

19th August, 2024

The Principal Secretary
Ministry of Mining
Lilongwe

Dear Sir,

SUBMISSION OF SIGNED CDA

Kindly find attached signed CDA for the Regulatory Authority Committee review and approval.

Yours sincerely,

FOR GLOBE METALS & MINING (AFRICA) LIMITED



LISUNGU CHIRWA
FINANCE DIRECTOR

M: +265 99 998 7717 / 88 884 4442

COMMUNITY DEVELOPMENT AGREEMENT

- CDA -

GLOBE METALS AND MINING (AFRICA) LIMITED

KANYIKA NIOBIUM PROJECT

Section 169 of the Mines and Minerals Act 2019

KANYIKA MINE COMMUNITY DEVELOPMENT AGREEMENT

THIS AGREEMENT IS MADE on the ____ day of _____ 2024

BETWEEN:

The KANYIKA Qualified Communities ("Kanyika Entity") as represented by the **Kanyika Qualified Communities Committee (KQCC);**

and

GLOBE METALS AND MINING (AFRICA) LIMITED Company Registration Number 8431, a company incorporated in the Republic of Malawi and whose registered office is situated at Plot 43/2/90, off Mphonongo Road, Area 43, Lilongwe, Republic of Malawi ("**Company**").

RECITALS:

- A. The Company was incorporated in Malawi on 24 July 2007;
- B. The Company is the sole registered holder of the Kanyika Mineral Right;
- C. The Company wishes to engage in mining on the Kanyika Mineral Right in accordance with the terms and conditions of this Agreement and in accordance with all applicable Laws;
- D. The Large-Scale Mining License No. LML0216/21 constitutes the Kanyika Mineral Right and is a mining project pursuant to sections 148 and 150 the Mines and Minerals Act (No. 8 of 2019);
- E. Under the Mines and Minerals Act (No. 8 of 2019), the holder of a mining licence is required to enter into Community Development Agreements (section 169) and to expend a prescribed minimum amount of money on community development; and
- F. The Company desires for the Qualified Community to be involved in, and to benefit from, the successful mining operations at the Kanyika Mineral Right and pursuant to this Agreement commits to spend the prescribed minimum amount of money on developing the Qualified Community;

NOW, THEREFORE, the Parties hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

"Agreement" means the agreement constituted by this document as well as all schedules and exhibits annexed to it, as varied from time to time in accordance with the terms of this document;

"Agreement Date" means the date that the condition at clause 1.1 is either satisfied or waived by the Company;

"Community" means the community or communities affected by the Project as defined in Section 2 ("qualified community") of the Mines and Minerals Act (No. 8 of 2019), being the community or communities described in the Agreement Specifics;

"Financial Year" means a period of 12 months commencing on 1 July in each year;

"Force Majeure" means an event which is beyond the reasonable control of a Party which substantially impairs a Party and makes it practically impossible for that Party to perform his part of this Agreement and includes act of war (whether declared or undeclared), invasion, armed conflict, act of foreign enemy, act of terrorism, martial law, military or usurped power, insurrection, revolution, civil disturbances, blockades, riot, embargoes, strikes, lock-outs and other labour conflicts (except where such strikes, lock-outs and other labour conflicts are within the power of the Party invoking clause 6), sabotage, criminal damage, land disputes, epidemics, pandemics, plague, earthquakes, subsidence, heave, landslip, collapse, mudslide, rock falls, storms, cyclones, floods, unseasonal heavy weather, water bursts, explosions, fires, lightning or other adverse weather conditions, radioactive or chemical contamination or ionising radiation, non-availability of suitable shipping or transport facilities or corridors, fuel, electrical power, gas, water or other utilities, destruction of, damage to or unavailability of materials, equipment or supplies, the result of any customer of the Company failing to take delivery of the mine product or confiscation or any other restriction or action by the Government or an agency of any foreign government but does not include:

- (a) any event which is caused by the negligence or intentional action of a Party claiming Force Majeure or such Party's subcontractor, agent or employee;
- (b) any event the possibility of which was reasonably foreseeable by a Party claiming Force Majeure and which could have been avoided or reasonably mitigated by acting on such foresight;
- (c) any event which a diligent Party could reasonably have expected to:
 - (i) take into account at the date this Agreement is signed by the last of the Parties; or

