral or written representation or warranty.

Such representations and warranties are true and accurate on the Completion Date.

### 5.1 Organization; Authority and enforceability

Each Seller represents that:

- (i) it has been duly incorporated, it validly exists and conducts its business activities in accordance with the Laws and regulations applicable to it;
- (ii) it has all powers and full capacity to execute this Agreement;
- (iii) the execution of the Agreement, its performance and the completion of the Sale have been validly authorized by its competent corporate bodies when necessary;

- (iv) the Agreement constitutes a set of rights and obligations being enforceable against it; and
- (v) it has not been and is not subject to any procedure instituted in connection with bankruptcy procedure (or any similar procedure), is not in a state of insolvency and has not suspended its payments in favor of any third party.

## 5.2 Organisation – Operations

- (i) Each of the Companies is a business entity duly organised and validly existing under the Laws and regulations applicable in the Republic of Guinea and has all the requisite power and authority to own its assets and to carry on its business as now conducted.
- (ii) Since their incorporation, the activity of the Companies (a) has been and is in compliance with the corporate purpose mentioned in their articles of association and (b) has been carried out within the normal and ordinary course of its business consistently with past practice.
- (iii) Since their incorporation, the Companies have never had and do not have any subsidiary or equity interest in any other entity whatsoever.
- (iv) The copy of the articles of association of the Companies and copies of all relevant resolutions delivered to the Purchaser are true and complete copies and the Companies have complied with all the provisions of their articles of association.

## 5.3 Insolvency

None of the Companies has been and is subject to any procedure instituted in connection with bankruptcy procedure (or any similar procedure under the OHADA Law), is in a state of insolvency and has suspended its payments in favor of any third party.

## 5.4 Share capital

- (i) Each of the Companies has an issued share capital of GNF 10,000,000, divided into 100 shares of GNF 100,000 nominal value each, allocated among the Sellers, as described in the table referred to in **Recital (C)**. Following Completion, the share capital and voting rights of each Company shall be fully allocated to the Purchaser as described in the table referred to in **Recital (F)**.
- (ii) All of the existing shares of the Companies are validly issued, fully paid up and free and clear from any Liens or other charge for the benefit of third parties.
- (iii) The FM Shares sold to the Purchaser pursuant to this Agreement represent one hundred percent (100%) of the share capital and voting rights of Farafina Mineral.
- (iv) The FR Shares sold to the Purchaser pursuant to this Agreement represent one hundred percent (100%) of the share capital and voting rights of Farafina Ressources.

- (v) The LHR Shares sold to the Purchaser pursuant to this Agreement represent one hundred percent (100%) of the share capital and voting rights of Lions Head Resources.
- (vi) The KMC Shares sold to the Purchaser pursuant to this Agreement represent one hundred percent (100%) of the share capital and voting rights of Kanguela Mining Company.
- (vii) The TR Shares sold to the Purchaser pursuant to this Agreement represent one hundred percent (100%) of the share capital and voting rights of Tiger Resource.
- (viii) There are no shares or other securities or equity interests of the Companies issuable upon conversion, exchange or one hundred percent (100%) of any security or pursuant to any other agreement or undertaking not disclosed to the Purchaser.

#### **5.5 Ownership of the Shares**

- (i) Each Seller has full ownership and the free disposal of the Shares sold to the Purchaser pursuant to this Agreement, which are free and clear from any Lien or other charge for the benefit of third parties.
- (ii) The Shares sold to the Purchaser pursuant to this Agreement are freely transferrable without any restrictions whatsoever, subject to the provisions of the articles of association of the Companies.
- (iii) The Shares sold to the Purchaser pursuant to this Agreement are not subject to any dispute, request or claim.

#### **5.6 Consent and Approvals**

All Consents and Approvals required for the carrying on of each of the Companies' activities have been obtained and are in full force and effect, and the activities of the Companies are carried out in accordance with such Consents and Approvals.

No proceedings of any nature whatsoever have been undertaken which may result in the withdrawal, suspension or modification of any of the Consents and Approvals referred above, nor are any such proceedings threatened, to the Sellers' knowledge.

