

MR01

Particulars of a charge



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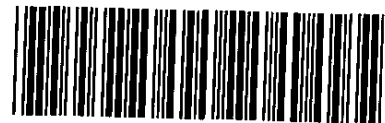
☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument. Use form MR02.

For further information, please
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This form **must be delivered to the Registrar for registration**
21 days beginning with the day after the date of creation of the
delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery.

☒ You **must** enclose a certified copy of the instrument with this form
scanned and placed on the public record. **Do not send the original.**



A24 *A7F9UE69*
26/09/2018 #209
COMPANIES HOUSE

1 Company details

Company number 0 0 8 9 7 6 0 8
Company name in full ANGLO PACIFIC GROUP PLC
("Chargor")

For official use

→ **Filing in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 1 m 0 m 9 y 2 y 0 y 1 y 8

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name BARCLAYS BANK PLC, as security trustee for the Secured Parties
("Security Agent")

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

MR01

Particulars of a charge

4	Brief description	
	Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.	
Brief description	-	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
5	Other charge or fixed security	
	Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. ☒ Yes ☐ No	
6	Floating charge	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box. ☒ Yes Continue ☐ No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? ☐ Yes	
7	Negative Pledge	
	Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. ☒ Yes ☐ No	
8	Trustee statement ^①	
	You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. ☐	^① This statement may be filed after the registration of the charge (use form MR06).
9	Signature	
Signature	Please sign the form here. Signature X <i>Mayes Brown Intermedial LLP</i> X	
	This form must be signed by a person with an interest in the charge.	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Havin Jagtiani**

Company name **Mayer Brown International LLP**

Address **201 Bishopsgate**

Post town **London**

County/Region

Postcode **E C 2 M 3 A F**

Country

DX **DX 556 London and City**

Telephone **020 3130 3000**



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 897608

Charge code: 0089 7608 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st September 2018 and created by ANGLO PACIFIC GROUP PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th September 2018.

Given at Companies House, Cardiff on 3rd October 2018



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

Dated 21 September 2018

- (1) **ANGLO PACIFIC GROUP PLC** as Chargor
- (2) **BARCLAYS BANK PLC** as Security Agent

SECURITY AGREEMENT

I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Signed

Mayer Brown International LLP

Mayer Brown International LLP

Date

25 / 9 / 2018

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THIS DEED is dated 21 September 2018 and made between:

- (1) **ANGLO PACIFIC GROUP PLC** a company incorporated in England and Wales (registered number 897608) whose registered office is at 1 Savile Row, London, W1S 3JR (the "**Chargor**"); and
- (2) **BARCLAYS BANK PLC** as security trustee for the Secured Parties (as defined in the Intercreditor Agreement defined below) (the "**Security Agent**").

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Credit Agreement and the Intercreditor Agreement (each as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand

IT IS AGREED that:

1. INTERPRETATION

1.1 Definitions

"**Account Bank**" means, in relation to a Restricted Account, the bank with which the Restricted Account is maintained;

"**Act**" means the Law of Property Act 1925;

"**Credit Agreement**" means the credit agreement dated 4 February 2015 as amended and restated by an amendment and restatement agreement dated 10 February 2017 and as amended and restated by an amendment and restatement agreement dated on or about the date hereof between the Chargor and the Lenders (as defined therein);

"**Intercreditor Agreement**" means the intercreditor agreement dated 10 February 2017 between, among others, the Chargor as Debtor and the Security Agent;

"**Original English Law Security Agreement**" means the English law governed security agreement entered into on 10 February 2017 between the Chargor and the Security Agent;

"**Party**" means a party to this Deed;

"**Receiver**" means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed;

"**Relevant Contract**" means any agreement to which the Chargor is a party which documents a Royalty Transaction relating to Core Assets and which the Security Agent and the Chargor have designated as a Relevant Contract;

"**Restricted Account**" means each account designated as a Restricted Account by the Security Agent and the Chargor and includes:

- (a) if there is a change of Account Bank, any account into which all or part of a credit balance from a Restricted Account is transferred; and
- (b) any account which is a successor to a Restricted Account on any re-numbering or re-designation of accounts and any account into which all or part of a balance from a Restricted Account is transferred for investment or administrative purposes;

"Secured Obligations" has the meaning given to that term in the Intercreditor Agreement;

"Security Assets" means all assets of the Chargor the subject of any Security created by this Deed;

"Security Period" means the period beginning on the date of this Deed and ending on the Senior Discharge Date; and

"Senior Discharge Date" has the meaning given to that term in the Intercreditor Agreement.