- (ii) avoid or overcome in the carrying out of its obligations under this Agreement; or
- (d) insufficiency of funds or failure to make payment required under this Agreement;

“Government” includes:

- (a) the Government of Malawi;
- (b) any governmental or semi-governmental entity, agency, bureau, board, commission, court, department, ministry, governmental authority or instrumentality; or
- (c) any other entity or party exercising executive, legislative, judicial, regulatory or administrative functions, of Malawi, whether national or local, that has or exercises jurisdiction over the Project;

“Gross Sales Revenue” in respect of a Financial Year, means the aggregate of the total amounts actually received by the Company from the sale of mineral concentrate extracted and recovered in whatever form from the area of the Project during the Financial Year, less any refunds, claims or discount;

“Kanyika Mineral Right” means:

- (a) the Large-Scale Mining License No. LML0216/21 as issued under the Mines and Minerals Act (No. 8 of 2019);
- (b) any mineral tenement which may be in force or issued in lieu of or in relation to the same or part of the ground as the mineral right referred to in paragraphs (a) and (b) of this definition; and
- (c) includes all rights to mine and other privileges granted pursuant to the mineral right referred to in paragraphs (a), (b), or (c) of this definition;

“Law” means the Constitution of Malawi, any statute, regulation, directive, rule, judicial decision, order, proclamation, treaty obligation of the Government, or other sovereign act of the Government, excluding licences, permits, mineral development agreements (including the Mining Development Agreement) and similar acts of the Government;

“Malawi” means the Republic of Malawi;

“Mines and Minerals Act 2019” means the Mines and Minerals Act 2019 of Malawi (No. 8 of 2019);

“Mining Development Agreement” means the mining development agreement dated 27 March 2023 between the Company and the Government in respect of the Kanyika Mineral Right;

“LML0216/21” is the Mining License granted to Globe Metals and Mining (Africa) Limited on 13th August 2021 under the Mines and Minerals Act 2019;

"Parties" means the parties who are for the time being original parties to this Agreement and

"Party" means any one of them;

"Plaintiffs" means the plaintiffs in the Legal Proceedings;

"Project" means the Company's mining project which is the subject of the Kanyika Large-Scale Mining License No. LML0216/21;

"Term" has the meaning given in clause 5;

"Trust" means the Kanyika Mine Development Trust to be established by the Company;

"Trust Deed" means the founding document of the Kanyika Mine Development Trust; and

"Trust Development Office" means the entity to be set up by the Trust to manage the distribution and application of Trust funds to approved projects in accordance with the rules of the Trust.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) references to a recital, clause, schedule, annexure or exhibit is to a recital, clause, schedule, annexure or exhibit of or to this Agreement;
- (b) a reference to this Agreement or another instrument includes any variation or replacement of any of them;
- (c) a reference to any statute shall include any amendment, replacement or re-enactment of such statute for the time being in force and any bylaws, statutory instruments, rules, regulations, notices, orders, directions, consents or permissions made under such statute whether by gazetting or by notification to selected parties and any conditions attaching to them;
- (d) words importing the singular include the plural and vice versa;
- (e) a reference to any gender includes all genders;
- (f) a reference to a person includes a reference to the person's executors, administrators, substitutes, successors and permitted assigns;
- (g) a reference to a person further includes an individual, partnership, company, corporation, trust, society, organisation, authority and association;
- (h) a covenant, representation or warranty in favour of two or more persons is for the benefit of them jointly and severally;
- (i) a covenant, representation or warranty on the part of two or more persons binds them jointly and severally;

- (j) the headings in this Agreement shall not affect its interpretation;
- (k) if there is any inconsistency between the terms of this Agreement and a Law then this Agreement or the relevant provision of it shall be read down to the extent of the inconsistency to ensure that this Agreement is not otherwise rendered void or unenforceable; and
- (l) in the interpretation of this Agreement, no rules of construction shall apply to the disadvantage of one Party on the basis that that Party put forward this Agreement or any part of this Agreement.

2. CONDITION SUBSEQUENT

The Company's obligation to make contributions under clause 3(c) is subject to and conditional upon the Company having commenced commercial production of mineral concentrate at the Project.

