



Registration of a Charge

Company name: **ENRC Finance Limited**

Company number: **06050675**

Received for Electronic Filing: **04/01/2017**



X5XDCFVU

Details of Charge

Date of creation: **23/12/2016**

Charge code: **0605 0675 0006**

Persons entitled: **VTB BANK (PJSC) (FORMERLY JSC VTB BANK) AS SECURITY AGENT (IN ITS CAPACITY AS SECURITY TRUSTEE FOR AND ON BEHALF OF EACH OF THE SECURED PARTIES)**

Brief description: **N/A**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6050675

Charge code: 0605 0675 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd December 2016 and created by ENRC Finance Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th January 2017 .

Given at Companies House, Cardiff on 5th January 2017

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



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

DATED 23 December 2016

ENRC FINANCE LIMITED
AS ASSIGNOR

IN FAVOUR OF

VTB BANK (PJSC)
(FORMERLY JSC VTB BANK)
AS THE SECURITY AGENT

SECURITY ASSIGNMENT OF CONTRACTUAL
RIGHTS UNDER SPECIFIC CONTRACTS

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THIS AGREEMENT is made by way of deed on 23 December 2016

BY

ENRC FINANCE LIMITED (the "Assignor") in favour of

VTB BANK (PJSC) (formerly JSC VTB BANK) in its capacity as security trustee for and on behalf of itself and in the name and on behalf of each of the other Secured Parties on the terms and conditions set out in the Facility Agreement (the "Security Agent" which expression shall include any person for the time being appointed as trustee, or as an additional trustee, for the purposes of the Finance Documents).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Amount Payable" means:

- (a) in respect of each Contract, the amount set out in the column marked "Amount Payable" opposite that Contract in Schedule 1 (*The Contracts*); and
- (b) in respect of each Underlying Contract, the amount set out in the column marked "Amount Payable" opposite that Underlying Contract in Schedule 2 (*The Underlying Contracts*).

"Assigned Property" means the rights and property expressed to be assigned in Clause 3 (*Assignment*) or Clause 4 (*ICL Amendment Agreement*), as applicable.

"Collateral Rights" means all rights, powers and remedies of the Security Agent provided by or pursuant to this Agreement or by law.

"Contract" means:

- (a) each contract listed in Schedule 1 (*The Contracts*); and
 - (b) subject to Clause 4 (*ICL Amendment Agreement*), each relevant Underlying Contract,
- (together, the "Contracts").

"Discharge Date" means the time at which the Security Agent, with the approval of the Majority Lenders, determines that:

- (a) all of the Secured Obligations and all other obligations secured by the Security Documents have been finally and irrevocably discharged in full; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents.

"Enforcement Event" means:

- (a) an Event of Default which is continuing in respect of which a notice has been given pursuant to clause 21.26 (*Acceleration*) of the Facility Agreement to exercise, or direct the Security Agent to exercise, any or all of its rights, remedies, powers or discretions under any Finance Document and the Assignor has been notified of the same; or
- (b) a request from the Assignor to the Security Agent that it exercise any of its powers under this Agreement.

"Facility Agreement" means the facility agreement dated 15 February 2016 (as amended and restated from time to time) between, amongst others, Joint-stock company "Transnational Company "Kazchrome", Joint-stock company "Eurasian energy corporation", Joint-stock company "Shubarkol komir" and Eurasian Resources Group B.V. each as an Original Borrower, Eurasian Resources Group as the Parent, ENRC N.V. as the Obligors' Agent, VTB Bank (PJSC) (formerly JSC VTB Bank) as Arranger, Agent and Security Agent and the Lenders referred to therein.

"ICL Amendment Agreement" in relation to each Underlying Contract, means each amendment and restatement agreement dated on or about the date hereof entered into between the Assignor (being the lender under that Underlying Contract) and the relevant obligor(s) or counterpart(y/ies) thereto (being the borrower(s) under that Underlying Contract) in respect of that Underlying Contract.

"Invalid ICL Amendment Agreement" has the meaning given to that term in Clause 4 (*ICL Amendment Agreement*).

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 3 (*Form of Notice of Assignment*) or in such form as may be specified by the Security Agent.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

"Related Rights" means:

- (a) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from the Contracts; and
- (b) any monies and proceeds paid or payable in respect of the Contracts.

"Relevant Payments" means:

- (a) in respect of a Contract (for the avoidance of doubt, which is not an Underlying Contract), each and every sum paid or payable from time to time to the Assignor by the obligor or counterparty under the relevant Contract as listed in Schedule 1 (*The Contracts*) up to and including the amount of the "Amount Payable" in respect of that Contract as set out in Schedule 1 (*The Contracts*); or

- (b) subject to Clause 4 (*ICL Amendment Agreement*), and in respect of an Underlying Contract, each and every sum paid or payable from time to time to the Assignor by the obligor(s) or counterpart(y/ies) under that Underlying Contract up to and including the amount of the "Amount Payable" in respect of that Underlying Contract as set out in Schedule 2 (*The Underlying Contracts*).

"**Secured Obligations**" means all present and future obligations and liabilities at any time due, owing or incurred by any Obligor to any Secured Party under the Finance Documents, whether actual or contingent and whether incurred solely or jointly and as principal or surety or in any other capacity, including the obligations set out in clause 26.2 (*Parallel Debt (Covenant to pay the Security Agent)*) of the Facility Agreement.

"**Security Period**" means the period beginning on the date of this Agreement and ending on the Discharge Date.

"**Underlying Contract**" means each Intercompany Loan Agreement in effect immediately prior to any ICL Amendment Agreement in relation to that Intercompany Loan Agreement as listed in Schedule 2 (*The Underlying Contracts*) (and together, the "**Underlying Contracts**").

1.2 Terms defined in other Finance Documents

Unless defined in this Agreement or the context otherwise requires, a term defined in the Facility Agreement or in any other Finance Document has the same meaning in this Agreement or any notice given under or in connection with this Agreement.

1.3 Construction

In this Agreement:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and definitions*) of the Facility Agreement shall apply to the construction of this Agreement, or in any notice given under or in connection with this Agreement;
- (b) any reference to the "**Security Agent**", the "**Secured Parties**", the "**Finance Parties**", an "**Assignor**" or any "**Obligor**" shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facility Agreement;
- (c) any reference to "**including**" and "**include**" shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms; and
- (d) references in this Agreement to any Clause or Schedule shall be to a Clause or Schedule contained in this Agreement.

1.4 Incorporation of provisions from Facility Agreement

The provisions of clauses 1.6 (*Third party rights*), 11 (*Tax gross up and indemnities*), 13 (*Other Indemnities*), 33.1 (*Accounts*), 33.2 (*Certificates and determinations*) and 36 (*Amendments and Waivers*) of the Facility Agreement are deemed to form part of this Agreement as if expressly incorporated into it and as if all references in those clauses to the Facility Agreement were references to this Debenture.

1.5 Present and future assets

A reference in this Agreement to any Assigned Property or other asset includes, unless the contrary intention appears, present and future Assigned Property and other assets.

1.6 Security Agent assumes no obligation

The Security Agent shall not be under any obligation in relation to the Assigned Property as a consequence of this Agreement and each Assignor shall at all times remain liable to perform all obligations in respect of the Assigned Property.

2. COVENANT TO PAY**2.1 Covenant to pay**

The Assignor covenants with the Security Agent that it shall, on demand of the Security Agent pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.

3. ASSIGNMENT**3.1 Assignment**

The Assignor assigns and agrees to assign absolutely to the Security Agent with full title guarantee all of its rights, title and interest from time to time in and to the Relevant Payments owed to it by the obligor or counterparty under the relevant Contract and all Related Rights as continuing security for the payment and discharge of all the Secured Obligations.