1.2 Construction

- (a) Capitalised terms defined in the Credit Agreement or Intercreditor Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) The provisions of clause 1.2 (*Interpretation*) of the Credit Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Credit Agreement will be construed as references to this Deed:
- (c) A Finance Document or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Finance Document or other agreement or instrument, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility:
 - (i) the term this Security means any Security created by this Deed; and
 - (ii) assets includes present and future properties, revenues and rights of every description.
- (d) Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period and is given for the benefit of each Secured Party.
- (e) The terms of the other Finance Documents and of any side letters between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with s2(1) Law of Property (Miscellaneous Provisions) Act 1989.

- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (g) To the extent there is any conflict between the terms of the Intercreditor Agreement and this Deed, the terms of the Intercreditor Agreement shall prevail.
- (h) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.3 Third Party Rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Secured Party that is not a Party may enforce and enjoy the benefit of any clause which expressly confers rights on it, subject to paragraph (a) above and the provisions of the Third Parties Act.

1.4 Acknowledgement of existing security

The parties to this Deed acknowledge that the Chargor and the Security Agent entered into the Original English Law Security Agreement.

2. CREATION OF SECURITY

2.1 General

- (a) All the Security created under this Deed:
 - (i) is created in favour of the Security Agent, on behalf of the Secured Parties;
 - (ii) is created over present and future assets of the Chargor;
 - (iii) is security for the payment of all the Secured Obligations; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) If the rights of the Chargor in relation to an asset cannot be secured without the consent of a third party:
 - (i) if the asset is a Relevant Contract, the Chargor must notify the Security Agent promptly;

- (ii) this Security will secure all amounts which the Chargor may receive, or has received, under or arising from that asset but exclude the asset itself; and
 - (iii) if the asset is a Relevant Contract, the Chargor must (unless the Security Agent agrees that the Chargor is not required to do so) use reasonable endeavours to obtain the consent of the relevant party to that Relevant Contract being secured under this Deed.
- (c) The Security Agent holds the benefit of this Deed on trust for the Secured Parties in accordance with the terms of the Intercreditor Agreement.

2.2 Investments

- (a) The Chargor charges:
 - (i) by way of a first fixed charge all shares in any Obligor and any Holding Company of any Obligor (other than the Chargor) owned by it or held by any nominee on its behalf; and
 - (ii) (to the extent that they are not the subject of a first fixed charge under sub-paragraph (i) above) by way of a first floating charge its interest in all shares, stocks, debentures, bonds or other securities and investments owned by it or held by any nominee on its behalf.
- (b) A reference in this clause to a mortgage or charge of any stock, share, debenture, bond or other security includes:
 - (i) any dividend or interest paid or payable in relation to it; and
 - (ii) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.

2.3 Restricted credit balances

The Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Restricted Account and the debt represented by it.

2.4 Other contracts

The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights in respect of any Relevant Contract except to the extent that it is (i) subject to an assignment effected under the Original English Law Security Agreement, or (ii) subject to any fixed security created under any other term of this clause.

2.5 Miscellaneous

The Chargor charges by way of first fixed charge:

- (a) its goodwill; and
- (b) its uncalled capital.