3. KANYIKA MINE DEVELOPMENT TRUST

- (a) The Kanyika Mine Development Trust (the "Trust") is established for the purpose of receiving contributions from the Company in accordance with clause 3(c) and applying that contribution to those development projects determined by the Trust to be projects to be implemented for the benefit of the Community.
- (b) The Company will provide the Trust with copies of its publicly disclosed forecasts of its Gross Sales Revenue from time to time.
- (c) Subject to any terms and conditions contained within the Trust Deed, during the Term the Company will contribute to the Trust in each Financial Year 0.45% of the Company's annual Gross Sales Revenue, as set out in the accounts described in clause 3(d), for expenditure by the Trust on the projects or activities determined in accordance with the annual process which is set out in the Trust Deed. If in any Financial Year, there is no Gross Sales Revenue then there is no obligation on the Company to contribute any money to the Trust.
- (d) Within 120 days of the end of each Financial Year, the Company will have the annual accounts, annual Gross Sales Revenue and annual amounts contributed to the Trust referred to in clause 3(c) audited by an independent auditor. If the auditor determines that the Company has contributed less than the required annual amount to the Trust in a particular Financial Year, the Company shall ensure the shortfall is contributed to the Trust for expenditure on Community development projects and activities during the next Financial Year.
- (e) The Trust shall have on its Board of Trustees such number of representatives from the Company and the Community as is determined by the Trust Deed.
- (f) The Trust shall fund a Trust Development Office for the purposes of assisting the communities with the planning and implementation of projects

- (g) The Trust shall allocate any contributions it receives from the Company each Financial Year to projects and activities for the development of the Community in accordance with the process set out in the Trust Deed.
- (h) The Trust shall maintain books and records at the expense of the Trust which set out:
 - (i) details of the persons who receive money, goods or services from the Kanyika Entity for any purpose; and
 - (ii) any other details prescribed in the Trust Deed.
- (i) The Trust shall make available to the Company, the Government and representatives of the Community copies of the unaudited and audited accounts referred to in clause 3(c) and the books and records referred to in clause 3(h).

4. COMPANY and COMMUNITY OBLIGATIONS

- (a) The Company undertakes to:
 - (i) abide by the Laws of Malawi and in particular the aims and objectives of the Mines and Minerals Act (No. 8 of 2019);
 - (ii) register a Trust to be known as the Kanyika Mine Development Trust; and
 - (iii) abide by the rules of the Trust as set out in the Trust Deed.
- (b) The Community undertakes to
 - (i) Abide by the Laws of Malawi and in particular the aims and objectives of the Mines and Minerals Act No. 8 of 2019
 - (ii) Abide by the rules of the Trust as set out in the Trust Deed

5. TERM

The term of this Agreement (**Term**) commences on the Agreement Date and, unless earlier terminated in accordance with this Agreement, shall end on the later of:

- (a) the twenty-fifth (25th) anniversary of the Mining Licence as defined by the Mines and Minerals Act (2018) for the term of a mining licence of such date; or
- (b) the expiration date of the Kanyika Mineral Right as such may be extended from time to time.

6. FORCE MAJEURE

- (a) Any failure on the part of a Party to comply with any of the terms, conditions and provisions of this Agreement shall not be grounds for termination or give the other Party

to this Agreement any claim for damages insofar as such arises from Force Majeure, if the first-mentioned Party:

- (i) has taken all appropriate precautions, due care and reasonable alternative measures (with the minimum of delay) with the objective of avoiding such failure and of carrying out its obligations under this Agreement; and
 - (ii) has promptly given notice to the other Party of the event of Force Majeure, on becoming aware of such an event; and
 - (iii) has taken all reasonable steps to mitigate any disability due to Force Majeure with all reasonable dispatch.
- (b) The first-mentioned Party shall give notice to the other Party as soon as practicable after the Force Majeure ceases to continue.

7. NOTICES

7.1 Form

Any notice, consent, demand, approval, request or other communication required or permitted to be given shall be in writing in the English language and shall be:

- (a) in the case of a notice, consent, demand, approval, request or other communication given by the Government, signed by the Commissioner of Mines and Minerals;
- (b) in the case of a notice, consent, demand, approval, request or other communication given by the Kanyika Entity, signed by the Chairperson of the Entity; or
- (c) in the case of a notice, consent, demand, approval, request or other communication to be given by the Company, signed by a director or by the secretary of the Company.