3.2 Floating interest

- (a) Each Assignor charges by way of first floating charge in favour of the Security Agent all of its rights, title and interest from time to time in the Relevant Payments owed to it by the obligor under the relevant Contract.
- (b) The floating charge created pursuant to paragraph (a) of Clause 3.2 above shall be deferred in point of priority to all fixed security validly and effectively created by that Assignor under the Finance Documents or in favour of the Security Agent as security for the Secured Obligations.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to paragraph (a) of Clause 3.2 above.

3.3 Crystallisation: by notice

The Security Agent may at any time by notice in writing to any Assignor convert any floating security interest effected pursuant to Clause 3.2 (*Floating security interest*), with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Enforcement Event has occurred; or
- (b) the Security Agent (acting reasonably) considers that it is desirable in order to protect the priority of the security.

3.4 Crystallisation: automatic

Notwithstanding Clause 3.3 (*Crystallisation: by notice*) and without prejudice to any law which may have a similar effect, any floating security interest effected pursuant to Clause 3.2 (*Floating interest*) will automatically be converted (without notice) with immediate effect into a fixed security interest if:

- (a) any Assignor creates or attempts to create any Security Interest (other than any Security Interest permitted under the terms of the Facility Agreement), over any of the Assigned Property;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Assigned Property;
- (c) there is an application presented to the court for the making of an administration order in relation to any Assignor;
- (d) there is a written notice given by any person (who is entitled to do so) of its intention to appoint an administrator of any Assignor or the filing of such a notice with the court;
- (e) a Receiver is appointed over all or any part of the Assigned Property;
- (f) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Assignor;
- (g) a petition is presented for the compulsory winding-up of any Assignor;
- (h) a provisional liquidator is appointed to any Assignor; or
- (i) a resolution is passed or an order is made for the dissolution or reorganisation of any Assignor,

or any analogous procedure or step is taken in any jurisdiction.

4. ICL AMENDMENT AGREEMENT

4.1 Validity of each ICL Amendment Agreement

In the event any ICL Amendment Agreement is declared or found to be invalid, illegal, non-binding or unenforceable against any obligor or counterparty under that ICL Amendment Agreement, by any tribunal, authority or judicial body in any jurisdiction or for any reason whatsoever (an "Invalid ICL Amendment Agreement"):

- (a) the Assignor as lender under the Invalid ICL Amendment Agreement shall be deemed to have assigned and to have agreed to assign to the Security Agent on the date of this Agreement its rights, title and interest from time to time in and to the applicable Relevant Payments in respect of the relevant Underlying Contract and all Related Rights thereto absolutely with full title guarantee (for the avoidance of doubt, arising from the relevant Underlying Contract to which that Invalid ICL Amendment Agreement relates) as continuing security for the payment and discharge of all the Secured Obligations; and
- (b) each relevant Underlying Contract referred to in paragraph (a) above shall be deemed to be a Contract for the purposes of this Agreement.

5. PROVISIONS AS TO SECURITY AND PERFECTION

5.1 Negative pledge and restriction on dealings

Except for the Transaction Security the Assignor shall not at any time during the Security Period create or permit to subsist any Security Interest over all or any part of the Assigned Property or dispose of or otherwise deal in any way with the Assigned Property or any part of it without the prior written consent of the Security Agent (acting on the instructions of the Majority Lenders).

5.2 Implied covenants for title

- (a) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 3 (*Assignment*).
- (b) It shall be implied in respect of Clause 3 (*Assignment*) that the Assignor is disposing of the Assigned Property free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

5.3 Notice of Assignment

- (a) The Assignor shall, within 10 Business Days of the date of this Agreement, deliver to the Security Agent (or procure the delivery of) a Notice of Assignment duly executed by, or on behalf of, the Assignor.
- (b) The Assignor shall, within 40 days of the date of this Agreement, procure from the relevant third party an acknowledgement in the form set out in such Notice of Assignment.

5.4 Further advances

Subject to the terms of the Finance Documents the Lenders are under an obligation to make further advances to the Assignor and that obligation shall be deemed to be incorporated into this Agreement as if set out in this Agreement.

5.5 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to all or any part of the Assigned Property as the Security Agent may determine and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any such person or be bound to supervise the proceedings or acts of any such person.

6. FURTHER ASSURANCE

6.1 Extension of implied covenant

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 6.2 (*Further assurance*) below.

6.2 Further assurance

The Assignor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):

- (a) to create, perfect, protect and/or maintain the Security Interest created or intended to be created in respect of the Assigned Property (which may include the execution by the Assignor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, the Assigned Property) or for the exercise of the Collateral Rights; and/or
- (b) following an Enforcement Event, to facilitate the realisation of the Assigned Property.

7. RELEVANT PAYMENTS

7.1 Payment instructions

From the date of this Agreement, each Assignor shall ensure that any Relevant Payments made under each Contract shall be paid directly to the Security Agent or as directed by the Security Agent in writing from time to time, in each case to be held on trust for the Secured Parties pending an Enforcement Event.

7.2 Turnover

If, in breach of any payment instructions in the Notice of Assignment and/or the payment instructions provided in accordance with Clause 7.1 (*Payment Instructions*) above, the Assignor receives any Relevant Payments under the Contracts, it shall hold that payment on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct, in each case to be held on trust for the Secured Parties pending an Enforcement Event.

8. ASSIGNOR'S REPRESENTATIONS AND UNDERTAKINGS

8.1 Representations

The Assignor makes the representations and warranties set out in this Clause 8 to the Security Agent on the date of this Agreement.

(a) *Legal, valid and binding and enforceable obligations*

The obligations expressed to be assumed by the Assignor in the Contracts constitute, subject to the Legal Reservations, its legal, valid, binding and enforceable obligations.

(b) *Good title to Assigned Property*

The Assignor has good, valid and marketable title to all of the Assigned Property and the Assigned Property is free from all charges and encumbrances and from all other rights exercisable by third parties.

(c) *Security Interests*

No Security Interest exists over all or any of the Assigned Property.

8.2 Undertakings

(a) *Information and access*

The Assignor shall from time to time on request of the Security Agent, furnish the Security Agent with such information as the Security Agent may reasonably require about the Assignor's business and affairs, the Assigned Property and the Assignor's compliance with the terms of this Agreement and the Assignor shall permit the Security Agent, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice (a) to inspect and take copies and extracts from the books, accounts and records of the Assignor and (b) to view the Assigned Property.

(b) *Preservation of assets*

(i) The Assignor shall not do or permit to be done any act or thing which might jeopardise the rights of the Security Agent in the Assigned Property or which might adversely affect or diminish the value of the Assigned Property; and

- (ii) The Assignor shall procure that the obligor(s) or counterpart(y/ies) under each Contract shall not make any payments in respect of the principal amount owed to the Assignor under that Contract prior to the Termination Date without the prior written consent of the Security Agent.

(c) ***No variation***

The Assignor shall not vary, rescind or amend the relevant Contract to which it is a party except in accordance with paragraph (d) below or with the prior written consent of the Security Agent.

(d) ***Extension of the Contract***

The Assignor undertakes to procure that (i) not later than by the date falling two calendar months after the date of this Agreement, the termination date under the Contract is extended until a date not earlier than 20 November 2022 (for the avoidance of doubt, being the Termination Date under the Facility Agreement); and (ii) in the event the Termination Date under the Facility Agreement is extended in accordance with clause 6.2 (*Extension option*) of the Facility Agreement, within 10 Business Days after the date of such extension, the termination date under the Contract is extended until a date not earlier than 20 November 2025.

9. ENFORCEMENT OF SECURITY

9.1 Enforcement

Any time after the occurrence of an Enforcement Event, the Security Interest created by or pursuant to this Agreement is immediately enforceable and the Security Agent may, without notice to the Assignor or prior authorisation from any court, in its absolute discretion:

- (a) secure and perfect its title to all or any part of the Assigned Property;
- (b) enforce all or any part of that Security Interest at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of any part of the Assigned Property (and any assets of the Assignor which, when got in, would be part of the Assigned Property), at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration); and
- (c) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Agreement) on mortgagees and by this Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.