2.6 Floating charge

- (a) The Chargor charges by way of a first floating charge all its assets not at any time otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, charge or assignment under this clause.
- (b) Except as provided below, the Security Agent may by notice to the Chargor convert the floating charge created by this clause into a fixed charge as regards any of the Chargor's assets specified in that notice, if:
 - (i) an Event of Default is continuing; or
 - (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- (c) The floating charge created by this clause may not be converted into a fixed charge solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium,
 under s1A Insolvency Act 1986.
- (d) The floating charge created by this clause will automatically convert into a fixed charge over all of the Chargor's assets if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator.
- (e) The floating charge created by this clause is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. REPRESENTATIONS - GENERAL

3.1 Nature of security

The Chargor represents and warrants to the Security Agent that (subject to the Legal Reservations and to any necessary stamping and registration requirement in the Relevant Jurisdiction) the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations, this Deed creates those Security Interests it purports to create and those Security Interests are valid and effective and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise.

3.2 Times for making representations

- (a) The representations and warranties set out in this Deed (including in this clause) are made on the date of this Deed.

- (b) Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period.
- (c) When a representation and warranty is repeated, it is applied to the circumstances existing at the time of repetition.

4. **RESTRICTIONS ON DEALINGS**

The Chargor must not:

- (a) create or permit to subsist any Security Interest on any Security Asset; or
 - (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset,
- except as expressly allowed under the Credit Agreement.

5. **INVESTMENTS**

5.1 **General**

In this clause:

"Investments" means:

- (a) the Shares;
- (b) all other shares, stocks, debentures, bonds or other securities and investments included in the definition of Security Assets in Clause 1.1 (*Definitions*);
- (c) any dividend or interest paid or payable in relation to any of the above; and
- (d) any right, money or property accruing or offered at any time in relation to any of the above by way of redemption, substitution, exchange, bonus or preference under option rights or otherwise.

"Shares" means any and all the shares held by the Chargor in the share capital of APG AUS No 7 Pty Ltd and the shares in any company incorporated in England and Wales charged pursuant to Clause 2.2(a) (*Investments*).

5.2 **Investments**

- (a) The Chargor represents and warrants to the Security Agent that:
 - (i) the Shares are fully paid;
 - (ii) the Shares held by the Chargor:
 - (A) in APG AUS No 7 Pty Ltd represent the whole of the issued share capital APG AUS No 7 Pty Ltd;

- (B) in Anglo Pacific Cygnus Limited represent the whole of the issued share capital of Anglo Pacific Cygnus Limited; and
- (iii) it is the sole legal and beneficial owner of the Investments.

5.3 Deposit

To the extent not deposited with or delivered to the Security Agent under the Original English Law Security Agreement, the Chargor must:

- (a) immediately deposit with the Security Agent, or as the Security Agent may reasonably direct taking into account the day to day equity trading activities of the Chargor, all certificates and other documents of title or evidence of ownership in relation to any Shares; and
- (b) promptly deliver to the Security Agent all share certificates, transfers and stock transfer forms or equivalent in relation to the Shares in each case duly executed by the relevant Obligor in blank.

5.4 Changes to rights

The Chargor must not take or allow the taking of any action on its behalf which may result in the rights attaching to any of the Shares being altered, subject to the day to day ordinary course of trading in equities, or further shares in an Obligor or Holding Company of an Obligor being issued, subject to any Permitted Share Issues or Permitted Joint Ventures pursuant to the Credit Agreement.

5.5 Calls

- (a) The Chargor must pay all calls or other payments due and payable in respect of any Shares.
- (b) If the Chargor fails to do so, the Security Agent may pay the calls or other payments on behalf of the Chargor. The Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this clause.

5.6 Other obligations in respect of Shares

- (a) The Chargor must promptly copy to the Security Agent and comply with all requests for information which is within its knowledge and which are made under any law or regulation or by any listing or other authority or any similar provision contained in any articles of association or other constitutional document relating to any of the Shares. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the Chargor.
- (b) The Chargor must comply with all other conditions and obligations assumed by it in respect of any Shares to the extent that non-compliance with those conditions and obligations would reasonably be expected to have a material adverse effect on the value of those Shares.
- (c) The Security Agent is not obliged to:

- (i) perform any obligation of the Chargor;
- (ii) make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
- (iii) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any Investment.