#### **5.7 Compliance with Law**

To the Sellers' knowledge, the Companies are in compliance with the Laws applicable to their respective operations, in all material respects. Neither the Sellers nor the Companies have received any written notice asserting a material failure to comply with any Law applicable to the Companies.

#### **5.8 Employees**

The Companies have not and has never had any employees.

## 5.9 Taxes

Since their incorporation, the Companies have always been in compliance with Tax Law and are up-to-date with their Tax obligations, in all material respects. Tax returns of the Companies have always been filed properly and within time limits and do not contain any material mistakes, errors or omissions.

The Companies have not been subject and are not subject to any ongoing Tax reassessment, audit or court proceedings in relation to payment of or liability for any Tax. The Companies have not received any written notice of a Tax investigation or of a claim for re-assessment of Taxes.

## 5.10 Litigation

There are no judicial, administrative or arbitration proceedings involving the Companies or, to the Sellers' knowledge, threatened against the Companies.

## ARTICLE 6. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser makes the following representations and gives the following warranties for the benefit of the Sellers, which are true and accurate on the Completion Date:

- (i) it has been duly incorporated, it validly exists and conducts its business activities in accordance with the laws and regulations that are applicable to it;
- (ii) it has all powers and full capacity to execute this Agreement;
- (iii) the execution of the Agreement, its performance and the completion of the Sale have been validly authorized by all of its corporate bodies, when necessary;
- (iv) the Agreement constitutes a set of rights and obligations being enforceable against it; and
- (v) it has not been and is not subject to any procedure instituted in connection with bankruptcy procedure (or any similar procedure), is not in a state of insolvency and has not suspended its payments in favor of any third party.

## ARTICLE 7. GENERAL PROVISIONS

### 7.1 Cooperation

The Parties shall take all actions reasonably necessary to ensure the timely implementation of the Sale, and all other measures contemplated by this Agreement and shall cooperate in good faith in all relevant matters.

In the event that at any time after the Completion any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further actions as any other Party may reasonably request.

### 7.2 Costs - Expenses

Unless otherwise expressly provided in this Agreement (and, in particular, subject to **Article 7.3** below with respect to the payment of transfer taxes (*droits*

*d'enregistrement*) which shall be borne by the Purchaser), each Party shall bear all costs and expenses incurred by it in connection with the Sale or its consequences, including and without limitation, the fees and expenses of any lawyers, advisers, accountants or any persons hired by the said Party.

### 7.3 Registration – Enforceability

The Sale shall be registered within the legal time limits with the competent Tax collection office by the Purchaser, which shall be liable for the performance of the obligations and formalities resulting from the Sale and the payment of the transfer taxes (*droits d'enregistrement*) in respect of the Sale.

Pursuant to the provisions of article 317 of the OHADA Revised Uniform Act relating to commercial companies and economic interests group dated 30 January 2014, the Sale of the Shares of each Company shall be enforceable:

- (i) against the relevant Company, once one of the formalities provided for in article 317 of the OHADA Revised Uniform Act is accomplished;
- (ii) against third parties, following accomplishment of one of the above-mentioned formalities, amendment of the articles of association of the relevant Company and publication with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry.

For the purposes of the registration and the enforceability formalities relating to the Sale, the Parties shall enter into a Reiterative Instrument in respect of the Sale of the Shares of each Company. However, in the event of any ambiguity or conflict between this Agreement and any Reiterative Instrument, the terms of this Agreement shall prevail as between the Parties.

### 7.4 Confidentiality

7.4.1 Each Party undertakes to the other Parties that (unless the prior written consent of the other Parties shall first have been obtained) it shall, and shall procure that its officers, employees, advisers and agents shall keep strictly confidential and not disclose to any third-party any Confidential Information (as such term is defined below).

For the purposes of this **Article 7.4, Confidential Information** shall include:

- (i) the existence and contents of this Agreement and any other agreement or arrangement contemplated by this Agreement;
- (ii) information of whatever nature concerning the business, finances, assets, liabilities, dealings, transactions, know-how, customers, suppliers, processes or affairs of the other Parties;
- (iii) any information which is expressly indicated to be confidential or is imparted by one Party to the others in circumstances importing an obligation of confidence,

and which any Party may from time to time receive or obtain (orally or in writing or

in disk or electronic form) as a result of entering into, or performing its obligations pursuant to, this Agreement or otherwise.