9.2 Effect of moratorium

The Security Agent shall not be entitled to exercise its rights under Clause 9.1 (*Enforcement*) or Clause 3.3 (*Crystallisation: by notice*) where the right arises as a result of an Enforcement Event occurring solely due to any person obtaining, or

taking steps to obtain, a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

10. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

10.1 Extension of power of sale

The power of sale or other disposal conferred on the Security Agent and on any Receiver by this Agreement shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Agreement.

10.2 Restrictions

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to the exercise by the Security Agent of its right to consolidate all or any of the Security Interest created by or pursuant to this Agreement with any other Security Interest in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to the Assignor on or at any time after the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*).

10.3 Right of appropriation

After the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*), to the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended (the "**Regulations**") apply to all or any part of the Assigned Property, the Security Agent shall have the right to appropriate the relevant Assigned Property in or towards the payment or discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Assignor. For this purpose, the parties agree that the value of the Assigned Property so appropriated shall be the amount standing to the credit of any account (at the time the right of appropriation is exercised) which represents the Relevant Payments under the Contracts. The parties further agree that the method of valuation provided for in this Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

10.4 Statutory powers

The powers conferred by this Agreement on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Agreement) and such powers shall remain exercisable from time to time by the Security Agent in respect of the Assigned Property. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Agreement, the terms of this Agreement shall prevail.

11. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

11.1 Appointment and removal

After the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*), the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent), without prior notice to the Assignor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Assigned Property;
- (b) appoint two or more Receivers of separate parts of the Assigned Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); and
- (e) appoint one or more persons to be an administrator of the Assignor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

11.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 11.1 (*Appointment and Removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) the agent of the Assignor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

11.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Agreement) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Assigned Property.

12. POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Assignor) have and be entitled to exercise, in relation to the Assigned Property (and any assets of the Assignor which, when got in, would be part of the Assigned Property) in respect of which he was appointed, and as varied and extended by the provisions of this Agreement (in the

name of or on behalf of the Assignor or in his own name and, in each case, at the cost of the Assignor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Assignor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Assignor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Assigned Property in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of the Assignor forming part of, or which when got in would be part of, the Assigned Property.

13. APPLICATION OF PROCEEDS

All monies received or recovered and any non-cash recoveries made or received by the Security Agent or any Receiver pursuant to this Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by the Assignor) in accordance with the terms of the Finance Documents.

14. PROTECTION OF PURCHASERS

14.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Assigned Property or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

14.2 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned to inquire whether that power has been properly or regularly exercised by the Security Agent or such Receiver in such dealings.

15. POWER OF ATTORNEY**15.1 Appointment and powers**

The Assignor, by way of security, irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Assignor by this Agreement or any other agreement binding on the Assignor to which the Security Agent is a party (including the execution and delivery of any deeds, charges, assignments or other Security Interest and any transfers of the assets subject to the Security Interest and perfecting and/or releasing the Security Interest created or intended to be created in respect of the Assigned Property); and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the Collateral Rights (including, after the occurrence of an Enforcement Event, the exercise of any right of a legal or beneficial owner of the Assigned Property).

15.2 Ratification

The Assignor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

16. EXERCISE OF POWERS UNDER THE POWER OF ATTORNEY

Without prejudice to the rights of any other person dealing with the Security Agent or any Receiver and without limiting any provision of Clause 14 (*Protection of Purchasers*) or Clause 15 (*Power of Attorney*), the Security Agent agrees with the Assignor that it shall not exercise its rights under the power of attorney referred to in Clause 15 (*Power of Attorney*) unless:

- (a) the Assignor has failed to comply with any of its obligations under Clause 6 (*Further assurance*) within 5 Business Days of the request of the Security Agent; or
- (b) the Security Interest has become enforceable pursuant to Clause 9 (*Enforcement of Security*).

17. EFFECTIVENESS OF SECURITY**17.1 Continuing security**

- (a) The Security Interest created by or pursuant to this Agreement shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent in writing.
- (b) No part of the Security Interest from time to time intended to be created by this Agreement will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

17.2 Cumulative rights

The Security Interest created by or pursuant to this Agreement, and the Collateral Rights shall be cumulative, in addition to and independent of every other Security Interest which the Security Agent or any other Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent Security Interest notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security Interest. No prior Security Interest held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Assigned Property shall merge into the Security Interest created by this Agreement.

17.3 No prejudice

The Security Interest created by or pursuant to this Agreement and the Collateral Rights, shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Assignor or any other person by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Agent holds the Security Interest or by any other thing which might otherwise prejudice that Security Interest or any Collateral Right.

17.4 Remedies and waivers

No failure on the part of the Security Agent to exercise, nor any delay on its part in exercising, any Collateral Right, shall operate as a waiver of that Collateral Right or constitute an election to affirm this Agreement. No election to affirm this Agreement on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

17.5 No liability

None of the Security Agent, its nominee(s) or any Receiver shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or

- (b) for any loss arising by reason of taking any action permitted by this Agreement or any neglect or default in connection with the Assigned Property or taking possession of or realising all or any part of the Assigned Property,

except in the case of gross negligence or wilful default upon its part.

17.6 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security Interest intended to be created by or pursuant to this Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security Interest.

17.7 Waiver of defences

The obligations assumed, and the Security Interest created, by the Assignor under this Agreement, and the Collateral Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 17.7, would reduce, release or prejudice any of its obligations under, or the Security Interest created by, this Agreement (whether or not known to the Assignor or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security Interest;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (in each case, however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security Interest or of the Secured Obligations including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security Interest;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security Interest or of the Secured Obligations; or
- (g) any insolvency or similar proceedings.

17.8 Assignor intent

Without prejudice to the generality of Clause 17.7 (*Waiver of defences*), the Assignor expressly confirms that it intends that the Security Interest created under this Agreement, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing

17.9 Immediate recourse

The Assignor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security Interest or claim payment from any other person before claiming from the Assignor under this Agreement or enforcing the Security Interest created by this Agreement. This waiver applies irrespective of any law or any provision of this Agreement to the contrary.

17.10 Deferral of Rights

Until the end of the Security Period, the Assignor will not exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

- (a) to be indemnified by an Obligor or in respect of any other person;
- (b) to claim any contribution from any guarantor or any other person in respect of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Finance Documents or of any other guarantee or Security Interest taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor or other person to make any payment, or perform any obligation, in respect of which any Obligor or other person has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Obligor or other person; and/or
- (f) to claim or prove as a creditor of any Obligor or other person in competition with any Secured Party.

If the Assignor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all

amounts which may be or become payable to any Secured Party by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 13 (*Application of Proceeds*).

17.11 Additional Security

The Security Interest created by the Assignor under this Agreement and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by any Secured Party.

18. PRIOR SECURITY INTERESTS

18.1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security Interest against any of the Assigned Property or in case of exercise by the Security Agent or any Receiver of any power of sale or right of appropriation or application under this Agreement, the Security Agent may redeem such prior Security Interest or procure the transfer thereof to itself.

18.2 Accounts

The Security Agent may settle and agree the accounts of the prior Security Interest and any accounts so settled and agreed will be conclusive and binding on the Assignor.

18.3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Assignor to the Security Agent on demand.

19. SUBSEQUENT SECURITY INTERESTS

If the Security Agent (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security Interest, assignment or transfer affecting all or any part of the Assigned Property which is prohibited by the terms of any Finance Document, all payments made thereafter by or on behalf of the Assignor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by the Assignor) be treated as having been credited to a new account of the Assignor and not as having been applied in reduction of the Secured Obligations at the time that notice was received.

20. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Agreement (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Agent considers appropriate (including

itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

21. RELEASE OF SECURITY

21.1 Release of Security

The Security Agent shall, at the request and cost of the Assignor, release and cancel the Security Interest created by this Agreement:

- (a) upon the Discharge Date; or
- (b) if the Security Agent is otherwise required to release the Security Interest created by this Agreement (or a part thereof) in order to effect a transaction which is permitted under the Finance Documents,

in each case, provided that no Default is continuing and subject to Clause 21.2 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

21.2 Clawback

If the Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Assignor under this Agreement and the Security Interest created by this Agreement will continue and such amount will not be considered to have been irrevocably paid or credited.

22. SET-OFF

The Assignor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Agent to the Assignor and apply any credit balance to which the Assignor is entitled on any account with the Security Agent in accordance with Clause 13 (*Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

23. ASSIGNMENT

23.1 No assignments or transfers by Assignor

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

23.2 Assignments by the Security Agent

The Security Agent may assign all or any of its rights under this Agreement. The Security Agent shall be entitled to disclose such information concerning the Assignor and this Agreement as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

23.3 Successors

This Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Agent. References to the Security Agent shall include (i) any assignee or successor in title of the Security Agent, (ii) any entity into which the Security Agent is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Agent is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Agent under this Agreement or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Agent for all purposes under the Finance Documents).

24. NOTICES

24.1 Communications in writing

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

24.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

- (a) in the case of an Assignor, 5th Floor, 6 St. Andrew Street, London EC4A 3AE, the United Kingdom (*fax number* +44 (0)207 832 4901) marked for the attention of Vivienne McLean;
- (b) in the case of the Security Agent, 12 Presnenskaya Embankment, 123100 Moscow (*fax number* +7 (495) 956 71 48) marked for the attention of Bondarenko Oksana and Loan Admin,

or any substitute address, fax number, or department or officer as the Party may notify to the Agent pursuant to clause 32 (*Notices*) of the Facility Agreement by not less than five Business Days' notice.

24.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 24.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified above (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) and (b) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

24.4 Electronic communication

- (a) Any communication to be made between the Assignor and the Security Agent under or in connection with this Agreement may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above may only be made in that way to the extent that the Assignor and the Security Agent agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by the Assignor to the Security Agent only if it is addressed in such manner as the Security Agent shall specify for this purpose.
- (d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5:00 p.m. in the place in which the addressee of the relevant communication has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.

- (e) Any reference in this Agreement to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 24.4.

24.5 English language

- (a) Any notice given under or in connection with this Agreement must be in English.
- (b) All other documents provided under or in connection with this Agreement must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

25. DISCRETION AND DELEGATION

25.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Agreement by the Security Agent or any Receiver may, subject to the terms and conditions of the Facility Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

25.2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself.

26. GOVERNING LAW

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

27. ENFORCEMENT

27.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Agreement)(a "Dispute").

- (b) The Assignor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, it will not argue to the contrary.
- (c) Notwithstanding paragraph (a) of this Clause 27.1 (*Jurisdiction*), Security Agent may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

THIS AGREEMENT has been signed by the Security Agent and executed as a deed by the Assignor and is delivered by it as a deed on the date stated at the beginning of this Agreement.

SCHEDULE 1
THE CONTRACTS

Description of Contract	Amount Payable (USD)
1. the amended and restated loan agreement between ENRC Finance Limited as lender and ENRC Africa 1 Limited as borrower dated <u>23</u> December 2016 (being the "First Restated Loan Agreement" as defined in the ICL Amendment Agreement dated <u>23</u> December 2016 relating to the Underlying Contract dated 15 September 2009 (as amended and restated from time to time) between ENRC Finance Limited as lender and ENRC Africa 1 Limited as borrower).	1,050,106,999.00

SCHEDULE 2
THE UNDERLYING CONTRACTS

Description of Underlying Contract	Amount Payable (USD)
1. the loan agreement between ENRC Finance Limited as lender and ENRC Africa 1 Limited as borrower dated 15 September 2009 (as amended and restated from time to time).	1,050,106,999.00

SCHEDULE 3
FORM OF NOTICE OF ASSIGNMENT

To: *[Name of relevant obligor(s) or counterpart(y/ies) under the relevant Contracts]*

Date: _____ 2016

Dear Sirs,

1. We hereby give you notice that we have assigned to **VTB Bank (PJSC) (formerly JSC VTB Bank)** (the "**Security Agent**") pursuant to an assignment entered into by us in favour of the Security Agent dated _____ (the "**Assignment Agreement**") all our right, title and interest in and to the Payments (as defined below) under the *[details of relevant Contract(s)]* or, as may be the case in accordance with the provisions of the Assignment Agreement, *[details of the Underlying Contract(s)]* (the "**Contract(s)**").
2. We shall continue to be solely responsible for the performance of our obligations under or in connection with the Contract(s).
3. With effect from the date of your receipt of this notice:
 - (a) all payments by you to us under or arising from the Contract(s) (which, for the avoidance of doubt, shall include all payments of principal and interest accrued or accruing under the Contract(s)) up to and including an amount of USD *[details of Relevant Payments to be included]* (the "**Payments**") shall be paid to, or at the direction of, the Security Agent, as it may specify in writing from time to time;
 - (b) all remedies provided for in the Contract(s) or available at law or in equity shall be exercisable by, or at the direction of, the Security Agent;
 - (c) all rights to compel performance of the Contract(s) shall be exercisable by, or at the direction of, the Security Agent; and
 - (d) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract(s) shall belong to the Security Agent.
4. You are authorised and instructed, without requiring further approval from us, to provide the Security Agent with such information relating to the Contract(s) as it may from time to time request and to send copies of all notices issued by you under the Contract(s) to the Security Agent as well as to us.
5. These instructions may not be revoked, nor may the terms of the Contract(s) be amended, varied, waived or terminated, without the prior written consent of the Security Agent.
6. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at 12 Presnenskaya

Embankment, 123100 Moscow (*fax number* +7 (495) 956 71 48) marked for the attention of Bondarenko Oksana and Loan Admin.

7. This notice is governed by English law.

Yours faithfully,

.....
For and on behalf of
[Assignor Name]

We confirm our agreement to the terms of this notice and instruct you, in accordance with Clause 3 of this notice, and with effect from the date of your receipt of this notice, that:

- (a) the Payments (in respect only of payments of interest accrued or accruing under the Contract(s)) shall be made to [Assignor Name];
- (b) all remedies provided for in the Contract(s) (or otherwise available) and all rights to compel performance of the Contract(s) shall be exercisable by [Assignor Name]; and
- (c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract shall belong to [Assignor Name],

in each case until you receive written notification from us to the contrary.

.....
For and on behalf of the
VTB Bank (PJSC) (formerly JSC VTB Bank) as Security Agent¹

Acknowledgement

[On copy only:]

To: **VTB Bank (PJSC) (formerly JSC VTB Bank)**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract(s) and that we will comply with the terms of the notice from the Assignor.

We further confirm that we have not claimed or exercised and have no outstanding right to claim or exercise, and shall not claim or exercise any right of set off, counterclaim or other right relating to the Payments and no amendment, waiver or release of any rights, interests and benefits in and to the Contract(s) shall be effective without your prior written consent.

We acknowledge receipt of instructions from you in connection with the assignment of the Contract(s) and confirm that we shall act in accordance with them until we receive written notification from you to the contrary.