5.7 Voting rights

- (a) Before this Security becomes enforceable:
 - (i) the voting rights, powers and other rights in respect of the Investments must (if exercisable by the Security Agent) be exercised in any manner which the Chargor may direct in writing; and
 - (ii) all dividends or other income paid or payable in relation to any Investments must be paid directly to the Chargor.

The Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of the Investments on the direction of the Chargor.

After this Security has become enforceable, the Security Agent may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

5.8 Financial Collateral

- (a) To the extent that the assets mortgaged or charged under this Deed constitute "**financial collateral**" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (b) Where any financial collateral is appropriated:
 - (i) if the financial collateral is listed or traded on a recognised exchange its value will be taken as the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, the value of the financial collateral will be such amount as the Security Agent reasonably determines having taken into

account advice obtained by it from an independent investment or accountancy firm of national standing selected by it;

and the Security Agent will give credit for the value of the financial collateral appropriated to its use.

6. RESTRICTED CREDIT BALANCES

6.1 Account Bank

Each Restricted Account must be maintained at a branch of an Account Bank approved by the Security Agent.

6.2 Representations

The Chargor represents to the Security Agent that:

- (a) it is the sole legal and beneficial owner of the credit balance from time to time in each Restricted Account which it maintains; and
- (b) those credit balances are free of any Security Interests (except for those created by or under this Deed or as expressly allowed under the Credit Agreement) and any other rights or interests in favour of third parties.

6.3 Withdrawals

Except with the prior consent of the Security Agent, the Chargor may not withdraw any moneys (including interest) standing to the credit of any Restricted Account.

6.4 Change of Account Banks

- (a) The Account Bank may be changed to another bank or financial institution if the Security Agent so agrees and must be changed if the Security Agent so requires.
- (b) A change of Account Bank shall only be effective when the Chargor and the new Account Bank have delivered a notice and acknowledgement substantially in the form set out in Schedule 2 (Forms of letter for Account Bank).

6.5 Notices of charge

The Chargor must:

- (a) immediately serve a notice of charge, substantially in the form of Part 1 of Schedule 2 (*Forms of letter for Account Bank*) on each Account Bank; and
- (b) ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 2 (*Forms of letter for Account Bank*).

7. RELEVANT CONTRACTS

7.1 Representations

The Chargor represents to the Security Agent that:

- (a) all payments to it by any other party to a Relevant Contract are not subject to any right of set-off or similar right;
- (b) each Relevant Contract is (subject to the Legal Reservations and to any necessary stamping and registration requirements) its legal, valid, binding and enforceable obligation;
- (c) it is not in default of any of its obligations under any Relevant Contract where such default has or is reasonably likely to have a Material Adverse Effect; and
- (d) its entry into and performance of this Deed will not conflict with any term of any Relevant Contract.

7.2 Preservation

The Chargor must not, without the prior consent of the Security Agent:

- (a) amend or waive any term of, or terminate, any Relevant Contract; or
- (b) take any action which might jeopardise the existence or enforceability of any Relevant Contract,

in each case where such action has or is reasonably likely to have a material adverse effect on the value of such Relevant Contract.

7.3 Other undertaking

The Chargor must:

- (a) take all reasonable and practical steps to perform its obligations, and diligently pursue its rights, under each Relevant Contract; and
- (b) supply the Security Agent and any Receiver with copies of each Relevant Contract and any information and documentation relating to any Relevant Contract requested by the Security Agent or any Receiver which in each case is in the possession and control of the Chargor.

7.4 Notices of assignment

The Chargor must:

- (a) immediately serve a notice of assignment, substantially in the form of Part 1 of Schedule 2 (*Forms of letter for Relevant Contracts*), on each counterparty to a Relevant Contract; and

- (b) use its reasonable endeavours to procure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (*Forms of letter for Relevant Contracts*).

8. WHEN SECURITY BECOMES ENFORCEABLE

8.1 Event of Default

This Security will be immediately enforceable at any time at which an Event of Default has occurred which is continuing.