**7.4.2** The confidentiality undertaking referred to in **Article 7.4.1** above shall not apply to disclosure by a Party of any Confidential Information:

- (i) to its directors, its officers, employees and agents, in each case, to the extent required to enable such Party to carry out its obligations under this Agreement and who shall in each case be made aware by such Party of its obligations under this Agreement and shall be required by such Party to observe the same restrictions on the use of the relevant information as are contained in this **Article 7.4**; or
- (ii) to its professional advisers who are bound to such Party by a duty of confidence which applies to any information disclosed; or
- (iii) to the extent required by applicable Law or by the regulations of any stock exchange or regulatory or supervisory authority to which such Party is subject to or pursuant to any order of court or other competent authority or tribunal; or
- (iv) to the extent that the relevant Confidential Information is in the public domain otherwise than by breach of this Agreement by such Party; or
- (v) which is disclosed to such Party by a third-party who is not in breach of any undertaking or duty as to confidentiality whether express or implied; or
- (vi) if such disclosure is made to any proposed transferee of the Shares, but provided that such proposed transferee has previously undertaken to abide by the terms of this Agreement; or
- (vii) which that Party lawfully possessed prior to obtaining it from the other.

**7.4.3** The Parties acknowledge and agree that except to the extent required by applicable Laws, they will mutually agree on the nature, content and timing of any and all publicity, public announcements, press releases or other public disclosures regarding this Agreement or the transactions contemplated herein (including, but not limited to, on any website).

**7.5 Rights of third parties**

No Party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party.

The provisions of this Agreement will be binding upon and inure to the benefit of the Parties, their heirs, their successors as a result of any merger, spin-off or similar restructuring and their permitted or legal assigns.

**7.6 Entire agreement**

This Agreement (together with its Schedules) represents and constitutes the entire agreement and understanding existing between the Parties relating to the subject

matter of this Agreement. This Agreement supersedes all prior negotiations, discussions, correspondence, communications, understandings and agreements between the Parties relating to the subject matter of this Agreement.

**7.7 Waivers and amendments – Absence of renegotiation**

No modification of or amendment to this Agreement shall be valid unless set forth in an instrument in writing signed by each of the Parties hereto. Any waiver of any term or condition of this Agreement must be set forth in an instrument in writing signed by the waiving Party and must refer specifically to the term or condition to be waived and to the circumstances of such waiver. No such waiver shall be deemed to constitute a waiver applicable either to other circumstances involving the same terms or conditions or to any other terms or conditions of this Agreement.

The Parties declare that they expressly accept all the risks resulting from, or originating from, or in connection with, the performance of this Agreement, including, inter alia, the fact that the performance of the Agreement would become unduly expensive as a result of any change in circumstances unforeseeable on the date hereof. Consequently, during the entire term of this Agreement, the Parties undertake, each for its own account, not to claim for the renegotiation of the Agreement (including by court order) pursuant to the provisions of article 1195 of the French civil Code and agree to bear all financial consequences likely to result from any such unpredictability within the meaning of such article.

**7.8 Severability**

If any provision of this Agreement is held to be invalid or unenforceable, in whole or in part, for any reason, it shall be adjusted rather than voided, if possible, in order to achieve the intent of the Parties to this Agreement. In any event, the invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of this Agreement, including that provision, in any other competent jurisdiction.

**7.9 Headings**

The headings in this Agreement are for convenience of reference only and shall not be deemed in themselves to have any contractual value or particular interpretation.