For and on behalf of [•]


By:

Dated:

EXECUTION PAGE TO SECURITY ASSIGNMENT AGREEMENT

The Assignor

EXECUTED AS A DEED by
ENRC FINANCE LIMITED
acting by
in the presence of:

) 
)
)
) **PAUL AGG LEON**
AUTHORISED REPRESENTATIVE

Signature of witness: 

Name (in BLOCK CAPITALS): **EDWARD HICKS, TRAINEE SOLICITOR**

Address:

CLEARY GOTTlieb STEEN & HAMILTON LLP
CITY PLACE HOUSE,
55 BASINGHALL STREET,
LONDON EC2V 5EH

The Security Agent

Signed by
VTB Bank (PJSC) (FORMERLY JSC VTB
BANK)
for and on its behalf
by its duly authorised
Officer

)
)
)
)
)
)

DATED 23 December 2016

ENRC FINANCE LIMITED
AS ASSIGNOR

IN FAVOUR OF

VTB BANK (PJSC)
(FORMERLY JSC VTB BANK)
AS THE SECURITY AGENT

SECURITY ASSIGNMENT OF CONTRACTUAL
RIGHTS UNDER SPECIFIC CONTRACTS

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THIS AGREEMENT is made by way of deed on 23 December 2016

BY

ENRC FINANCE LIMITED (the "Assignor") in favour of

VTB BANK (PJSC) (formerly JSC VTB BANK) in its capacity as security trustee for and on behalf of itself and in the name and on behalf of each of the other Secured Parties on the terms and conditions set out in the Facility Agreement (the "Security Agent" which expression shall include any person for the time being appointed as trustee, or as an additional trustee, for the purposes of the Finance Documents).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"Amount Payable" means:

- (a) in respect of each Contract, the amount set out in the column marked "Amount Payable" opposite that Contract in Schedule 1 (*The Contracts*); and
- (b) in respect of each Underlying Contract, the amount set out in the column marked "Amount Payable" opposite that Underlying Contract in Schedule 2 (*The Underlying Contracts*).

"Assigned Property" means the rights and property expressed to be assigned in Clause 3 (*Assignment*) or Clause 4 (*ICL Amendment Agreement*), as applicable.

"Collateral Rights" means all rights, powers and remedies of the Security Agent provided by or pursuant to this Agreement or by law.

"Contract" means:

- (a) each contract listed in Schedule 1 (*The Contracts*); and
- (b) subject to Clause 4 (*ICL Amendment Agreement*), each relevant Underlying Contract,

(together, the "Contracts").

"Discharge Date" means the time at which the Security Agent, with the approval of the Majority Lenders, determines that:

- (a) all of the Secured Obligations and all other obligations secured by the Security Documents have been finally and irrevocably discharged in full; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents.

"Enforcement Event" means:

- (a) an Event of Default which is continuing in respect of which a notice has been given pursuant to clause 21.26 (*Acceleration*) of the Facility Agreement to exercise, or direct the Security Agent to exercise, any or all of its rights, remedies, powers or discretions under any Finance Document and the Assignor has been notified of the same; or
- (b) a request from the Assignor to the Security Agent that it exercise any of its powers under this Agreement.

"Facility Agreement" means the facility agreement dated 15 February 2016 (as amended and restated from time to time) between, amongst others, Joint-stock company "Transnational Company "Kazchrome", Joint-stock company "Eurasian energy corporation", Joint-stock company "Shubarkol komir" and Eurasian Resources Group B.V. each as an Original Borrower, Eurasian Resources Group as the Parent, ENRC N.V. as the Obligors' Agent, VTB Bank (PJSC) (formerly JSC VTB Bank) as Arranger, Agent and Security Agent and the Lenders referred to therein.

"ICL Amendment Agreement" in relation to each Underlying Contract, means each amendment and restatement agreement dated on or about the date hereof entered into between the Assignor (being the lender under that Underlying Contract) and the relevant obligor(s) or counterpart(y/ies) thereto (being the borrower(s) under that Underlying Contract) in respect of that Underlying Contract.

"Invalid ICL Amendment Agreement" has the meaning given to that term in Clause 4 (*ICL Amendment Agreement*).

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 3 (*Form of Notice of Assignment*) or in such form as may be specified by the Security Agent.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

"Related Rights" means:

- (a) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from the Contracts; and
- (b) any monies and proceeds paid or payable in respect of the Contracts.

"Relevant Payments" means:

- (a) in respect of a Contract (for the avoidance of doubt, which is not an Underlying Contract), each and every sum paid or payable from time to time to the Assignor by the obligor or counterparty under the relevant Contract as listed in Schedule 1 (*The Contracts*) up to and including the amount of the "Amount Payable" in respect of that Contract as set out in Schedule 1 (*The Contracts*); or

- (b) subject to Clause 4 (*ICL Amendment Agreement*), and in respect of an Underlying Contract, each and every sum paid or payable from time to time to the Assignor by the obligor(s) or counterpart(y/ies) under that Underlying Contract up to and including the amount of the "Amount Payable" in respect of that Underlying Contract as set out in Schedule 2 (*The Underlying Contracts*).

"**Secured Obligations**" means all present and future obligations and liabilities at any time due, owing or incurred by any Obligor to any Secured Party under the Finance Documents, whether actual or contingent and whether incurred solely or jointly and as principal or surety or in any other capacity, including the obligations set out in clause 26.2 (*Parallel Debt (Covenant to pay the Security Agent)*) of the Facility Agreement.

"**Security Period**" means the period beginning on the date of this Agreement and ending on the Discharge Date.

"**Underlying Contract**" means each Intercompany Loan Agreement in effect immediately prior to any ICL Amendment Agreement in relation to that Intercompany Loan Agreement as listed in Schedule 2 (*The Underlying Contracts*) (and together, the "**Underlying Contracts**").

1.2 Terms defined in other Finance Documents

Unless defined in this Agreement or the context otherwise requires, a term defined in the Facility Agreement or in any other Finance Document has the same meaning in this Agreement or any notice given under or in connection with this Agreement.

1.3 Construction

In this Agreement:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and definitions*) of the Facility Agreement shall apply to the construction of this Agreement, or in any notice given under or in connection with this Agreement;
- (b) any reference to the "**Security Agent**", the "**Secured Parties**", the "**Finance Parties**", an "**Assignor**" or any "**Obligor**" shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facility Agreement;
- (c) any reference to "**including**" and "**include**" shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms; and
- (d) references in this Agreement to any Clause or Schedule shall be to a Clause or Schedule contained in this Agreement.

1.4 Incorporation of provisions from Facility Agreement

The provisions of clauses 1.6 (*Third party rights*), 11 (*Tax gross up and indemnities*), 13 (*Other Indemnities*), 33.1 (*Accounts*), 33.2 (*Certificates and determinations*) and 36 (*Amendments and Waivers*) of the Facility Agreement are deemed to form part of this Agreement as if expressly incorporated into it and as if all references in those clauses to the Facility Agreement were references to this Debenture.

1.5 Present and future assets

A reference in this Agreement to any Assigned Property or other asset includes, unless the contrary intention appears, present and future Assigned Property and other assets.

1.6 Security Agent assumes no obligation

The Security Agent shall not be under any obligation in relation to the Assigned Property as a consequence of this Agreement and each Assignor shall at all times remain liable to perform all obligations in respect of the Assigned Property.

2. COVENANT TO PAY

2.1 Covenant to pay

The Assignor covenants with the Security Agent that it shall, on demand of the Security Agent pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.

3. ASSIGNMENT

3.1 Assignment

The Assignor assigns and agrees to assign absolutely to the Security Agent with full title guarantee all of its rights, title and interest from time to time in and to the Relevant Payments owed to it by the obligor or counterparty under the relevant Contract and all Related Rights as continuing security for the payment and discharge of all the Secured Obligations.

3.2 Floating interest

- (a) Each Assignor charges by way of first floating charge in favour of the Security Agent all of its rights, title and interest from time to time in the Relevant Payments owed to it by the obligor under the relevant Contract.
- (b) The floating charge created pursuant to paragraph (a) of Clause 3.2 above shall be deferred in point of priority to all fixed security validly and effectively created by that Assignor under the Finance Documents or in favour of the Security Agent as security for the Secured Obligations.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to paragraph (a) of Clause 3.2 above.

3.3 Crystallisation: by notice

The Security Agent may at any time by notice in writing to any Assignor convert any floating security interest effected pursuant to Clause 3.2 (*Floating security interest*), with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Enforcement Event has occurred; or
- (b) the Security Agent (acting reasonably) considers that it is desirable in order to protect the priority of the security.