7.2 Delivery

Each such notice, consent, demand, approval, request or other communication shall, as elected by the Party giving such notice, be personally delivered or emailed to the other Party as follows:

Kanyika Entity	Members of Kanyika Qualified Communities Committee (KQCC);
If by hand delivery	TA Mabilabo TA Khosolo

	TA Wimbe TA Kaluluma TA Simlemba TA Mnyanja TA Chisemphere District Commissioner, Mzimba. District Commissioner, Kasungu. Mr Macleod Nyirongo. Director GMMA Mr Dean Lungu. Director GMMA Ms Lisungu Chirwa. Director GMMA
If by email	As above – via individual emails
Other	Commissioner of Mines and Minerals, Lilongwe
Company	
If by hand delivery	Company Secretary Plot 43/2/90 off Mphonongo Road, Area 43 Lilongwe Malawi.
If by email	1. macleod.nyirongo@gmail.com 2. lungudean@ymail.com 3. lisungu.chirwa@globemm.com
Other	Commissioner of Mines and Minerals, Lilongwe
Ministry of Mines	
If by hand delivery	Ministry of Mines, Matamando House, Capital City. Lilongwe
If by email	ssakhuta@gmail.com
Other	-

7.3 Receipt

Except as otherwise specified in this Agreement, all notices, consents, demands, approvals, requests or other communication shall be deemed to have been duly given:

- (a) if delivered by email, upon production of a read receipt; and
- (b) if delivered personally, on the date of receipt.

7.4 Other

Either Party may change its address by notice, consent, demand, approval, request or other communication to the other Party in accordance with the provisions of this clause.

8. SEVERABILITY

The provisions of this Agreement shall be separate and severable each from the other to the extent that if any portion or any one provision or portion is deemed to be inoperative, unenforceable or contrary to any provision of any Law, then that provision will be of no force or effect and the remainder of this Agreement shall remain binding upon and enforceable by the Parties, and nothing in this Agreement shall preclude one Party from requesting the other Party to renegotiate any provision in this Agreement.

9. FURTHER ACTS

The Parties shall execute such documents and do and perform such acts that lie within their power and are necessary to give full effect to this Agreement.

10. ENTIRE AGREEMENT

This Agreement supersedes all other previous agreements between the Parties in respect of their subject matter and embodies the entire agreement between the Parties.

11. VARIATION

This Agreement shall not be amended or modified except by a written agreement between the Parties to this Agreement.

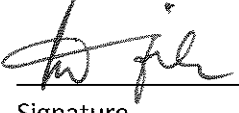
12. APPLICABLE LAW

This Agreement shall be governed by the Parties submit to the exclusive jurisdiction of the courts of Malawi.

EXECUTION PAGES


Signature

Inkosi Mabilabo
KQCC MEMBER T/A MABILABO


Signature

Inkosi Khosolo
KQCC MEMBER T/A KHOSOLO


Signature

Sur Chief Suleba
KQCC MEMBER T/A CHISEMPHERE

15 AUG 2024
P.O. BOX 2, CHISEMPHERE
KASUNGU


Signature



Sur Chief Simlemba
KQCC MEMBER T/A SIMLEMBA

15 AUG 2024
P.O. BOX 1, MTHABUA
KASUNGU

Sur Chief Kaluluma
Signature

SNR CHIEF KALULUMA A
KQCC MEMBER T/A KALULUMA

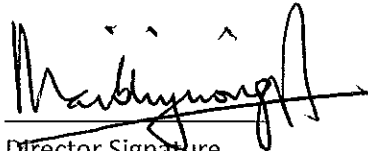

Signature

SNR WIMBE
KQCC MEMBER T/A WIMBE


Signature

Chief Mnyanja
KQCC MEMBER T/A MNYANJA

GLOBE METALS AND MINING (AFRICA) LIMITED


Director Signature

MACLEOD NYIRONGO (Chairman)

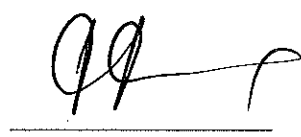

Director Signature:

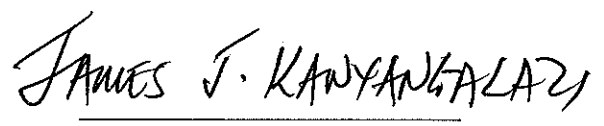
LISUNGU CHIRWA (Director)

WITNESSES


Signature


DISTRICT COMMISSIONER MZIMBA


Signature


DISTRICT COMMISSIONER KASUNGU

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