**7.10 Notices and communications**

**7.10.1** Any notice or other communication under this Agreement shall be directed to the relevant Parties under the following addresses:

**If to the Sellers, to:**

Guinea Farafina Investment Inc.  
Address: 2a, 3 Fihtegasse, Vienna 10, Austria  
Attention: Ilia Karas  
Email: ibailia@yahoo.com

Peritimos Investments Limited

Address: 84 Spyrou Kyprianou, 4004 Limassol, Cyprus

Attention: Artem Tarasyuk

Email: avt@forbesmanhattan.com.ua

Mr Ilia Karas

Address: 2a, 3 Fihategasse, Vienna 10, Austria

Email: ibailia@yahoo.com

Mr Numukeh Tunkara

Address: Gbessia port 2, Commune de Matoto, Conakry, Republic of Guinea

**If to the Purchaser, to:**

Farafina Gold Group S.A.

Address: Immeuble Mamou, 6<sup>th</sup> floor, Cité chemin de fer, Commune de Kaloum,

Conakry – Republic of Guinea

Attention: Ousmane Tunkara

Email: ousmane.tunkara@farafina.biz

or to such other addresses as the addressees shall indicate in accordance with the provisions of this **Article 7.10**.

**7.10.2** All notices and other communications required or permitted to be given or made pursuant to this Agreement shall be in writing in the English language and shall be:

- (i) delivered by hand against an acknowledgement of delivery dated and signed by the recipient and shall be deemed to have been duly given or made, in such case, on the date indicated on the acknowledgement of delivery dated and signed by the recipient; or
- (ii) sent by an overnight courier service of recognized international standing (all charges paid) and shall be deemed to have been duly given or made, in such case, on the date indicated on the acknowledgement of delivery dated and signed by the recipient; or
- (iii) sent by registered mail with return receipt requested and shall be deemed to have been duly given or made, in such case, on the date of the first presentation to the addressee; or
- (iv) sent by email and by overnight courier of recognized international standing or registered mail with return receipt requested sent no later than the business day following the date of sending of the email and shall be deemed to have been duly given or made, in such case, on the date of sending of the email if the email is sent before 6 p.m. (local time in the place of receipt), or the business day following the date of sending of the email if the email is sent after 6 p.m. (local time in the place of receipt).



**7.11 Governing Law**

This Agreement shall be governed by, and construed in accordance with, Guinean Law, in particular the OHADA Revised Uniform Act.

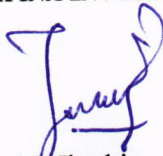
**7.12 Jurisdiction**

All disputes arising in connection with this Agreement, including its interpretation or performance, shall be submitted to the competent court of the Republic of Guinea.