3.4 Crystallisation: automatic

Notwithstanding Clause 3.3 (*Crystallisation: by notice*) and without prejudice to any law which may have a similar effect, any floating security interest effected pursuant to Clause 3.2 (*Floating interest*) will automatically be converted (without notice) with immediate effect into a fixed security interest if:

- (a) any Assignor creates or attempts to create any Security Interest (other than any Security Interest permitted under the terms of the Facility Agreement), over any of the Assigned Property;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Assigned Property;
- (c) there is an application presented to the court for the making of an administration order in relation to any Assignor;
- (d) there is a written notice given by any person (who is entitled to do so) of its intention to appoint an administrator of any Assignor or the filing of such a notice with the court;
- (e) a Receiver is appointed over all or any part of the Assigned Property;
- (f) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Assignor;
- (g) a petition is presented for the compulsory winding-up of any Assignor;
- (h) a provisional liquidator is appointed to any Assignor; or
- (i) a resolution is passed or an order is made for the dissolution or reorganisation of any Assignor,

or any analogous procedure or step is taken in any jurisdiction.

4. ICL AMENDMENT AGREEMENT

4.1 Validity of each ICL Amendment Agreement

In the event any ICL Amendment Agreement is declared or found to be invalid, illegal, non-binding or unenforceable against any obligor or counterparty under that ICL Amendment Agreement, by any tribunal, authority or judicial body in any jurisdiction or for any reason whatsoever (an "**Invalid ICL Amendment Agreement**");

- (a) the Assignor as lender under the Invalid ICL Amendment Agreement shall be deemed to have assigned and to have agreed to assign to the Security Agent on the date of this Agreement its rights, title and interest from time to time in and to the applicable Relevant Payments in respect of the relevant Underlying Contract and all Related Rights thereto absolutely with full title guarantee (for the avoidance of doubt, arising from the relevant Underlying Contract to which that Invalid ICL Amendment Agreement relates) as continuing security for the payment and discharge of all the Secured Obligations; and
- (b) each relevant Underlying Contract referred to in paragraph (a) above shall be deemed to be a Contract for the purposes of this Agreement.

5. PROVISIONS AS TO SECURITY AND PERFECTION

5.1 Negative pledge and restriction on dealings

Except for the Transaction Security the Assignor shall not at any time during the Security Period create or permit to subsist any Security Interest over all or any part of the Assigned Property or dispose of or otherwise deal in any way with the Assigned Property or any part of it without the prior written consent of the Security Agent (acting on the instructions of the Majority Lenders).

5.2 Implied covenants for title

- (a) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 3 (*Assignment*).
- (b) It shall be implied in respect of Clause 3 (*Assignment*) that the Assignor is disposing of the Assigned Property free from all charges and encumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

5.3 Notice of Assignment

- (a) The Assignor shall, within 10 Business Days of the date of this Agreement, deliver to the Security Agent (or procure the delivery of) a Notice of Assignment duly executed by, or on behalf of, the Assignor.
- (b) The Assignor shall, within 40 days of the date of this Agreement, procure from the relevant third party an acknowledgement in the form set out in such Notice of Assignment.

5.4 Further advances

Subject to the terms of the Finance Documents the Lenders are under an obligation to make further advances to the Assignor and that obligation shall be deemed to be incorporated into this Agreement as if set out in this Agreement.

5.5 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to all or any part of the Assigned Property as the Security Agent may determine and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any such person or be bound to supervise the proceedings or acts of any such person.

6. FURTHER ASSURANCE

6.1 Extension of implied covenant

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 6.2 (*Further assurance*) below.

6.2 Further assurance

The Assignor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s):

- (a) to create, perfect, protect and/or maintain the Security Interest created or intended to be created in respect of the Assigned Property (which may include the execution by the Assignor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, the Assigned Property) or for the exercise of the Collateral Rights; and/or
- (b) following an Enforcement Event, to facilitate the realisation of the Assigned Property.

7. RELEVANT PAYMENTS

7.1 Payment instructions

From the date of this Agreement, each Assignor shall ensure that any Relevant Payments made under each Contract shall be paid directly to the Security Agent or as directed by the Security Agent in writing from time to time, in each case to be held on trust for the Secured Parties pending an Enforcement Event.

7.2 Turnover

If, in breach of any payment instructions in the Notice of Assignment and/or the payment instructions provided in accordance with Clause 7.1 (*Payment Instructions*) above, the Assignor receives any Relevant Payments under the Contracts, it shall hold that payment on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct, in each case to be held on trust for the Secured Parties pending an Enforcement Event.

8. ASSIGNOR'S REPRESENTATIONS AND UNDERTAKINGS

8.1 Representations

The Assignor makes the representations and warranties set out in this Clause 8 to the Security Agent on the date of this Agreement.

(a) *Legal, valid and binding and enforceable obligations*

The obligations expressed to be assumed by the Assignor in the Contracts constitute, subject to the Legal Reservations, its legal, valid, binding and enforceable obligations.

(b) *Good title to Assigned Property*

The Assignor has good, valid and marketable title to all of the Assigned Property and the Assigned Property is free from all charges and encumbrances and from all other rights exercisable by third parties.

(c) *Security Interests*

No Security Interest exists over all or any of the Assigned Property.

8.2 Undertakings

(a) *Information and access*

The Assignor shall from time to time on request of the Security Agent, furnish the Security Agent with such information as the Security Agent may reasonably require about the Assignor's business and affairs, the Assigned Property and the Assignor's compliance with the terms of this Agreement and the Assignor shall permit the Security Agent, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice (a) to inspect and take copies and extracts from the books, accounts and records of the Assignor and (b) to view the Assigned Property.

(b) *Preservation of assets*

- (i) The Assignor shall not do or permit to be done any act or thing which might jeopardise the rights of the Security Agent in the Assigned Property or which might adversely affect or diminish the value of the Assigned Property; and

- (ii) The Assignor shall procure that the obligor(s) or counterpart(y/ies) under each Contract shall not make any payments in respect of the principal amount owed to the Assignor under that Contract prior to the Termination Date without the prior written consent of the Security Agent.

(c) *No variation*

The Assignor shall not vary, rescind or amend the relevant Contract to which it is a party except in accordance with paragraph (d) below or with the prior written consent of the Security Agent.

(d) *Extension of the Contract*

The Assignor undertakes to procure that (i) not later than by the date falling two calendar months after the date of this Agreement, the termination date under the Contract is extended until a date not earlier than 20 November 2022 (for the avoidance of doubt, being the Termination Date under the Facility Agreement); and (ii) in the event the Termination Date under the Facility Agreement is extended in accordance with clause 6.2 (*Extension option*) of the Facility Agreement, within 10 Business Days after the date of such extension, the termination date under the Contract is extended until a date not earlier than 20 November 2025.

9. ENFORCEMENT OF SECURITY

9.1 Enforcement

Any time after the occurrence of an Enforcement Event, the Security Interest created by or pursuant to this Agreement is immediately enforceable and the Security Agent may, without notice to the Assignor or prior authorisation from any court, in its absolute discretion:

- (a) secure and perfect its title to all or any part of the Assigned Property;
- (b) enforce all or any part of that Security Interest at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of any part of the Assigned Property (and any assets of the Assignor which, when got in, would be part of the Assigned Property), at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration); and
- (c) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Agreement) on mortgagees and by this Agreement on any Receiver or otherwise conferred by law on mortgagees or Receivers.

9.2 Effect of moratorium

The Security Agent shall not be entitled to exercise its rights under Clause 9.1 (*Enforcement*) or Clause 3.3 (*Crystallisation: by notice*) where the right arises as a result of an Enforcement Event occurring solely due to any person obtaining, or

taking steps to obtain, a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

10. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

10.1 Extension of power of sale

The power of sale or other disposal conferred on the Security Agent and on any Receiver by this Agreement shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Agreement.