8.2 Discretion

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as the Instructing Group may direct, in each case in accordance with the terms of the Intercreditor Agreement.

8.3 Power of sale

The power of sale and other powers conferred by s101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

9. ENFORCEMENT OF SECURITY

9.1 General

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- (b) s103 of the Act (restricting the power of sale) and s93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of s99 or s100 of the Act.

9.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

9.3 Privileges

Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that s103 of the Act does not apply.

9.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

9.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security Interest against any Security Asset; and/or
 - (ii) procure the transfer of that Security Interest to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

9.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

10. RECEIVER

10.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the Chargor so requests the Security Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.

- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under s109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under s1A Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in s29(2) Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by s72A Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

10.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

10.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in s109(6) of the Act will not apply.

10.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

11. POWERS OF RECEIVER

11.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this clause in addition to those conferred on it by any law; this includes:

- (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act, 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

11.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

11.3 Carry on business

A Receiver may carry on any business of the Chargor in any manner he thinks fit.

11.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

11.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit.

11.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

11.7 Leases

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

11.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.

11.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he thinks fit.

11.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

11.11 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

11.12 Delegation

A Receiver may delegate his powers in accordance with this Deed.

11.13 Lending

A Receiver may lend money or advance credit to any customer of the Chargor.

11.14 Protection of assets

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he thinks fit.

11.15 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

12. APPLICATION OF PROCEEDS

Any moneys received by the Security Agent or a Receiver after this Security has become enforceable must be applied by the Security Agent in accordance with clause 14 (Application of Proceeds) of the Intercreditor Agreement.

13. EXPENSES AND INDEMNITY

The Chargor must:

- (a) within three Business Days of demand pay all costs and expenses (including legal fees) incurred in connection with the enforcement of or the preservation of any rights under this Deed by the Security Agent, any Receiver, attorney, manager, agent or other person appointed by the Security Agent under this Deed and any proceedings instituted by or against the Security Agent, any Receiver, attorney, agent or other person appointed by the Security Agent under this Deed as a consequence of taking or holding this Security or enforcing these rights; and
- (b) keep each of them indemnified against any failure or delay in paying those costs or expenses.

14. DELEGATION

14.1 Power of Attorney

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

14.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Agent or any Receiver may think fit.

14.3 Liability

Neither the Security Agent nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

15. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed but has not taken. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this clause.

16. MISCELLANEOUS

16.1 Covenant to pay

The Chargor must pay or discharge the Secured Obligations in the manner provided for in the Finance Documents.

16.2 Tacking

Each Secured Party must perform its obligations under the Credit Agreement (including any obligation to make available further advances).

16.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, the Security Agent may open a new account with the Chargor.
- (b) If the Security Agent does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Security Agent will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Obligation.

16.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Obligation is due and payable, that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

16.5 Notice of assignment

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any other member of the Group and contained in any other Security Document.

17. RELEASE

17.1 End of Security Period

At the end of the Security Period, the Security Agent must, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from this Security.

17.2 Permitted Disposals

If the Chargor wishes to undertake a Permitted Disposal of any Security Assets, the Security Agent must, at the request and cost of the Chargor, take whatever action is necessary to release the relevant Security Assets from this Security.

18. JURISDICTION OF ENGLISH COURTS

- (a) The courts of England have exclusive jurisdiction to settle any dispute including a dispute relating to non-contractual obligations arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a Dispute).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This sub-clause is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

19. GOVERNING LAW

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

THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed.

SCHEDULE 1

Forms of Letter for Account Bank

Part 1

Notice to Account Bank

[On the letterhead of the Chargor]

To: [Account Bank]

Copy: Barclays Bank PLC (as Security Agent)

[Date]

Dear Sirs,

Security agreement dated ____ 2018 between Barclays Bank plc and Anglo Pacific Group PLC (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we (the "**Chargor**") have charged (by way of a first fixed charge) in favour of Barclays Bank PLC (the "**Security Agent**") all our rights in respect of any amount standing to the credit of the account maintained by us with you (Account no. [] sort code

[]) (the "**Restricted Account**") and the debt represented by it.