Signed in Conakry on 20 August 2018,

In five (5) original copies,

**GUINEA FARAFINA INVESTMENT INC.**



Represented by Mr Ibrahima Bah

**PERITIMOS INVESTMENTS LIMITED**



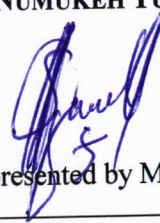
Represented by Mr Mamadou Woulen Barry

**M. ILIA KARAS**



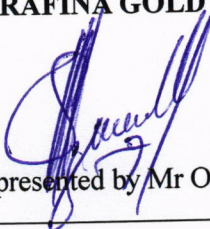
Represented by Mr Ibrahima Bah

**M. NUMUKEH TUNKARA**



Represented by Mr Ousmane Tunkara

**FARAFINA GOLD GROUP S.A.**



Represented by Mr Ousmane Tunkara

## SCHEDULE (A)

### Companies

1. **FARAFINA MINERAL SARL**, a *société à responsabilité limitée* with a share capital of GNF10,000,000 incorporated under the laws of the Republic of Guinea, having its registered office at Immeuble Mamou, 6<sup>th</sup> floor, Cité Chemin de fer, Commune de Kaloum, Conakry – Republic of Guinea, registered with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry under number RCCM/GC-KAL/041.896A/2012 (**Farafina Mineral**);
2. **FARAFINA RESSOURCES SARL**, a *société à responsabilité limitée* with a share capital of GNF10,000,000 incorporated under the laws of the Republic of Guinea, having its registered office at Immeuble Mamou, 6<sup>th</sup> floor, Cité Chemin de fer, Commune de Kaloum, Conakry – Republic of Guinea, registered with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry under number RCCM/GC-KAL/041.895A/2012 (**Farafina Ressources**);
3. **LIONS HEAD RESOURCES (GUINEA) - SARL**, a *société à responsabilité limitée* with a share capital of GNF10,000,000 incorporated under the laws of the Republic of Guinea, having its registered office at Immeuble Mamou, 6<sup>th</sup> floor, Cité Chemin de fer, Commune de Kaloum, Conakry – Republic of Guinea, registered with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry under number RCCM/GC-KAL/036.570A/2011 (**Lions Head Resources**);
4. **KANGUELA MINING COMPANY - SARL**, a *société à responsabilité limitée* with a share capital of GNF10,000,000 incorporated under the laws of the Republic of Guinea, having its registered office at Immeuble Mamou, 6<sup>th</sup> floor, Cité Chemin de fer, Commune de Kaloum, Conakry – Republic of Guinea, registered with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry under number RCCM/GC-KAL/067.089B/2016 (**Kanguela Mining Company**); and
5. **TIGER RESOURCE SARL**, a *société à responsabilité limitée* with a share capital of GNF10,000,000 incorporated under the laws of the Republic of Guinea, having its registered office at Immeuble Mamou, 6<sup>th</sup> floor, Cité Chemin de fer, Commune de Kaloum, Conakry – Republic of Guinea, registered with the register of companies and liens (*Registre du Commerce et du Crédit Mobilier*) of Conakry under number RCCM/GC-KAL/066.876B/2016 (**Tiger Resource**).

SCHEDULE (B)

Template of Reiterative Instrument

ACTE RÉITÉRATIF DU CONTRAT DE CESSIION DE PARTS SOCIALES  
RELATIF À LA SOCIÉTÉ [•]

ENTRE LES SOUSSIGNÉES :

- (1) **GUINEA FARAFINA INVESTMENT INC.**, société de droit panaméen, immatriculée le 21 octobre 2014 à la section mercantile du Registre du Commerce du Panama, Microjacket 847172, document 2693820, dûment représentée à l'effet des présentes,
- (2) **PERITIMOS INVESTMENTS LIMITED**, société de droit Cyprite dont le siège social est situé 84 Spyrou Kyprianou, 4004 Limassol, Chypre, immatriculée au registre du commerce et des sociétés de Chypre sous le numéro HE357312, dûment représentée à l'effet des présentes,
- (3) **Monsieur ILIA KARAS**, né le 19 décembre 1948 en URSS, demeurant 2a, 3 Fihtegasse, Vienne 10, Autriche, de nationalité bélizienne,
- (4) **Monsieur NUMUKEH TUNKARA**, né le le 5 août 1977 à Svensk (Suède), demeurant Gbessia Port 2, Commune de Matoto, Conakry, Guinée, de nationalité guinéenne,

ci-après désignée les *Vendeurs*, DE PREMIÈRE PART,

ET

- (5) **FARAFINA GOLD GROUP S.A.**, société de droit guinéen dont le siège social est Immeuble Mamou, 6<sup>ème</sup> étage, Cité Chemin de fer, Commune de Kaloum, Conakry – République de Guinée, immatriculée au registre du commerce et des sociétés de Conakry (Guinée) sous le numéro RCCM/GN.KAL.2018.B.082 318, dûment représentée à l'effet des présentes,

ci-après désignée l'*Acquéreur*, DE DEUXIÈME PART,

les Vendeurs et l'Acquéreur étant ci-après désignés ensemble les *Parties* et chacun séparément une *Partie*,

IL EST PRÉALABLEMENT EXPOSÉ CE QUI SUIIT :

- (A) Aux termes d'un contrat de cession de parts rédigé en langue anglaise conclu en date de ce jour (le *Contrat de Cession*), les Parties ont défini entre elles les modalités de la cession par les Vendeurs à l'Acquéreur de cent (100) parts sociales numérotées de 1 à 100 (les *Parts Sociales*) représentant à la date des présentes cent pour cent (100 %) du

capital social de la société [●], société à responsabilité limitée dont le siège social est situé Immeuble Mamou, 6<sup>ème</sup> étage, Cité Chemin de fer, Commune de Kaloum, Conakry – République de Guinée, immatriculée au Registre du Commerce et du Crédit Mobilier sous le numéro [●] (la *Société*).