10.2 Restrictions

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Agreement or to the exercise by the Security Agent of its right to consolidate all or any of the Security Interest created by or pursuant to this Agreement with any other Security Interest in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to the Assignor on or at any time after the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*).

10.3 Right of appropriation

After the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*), to the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended (the "**Regulations**") apply to all or any part of the Assigned Property, the Security Agent shall have the right to appropriate the relevant Assigned Property in or towards the payment or discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Assignor. For this purpose, the parties agree that the value of the Assigned Property so appropriated shall be the amount standing to the credit of any account (at the time the right of appropriation is exercised) which represents the Relevant Payments under the Contracts. The parties further agree that the method of valuation provided for in this Agreement shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

10.4 Statutory powers

The powers conferred by this Agreement on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Agreement) and such powers shall remain exercisable from time to time by the Security Agent in respect of the Assigned Property. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Agreement, the terms of this Agreement shall prevail.

11. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

11.1 Appointment and removal

After the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*), the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent), without prior notice to the Assignor:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Assigned Property;
- (b) appoint two or more Receivers of separate parts of the Assigned Property;
- (c) remove (so far as it is lawfully able) any Receiver so appointed;
- (d) appoint another person(s) as an additional or replacement Receiver(s); and
- (e) appoint one or more persons to be an administrator of the Assignor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

11.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 11.1 (*Appointment and Removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) the agent of the Assignor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent; and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

11.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Agreement) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Assigned Property.

12. POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Assignor) have and be entitled to exercise, in relation to the Assigned Property (and any assets of the Assignor which, when got in, would be part of the Assigned Property) in respect of which he was appointed, and as varied and extended by the provisions of this Agreement (in the

name of or on behalf of the Assignor or in his own name and, in each case, at the cost of the Assignor):

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Assignor itself could do or omit to do; and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Assignor) which seem to the Receiver to be incidental or conducive to:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Assigned Property in respect of which that Receiver was appointed); or
 - (iii) bringing to his hands any assets of the Assignor forming part of, or which when got in would be part of, the Assigned Property.

13. APPLICATION OF PROCEEDS

All monies received or recovered and any non-cash recoveries made or received by the Security Agent or any Receiver pursuant to this Agreement or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by the Assignor) in accordance with the terms of the Finance Documents.

14. PROTECTION OF PURCHASERS

14.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Assigned Property or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

14.2 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned to inquire whether that power has been properly or regularly exercised by the Security Agent or such Receiver in such dealings.

15. POWER OF ATTORNEY**15.1 Appointment and powers**

The Assignor, by way of security, irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Assignor by this Agreement or any other agreement binding on the Assignor to which the Security Agent is a party (including the execution and delivery of any deeds, charges, assignments or other Security Interest and any transfers of the assets subject to the Security Interest and perfecting and/or releasing the Security Interest created or intended to be created in respect of the Assigned Property); and
- (b) enabling the Security Agent and any Receiver to exercise, or delegate the exercise of, any of the Collateral Rights (including, after the occurrence of an Enforcement Event, the exercise of any right of a legal or beneficial owner of the Assigned Property).

15.2 Ratification

The Assignor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

16. EXERCISE OF POWERS UNDER THE POWER OF ATTORNEY

Without prejudice to the rights of any other person dealing with the Security Agent or any Receiver and without limiting any provision of Clause 14 (*Protection of Purchasers*) or Clause 15 (*Power of Attorney*), the Security Agent agrees with the Assignor that it shall not exercise its rights under the power of attorney referred to in Clause 15 (*Power of Attorney*) unless:

- (a) the Assignor has failed to comply with any of its obligations under Clause 6 (*Further assurance*) within 5 Business Days of the request of the Security Agent; or
- (b) the Security Interest has become enforceable pursuant to Clause 9 (*Enforcement of Security*).

17. EFFECTIVENESS OF SECURITY

17.1 Continuing security

- (a) The Security Interest created by or pursuant to this Agreement shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent in writing.
- (b) No part of the Security Interest from time to time intended to be created by this Agreement will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations.

17.2 Cumulative rights

The Security Interest created by or pursuant to this Agreement, and the Collateral Rights shall be cumulative, in addition to and independent of every other Security Interest which the Security Agent or any other Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent Security Interest notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security Interest. No prior Security Interest held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Assigned Property shall merge into the Security Interest created by this Agreement.

17.3 No prejudice

The Security Interest created by or pursuant to this Agreement and the Collateral Rights, shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Assignor or any other person by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Agent holds the Security Interest or by any other thing which might otherwise prejudice that Security Interest or any Collateral Right.

17.4 Remedies and waivers

No failure on the part of the Security Agent to exercise, nor any delay on its part in exercising, any Collateral Right, shall operate as a waiver of that Collateral Right or constitute an election to affirm this Agreement. No election to affirm this Agreement on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

17.5 No liability

None of the Security Agent, its nominee(s) or any Receiver shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or

- (b) for any loss arising by reason of taking any action permitted by this Agreement or any neglect or default in connection with the Assigned Property or taking possession of or realising all or any part of the Assigned Property,

except in the case of gross negligence or wilful default upon its part.

17.6 Partial invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security Interest intended to be created by or pursuant to this Agreement is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security Interest.

17.7 Waiver of defences

The obligations assumed, and the Security Interest created, by the Assignor under this Agreement, and the Collateral Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 17.7, would reduce, release or prejudice any of its obligations under, or the Security Interest created by, this Agreement (whether or not known to the Assignor or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security Interest;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (in each case, however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security Interest or of the Secured Obligations including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security Interest;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security Interest or of the Secured Obligations; or
- (g) any insolvency or similar proceedings.

17.8 Assignor intent

Without prejudice to the generality of Clause 17.7 (*Waiver of defences*), the Assignor expressly confirms that it intends that the Security Interest created under this Agreement, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing

17.9 Immediate recourse

The Assignor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security Interest or claim payment from any other person before claiming from the Assignor under this Agreement or enforcing the Security Interest created by this Agreement. This waiver applies irrespective of any law or any provision of this Agreement to the contrary.

17.10 Deferral of Rights

Until the end of the Security Period, the Assignor will not exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:

- (a) to be indemnified by an Obligor or in respect of any other person;
- (b) to claim any contribution from any guarantor or any other person in respect of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Finance Documents or of any other guarantee or Security Interest taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor or other person to make any payment, or perform any obligation, in respect of which any Obligor or other person has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Obligor or other person; and/or
- (f) to claim or prove as a creditor of any Obligor or other person in competition with any Secured Party.

If the Assignor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all

amounts which may be or become payable to any Secured Party by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 13 (*Application of Proceeds*).

17.11 Additional Security

The Security Interest created by the Assignor under this Agreement and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by any Secured Party.

18. PRIOR SECURITY INTERESTS

18.1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security Interest against any of the Assigned Property or in case of exercise by the Security Agent or any Receiver of any power of sale or right of appropriation or application under this Agreement, the Security Agent may redeem such prior Security Interest or procure the transfer thereof to itself.

18.2 Accounts

The Security Agent may settle and agree the accounts of the prior Security Interest and any accounts so settled and agreed will be conclusive and binding on the Assignor.

18.3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Assignor to the Security Agent on demand.

19. SUBSEQUENT SECURITY INTERESTS

If the Security Agent (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security Interest, assignment or transfer affecting all or any part of the Assigned Property which is prohibited by the terms of any Finance Document, all payments made thereafter by or on behalf of the Assignor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by the Assignor) be treated as having been credited to a new account of the Assignor and not as having been applied in reduction of the Secured Obligations at the time that notice was received.

20. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Agreement (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Agent considers appropriate (including

itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

21. RELEASE OF SECURITY

21.1 Release of Security

The Security Agent shall, at the request and cost of the Assignor, release and cancel the Security Interest created by this Agreement:

- (a) upon the Discharge Date; or
- (b) if the Security Agent is otherwise required to release the Security Interest created by this Agreement (or a part thereof) in order to effect a transaction which is permitted under the Finance Documents,

in each case, provided that no Default is continuing and subject to Clause 21.2 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees.