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Restricted Account requested from you by the Security Agent;
- (b) comply with the terms of any written notice or instruction relating to the Restricted Account received by you from the Security Agent;
- (c) hold all sums standing to the credit of the Restricted Account to the order of the Security Agent; and
- (d) pay or release any sum standing to the credit of the Restricted Account in accordance with the written instructions of the Security Agent.

We are not permitted to withdraw any amount from the Restricted Account without the prior written consent of the Security Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us or enquiry by you.

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

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [ADDRESS] with a copy to us.

Yours faithfully,

(Authorised Signatory)

Anglo Pacific Group PLC

Part 2

Acknowledgement of Account Bank

[On the letterhead of the Account Bank]

To: Barclays Bank PLC (as Security Agent)

Copy: Anglo Pacific Group PLC

[Date]

Dear Sirs,

SECURITY AGREEMENT DATED ____ 2018 BETWEEN BARCLAYS BANK PLC AND ANGLO PACIFIC GROUP PLC (THE SECURITY AGREEMENT)

We confirm receipt from Anglo Pacific Group PLC (the "**Chargor**") of a notice dated [] 2018 of a

charge upon the terms of the Security Agreement over all the rights of the Chargor to any amount standing to

the credit of its account with us (Account no. [], sort code []) (the "**Restricted Account**") and the debt represented by it.

We confirm that we:

- (a) accept the instructions contained in the notice and agree to comply with the notice;
- (b) have not received notice of the interest of any third party in the Restricted Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counterclaim or other right in respect of the Restricted Account; and
- (d) will not permit any amount to be withdrawn from the Restricted Account without your prior written consent.

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

Yours faithfully,

(Authorised signatory)

[Account Bank]

SCHEDULE 2

Forms of Letter for Relevant Contracts

Part 1

Notice to Counterparty

To: [Contract party]

[Date]

Dear Sirs,

Security Agreement dated ____ 2018 between Barclays Bank PLC and Anglo Pacific Group PLC (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have assigned by way of security to Barclays Bank PLC (the Security Agent) all our rights in respect of [insert details of Contract] (the Contract).

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given to, the Security Agent or as it directs.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Contract without the prior consent of the Security Agent.

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [ADDRESS], with a copy to ourselves.

Yours faithfully,

Anglo Pacific Group PLC

(Authorised signatory)

Part 2

Acknowledgement of Counterparty

To: Barclays Bank PLC (as Security Agent)

Copy: Anglo Pacific Group PLC

[Date]

Dear Sirs,

We confirm receipt from Anglo Pacific Group PLC (the "**Chargor**") of a notice dated [] 2018 of an assignment on the terms of the Security Agreement dated [] 2018 of all the Chargor's rights in respect of [insert details of the Contract] (the Contract).

We confirm that we will pay all sums due, and give notices, under the Contract as directed in that notice.

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

Yours faithfully,

(Authorised signatory)

[Counterparty]

EXECUTION of Debenture:

The Chargor

SIGNED as a deed by JULIAN TREKEX
Director, duly authorised for and on behalf)
of ANGLO PACIFIC GROUP PLC in)
the presence of:

01/1
[Redacted]

Witness's signature: [Redacted]

Witness's name
(in capitals): JASON GRAY

Witness's address: [Redacted]

The Security Agent

SIGNED as a deed by BARCLAYS)
BANK PLC)
acting by _____)

Authorised signatory

EXECUTION of Debenture:

The Chargor

SIGNED as a deed by)
Director, duly authorised for and on behalf)
of **ANGLO PACIFIC GROUP PLC** in)
the presence of:

Witness's signature:

Witness's name
(in capitals):

Witness's address:

The Security Agent

SIGNED as a deed by **BARCLAYS**
BANK PLC

acting by Niels Pedersen

Authorised signatory

)
)
)

A black rectangular box redacting the signature of the Security Agent. A handwritten checkmark is visible to the left of the box.