- (B) Dans ce cadre, les Parties sont convenues de conclure le présent acte réitératif (l'*Acte Réitératif*) aux seules fins de procéder aux formalités d'opposabilité de la cession des Parts Sociales et au paiement des droits d'enregistrement dans les conditions prévues par le Code Général des Impôts de la République de Guinée.

**CELA ÉTANT EXPOSÉ, IL EST CONVENU CE QUI SUIT :**

#### **ARTICLE 1. CESSIION DES PARTS SOCIALES**

Les Vendeurs cèdent et transportent ce jour à l'Acquéreur, qui les acquiert, la pleine et entière propriété des Parts Sociales représentant à la date des présentes cent pour cent (100 %) du capital social de la Société.

Les Parts Sociales cédées sont entièrement libérées, libres de tout privilège, sûreté, charge, nantissement ou autre restriction ou limitation.

L'Acquéreur aura, à compter de ce jour, la pleine et entière propriété des Parts Sociales, avec tous les droits y attachés, y compris, notamment, le droit de percevoir tous les dividendes ou toutes les distributions déclarés, effectués ou versés à compter de la date des présentes.

#### **ARTICLE 2. PRIX DES PARTS SOCIALES**

La cession des Parts Sociales a lieu moyennant le paiement par l'Acquéreur aux Vendeurs d'un prix de cession déterminé sur la base du prix de souscription desdites Parts Sociales (soit cent mille francs guinéens (100.000 GNF) par Part Sociale), c'est-à-dire moyennant un prix total, forfaitaire et définitif de dix millions francs guinéens (10.000.000 GNF) (le « **Prix de Cession** »).

#### **ARTICLE 3. PAIEMENT DU PRIX DE CESSIION**

L'Acquéreur règle ce jour aux Vendeurs le Prix de Cession par versement d'espèces, ce dont les Vendeurs lui donnent bonne et valable quittance par les présentes.

Le Prix de Cession est distribué aux Vendeurs au prorata de leur participation dans la société, comme suit :

<b>Vendeur</b>	<b>% de participation dans la Société</b>	<b>Prix de Cession</b>
Guinea Farafina Investments Inc.	60%	6.000.000 GNF
M. Iliia Karas	15%	1.500.000 GNF
M. Numukeh Tunkara	10%	1.000.000 GNF
Peritimos Investments Limited	15%	1.500.000 GNF

<b>Total</b>	<b>100%</b>	<b>10.000.000 GNF</b>
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#### **ARTICLE 4. ENREGISTREMENT**

La cession des Parts Sociales sera enregistrée dans le délai légal à la recette des impôts compétente, à la diligence de l'Acquéreur qui sera seul responsable de l'exécution des obligations et formalités résultant de la cession des Parts Sociales.

Conformément aux dispositions du Code Général des Impôts de la République de Guinée, la cession des Parts Sociales donnera lieu au paiement d'un droit d'enregistrement perçu au taux de dix pourcent (10 %), soit un montant de un millions de francs guinéens (1.000.000 GNF), à la charge de l'Acquéreur.

#### **ARTICLE 5. STIPULATIONS GÉNÉRALES**

##### **5.1 Opposabilité**

Conformément aux dispositions de l'article 317 de l'Acte Uniforme Révisé de l'OHADA relatif au droit des sociétés commerciales et du groupement d'intérêt économique en date du 30 janvier 2014, la cession des Parts Sociales sera rendue opposable :

- (i) à la Société après accomplissement de l'une des formalités suivantes :
  - signification de l'Acte Réitératif à la Société par exploit d'huissier ou par tout moyen permettant d'établir sa réception effective par cette dernière ;
  - acceptation de la cession des Parts Sociales par la Société dans un acte authentique ; ou
  - dépôt d'un original de l'Acte Réitératif au siège social de la Société contre remise par le gérant de la Société d'une attestation de ce dépôt ; et
- (ii) aux tiers après accomplissement de l'une des formalités susvisées, modification des statuts de la Société et publicité au Registre du Commerce et du Crédit Mobilier.