21.2 Clawback

If the Security Agent considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Assignor under this Agreement and the Security Interest created by this Agreement will continue and such amount will not be considered to have been irrevocably paid or credited.

22. SET-OFF

The Assignor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the Security Interest created by or pursuant to this Agreement has become enforceable in accordance with Clause 9 (*Enforcement of Security*), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Agent to the Assignor and apply any credit balance to which the Assignor is entitled on any account with the Security Agent in accordance with Clause 13 (*Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

23. ASSIGNMENT

23.1 No assignments or transfers by Assignor

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

23.2 Assignments by the Security Agent

The Security Agent may assign all or any of its rights under this Agreement. The Security Agent shall be entitled to disclose such information concerning the Assignor and this Agreement as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

23.3 Successors

This Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Agent. References to the Security Agent shall include (i) any assignee or successor in title of the Security Agent, (ii) any entity into which the Security Agent is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Agent is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Agent under this Agreement or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Agent for all purposes under the Finance Documents).

24. NOTICES

24.1 Communications in writing

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

24.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

- (a) in the case of an Assignor, 5th Floor, 6 St. Andrew Street, London EC4A 3AE, the United Kingdom (*fax number* +44 (0)207 832 4901) marked for the attention of Vivienne McLean;
- (b) in the case of the Security Agent, 12 Presnenskaya Embankment, 123100 Moscow (*fax number* +7 (495) 956 71 48) marked for the attention of Bondarenko Oksana and Loan Admin,

or any substitute address, fax number, or department or officer as the Party may notify to the Agent pursuant to clause 32 (*Notices*) of the Facility Agreement by not less than five Business Days' notice.

24.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 24.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified above (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) and (b) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

24.4 Electronic communication

- (a) Any communication to be made between the Assignor and the Security Agent under or in connection with this Agreement may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above may only be made in that way to the extent that the Assignor and the Security Agent agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by the Assignor to the Security Agent only if it is addressed in such manner as the Security Agent shall specify for this purpose.
- (d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5:00 p.m. in the place in which the addressee of the relevant communication has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.

- (e) Any reference in this Agreement to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 24.4.

24.5 English language

- (a) Any notice given under or in connection with this Agreement must be in English.
- (b) All other documents provided under or in connection with this Agreement must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

25. DISCRETION AND DELEGATION

25.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Agreement by the Security Agent or any Receiver may, subject to the terms and conditions of the Facility Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

25.2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Agreement (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself.

26. GOVERNING LAW

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

27. ENFORCEMENT

27.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Agreement)(a "**Dispute**").

- (b) The Assignor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, it will not argue to the contrary.
- (c) Notwithstanding paragraph (a) of this Clause 27.1 (*Jurisdiction*), Security Agent may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

THIS AGREEMENT has been signed by the Security Agent and executed as a deed by the Assignor and is delivered by it as a deed on the date stated at the beginning of this Agreement.

SCHEDULE 1
THE CONTRACTS

Description of Contract	Amount Payable (USD)
1. the amended and restated loan agreement between ENRC Finance Limited as lender and ENRC Africa 1 Limited as borrower dated <u>23</u> December 2016 (being the "First Restated Loan Agreement" as defined in the ICL Amendment Agreement dated <u>23</u> December 2016 relating to the Underlying Contract dated 15 September 2009 (as amended and restated from time to time) between ENRC Finance Limited as lender and ENRC Africa 1 Limited as borrower).	1,050,106,999.00

SCHEDULE 2
THE UNDERLYING CONTRACTS

Description of Underlying Contract	Amount Payable (USD)
1. the loan agreement between ENRC Finance Limited as lender and ENRC Africa 1 Limited as borrower dated 15 September 2009 (as amended and restated from time to time).	1,050,106,999.00

SCHEDULE 3 FORM OF NOTICE OF ASSIGNMENT

To: *[Name of relevant obligor(s) or counterpart(y/ies) under the relevant Contracts]*

Date: _____ 2016

Dear Sirs,

1. We hereby give you notice that we have assigned to **VTB Bank (PJSC) (formerly JSC VTB Bank)** (the "**Security Agent**") pursuant to an assignment entered into by us in favour of the Security Agent dated _____ (the "**Assignment Agreement**") all our right, title and interest in and to the Payments (as defined below) under the *[details of relevant Contract(s)]* or, as may be the case in accordance with the provisions of the Assignment Agreement, *[details of the Underlying Contract(s)]* (the "**Contract(s)**").
2. We shall continue to be solely responsible for the performance of our obligations under or in connection with the Contract(s).
3. With effect from the date of your receipt of this notice:
 - (a) all payments by you to us under or arising from the Contract(s) (which, for the avoidance of doubt, shall include all payments of principal and interest accrued or accruing under the Contract(s)) up to and including an amount of USD *[details of Relevant Payments to be included]* (the "**Payments**") shall be paid to, or at the direction of, the Security Agent, as it may specify in writing from time to time;
 - (b) all remedies provided for in the Contract(s) or available at law or in equity shall be exercisable by, or at the direction of, the Security Agent;
 - (c) all rights to compel performance of the Contract(s) shall be exercisable by, or at the direction of, the Security Agent; and
 - (d) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract(s) shall belong to the Security Agent.
4. You are authorised and instructed, without requiring further approval from us, to provide the Security Agent with such information relating to the Contract(s) as it may from time to time request and to send copies of all notices issued by you under the Contract(s) to the Security Agent as well as to us.
5. These instructions may not be revoked, nor may the terms of the Contract(s) be amended, varied, waived or terminated, without the prior written consent of the Security Agent.
6. Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at 12 Presnenskaya

Embankment, 123100 Moscow (*fax number* +7 (495) 956 71 48) marked for the attention of Bondarenko Oksana and Loan Admin.

7. This notice is governed by English law.

Yours faithfully,

.....
For and on behalf of
[Assignor Name]

.....
We confirm our agreement to the terms of this notice and instruct you, in accordance with Clause 3 of this notice, and with effect from the date of your receipt of this notice, that:

- (a) the Payments (in respect only of payments of interest accrued or accruing under the Contract(s)) shall be made to [Assignor Name];
- (b) all remedies provided for in the Contract(s) (or otherwise available) and all rights to compel performance of the Contract(s) shall be exercisable by [Assignor Name]; and
- (c) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract shall belong to [Assignor Name],

in each case until you receive written notification from us to the contrary.

.....
For and on behalf of the
VTB Bank (PJSC) (formerly JSC VTB Bank) as Security Agent]'

Acknowledgement

[On copy only:]

To: **VTB Bank (PJSC) (formerly JSC VTB Bank)**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract(s) and that we will comply with the terms of the notice from the Assignor.

We further confirm that we have not claimed or exercised and have no outstanding right to claim or exercise, and shall not claim or exercise any right of set off, counterclaim or other right relating to the Payments and no amendment, waiver or release of any rights, interests and benefits in and to the Contract(s) shall be effective without your prior written consent.

We acknowledge receipt of instructions from you in connection with the assignment of the Contract(s) and confirm that we shall act in accordance with them until we receive written notification from you to the contrary.

For and on behalf of [•]

By:

Dated:

EXECUTION PAGE TO SECURITY ASSIGNMENT AGREEMENT

The Assignor

EXECUTED AS A DEED by)
ENRC FINANCE LIMITED)
acting by)
in the presence of:)

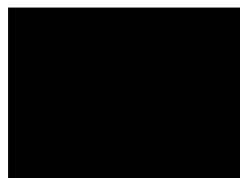
Signature of witness:

Name (in BLOCK CAPITALS):

Address:

The Security Agent

Signed by)
VTB Bank (PJSC) (FORMERLY JSC VTB)
BANK))
for and on its behalf)
by its duly authorised)
Officer)



Yuri Soloviev
First Deputy Chairman