Ces formalités seront effectuées à la diligence de l'Acquéreur.

##### **5.2 Capacité**

Les Parties déclarent et garantissent qu'elles ont tous pouvoirs, autorité et capacité pour signer l'Acte Réitératif et exécuter leurs obligations aux termes de l'Acte Réitératif.

##### **5.3 Frais**

Les Parties supporteront, chacune pour ce qui la concerne, tous les frais et coûts qu'elles auront respectivement engagés dans le cadre de l'Acte Réitératif et des opérations qu'il prévoit, y compris les frais et honoraires de leurs conseils respectifs.

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#### **5.4 Coopération**

Les Parties s'engagent à signer tout document, fournir toute information et à prendre toute mesure (ou s'en abstenir) qui pourrait être nécessaire ou appropriée pour les besoins de l'exécution de l'Acte Réitératif, en toute bonne foi.

#### **5.5 Modifications**

Toute modification ou tout avenant ne pourra être valablement fait ou apporté à l'Acte Réitératif que par un document écrit et signé par chaque Partie.

#### **5.6 Indépendance des stipulations de l'Acte Réitératif**

La nullité ou l'impossibilité d'exécuter tout terme ou stipulation de l'Acte Réitératif n'affectera pas sa validité ni sa force exécutoire ou de tout autre terme ou stipulation de celui-ci. Dans un tel cas, à la place de toute stipulation nulle ou non exécutoire, les Parties y substitueront, dans la mesure du possible, une stipulation valable et exécutoire aussi proche que possible de cette stipulation nulle ou non exécutoire.

#### **5.7 Renonciations - Exercice des droits**

Sauf stipulation contraire, le non exercice ou l'exercice tardif par une Partie de tout droit aux termes de l'Acte Réitératif ne constituera pas une renonciation à ce droit. De plus, l'exercice partiel d'un droit aux termes de l'Acte Réitératif n'empêchera pas à l'avenir l'exercice du droit qui n'a pas été pleinement exercé.

#### **5.8 Portée**

Les Parties conviennent que l'Acte Réitératif a été conclu aux seules fins de procéder aux formalités d'opposabilité et d'enregistrement afférentes à la cession des Parts Sociales. Seul le Contrat de Cession fera loi entre les Parties nonobstant les stipulations de l'Acte Réitératif. Ainsi, les stipulations de l'Acte Réitératif ne pourront en aucun cas affecter, altérer ou modifier les stipulations du Contrat de Cession qui prévaudront en toute hypothèse dans les relations entre les Parties et notamment en cas de contradictions ou en cas de litige.

#### **5.9 Pouvoirs**

Les Parties donnent tous pouvoirs au porteur d'une copie ou d'un extrait du présent Acte Réitératif à l'effet d'accomplir toutes les formalités légales ou réglementaires.

#### **5.10 Loi Applicable - Juridiction**

L'Acte Réitératif est, pour sa validité, son interprétation et son exécution, soumis à la loi de la République de Guinée.

Les litiges auxquels pourrait donner lieu l'Acte Réitératif ou qui pourront en être la suite ou la conséquence, et qui n'auront pu être réglés par une transaction seront soumis, dans les limites permises par la loi, à la compétence exclusive du Tribunal de Première Instance de Conakry.

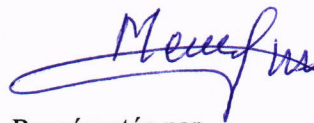
Fait à Conakry, le [•] 2018, en neuf (9) exemplaires originaux, dont un (1) pour chaque Partie, deux (2) pour le greffe, un (1) pour la Société et un (1) pour l'enregistrement.

**GUINEA FARAFINA INVESTMENT INC.**



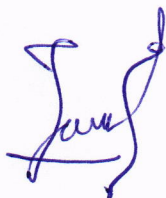
Représentée par

**PERITIMOS INVESTMENTS LIMITED**



Représentée par

**M. ILIA KARAS**



**M. NUMUKEH TUNKARA**



Représenté par

**FARAFINA GOLD GROUP S.A.**



Représentée par