

Memorandum of Understanding


This Memorandum of Understanding (“**MOU**”) is entered into on February 20, 2025 (“**Execution Date**”),



BY AND AMONGST:

1. **Jain Resource Recycling Private Limited**, a private limited company incorporated under the Indian Companies Act, 2013 bearing company registration number CIN U27320TN2022PTC150206 and having its registered office at Old No. 7/1, New No. 20, 4th Floor, Waddels Road, Kilpauk, Chennai – 600010 (hereinafter referred to as “**Jain Resource**”, as the context may permit, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its executors, successors, administrators and permitted assigns);
2. **Star Minerals and Metals Pte. Ltd.**, a private limited company incorporated under the laws of Singapore bearing company registration number UEN:202410262H and having its registered office at 60, Paya Lebar Road, #09-43 Paya Lebar Square, Singapore - 409051 (hereinafter referred to as “**Star Minerals**”, as the context may permit, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its executors, successors, administrators and permitted assigns);
3. **Mars Metals and Minerals (Private) Limited**, a company incorporated under the laws of Sri Lanka bearing company registration number PV 00264398 and having its registered office at Level 34, West Tower, World Trade Centre, Colombo 01, Sri Lanka (hereinafter referred to as the “**Seller**” as the context may permit, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its executors, successors, administrators and permitted assigns); AND
4. **Sun Minerals Mannar (Private) Limited**, a company incorporated under the laws of Sri Lanka bearing company registration number PV 00302333 and having its registered office at Level 34, West Tower, World Trade Centre, Colombo 01, Sri Lanka (hereinafter referred to as the “**Company**” which term or expression as herein used shall, where the context so requires or admits, include the said Sun Minerals Mannar (Private) Limited and its successors and permitted assigns);

Jain Resource and Star Minerals shall be collectively referred to as the “**Investor Group**” or “**Purchasers**”, as the context may require.

For the purposes of this MOU, the Seller, Purchasers and the Company shall be individually referred to as a “**Party**” and collectively as the “**Parties**”, as the context may require.

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Capitalised terms not defined herein shall have the meaning ascribed to such term in the Shareholders' Agreement dated August 29, 2024 between the Parties ("**Shareholders Agreement**").



RECITALS:



- A. The Investor Group is interested in purchasing 25,000 equity shares of the Company representing 15% of the equity share capital of the Company from the Seller (hereinafter referred to as the Sale Shares).
- B. The Seller is the legal and beneficial owner of 25,000 equity shares in the Company and have the right to sell the Sale Shares without any restrictions and free from all encumbrances and in the manner and on the terms and conditions set out in this MOU.
- C. In accordance with Clause 5.4 and 5.5 of the Shareholders' Agreement dated August 29, 2024 among the then prevailing and prospective shareholders of the Company, the Seller has agreed to sell to the Purchasers and the Purchasers have agreed to buy, the Sale Shares of the Company from the Seller.
- D. The Parties now wish to record the terms and conditions of the sale and purchase of the Sale Shares as set out in this Agreement.

IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENT SET FORTH HEREIN AND FOR OTHER GOOD AND VALUABLE CONSIDERATION PAID UNDER THIS MOU, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

A. SALE AND PURCHASE OF SALE SHARES

- 1. On the terms and subject to the conditions of this MOU, the Seller shall sell and transfer full legal and beneficial interest in 25,000 Equity Shares representing 15% of the Equity Share Capital in the Company ("**Sale Shares**"), to the Purchasers. Relying upon the representations, warranties, undertakings and indemnities given by the Seller, the Purchasers agree to purchase and acquire the Sale Shares with all rights attached to the Sale Shares, free and clear of all encumbrances, on the terms and subject to the conditions of this MOU.
- 2. The consideration for purchase of Sale Shares is agreed at LKR 14,000 per Equity Share which aggregates to LKR 350,000,000/- (Sri Lankan Rupees Three Hundred and Fifty Million only) (approximately INR 10.26 crores) which shall be payable as given below:

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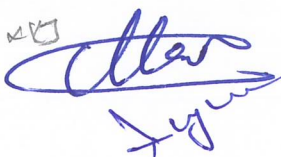
Name of the Seller	Name of the Purchaser	Number of Sale Shares purchased	Purchase Consideration (LKR)
Mars Metals	Jain Resource	13,125	183,750,000
Mars Metals	Star Minerals	11,875	166,250,000
Total		25,000	350,000,000

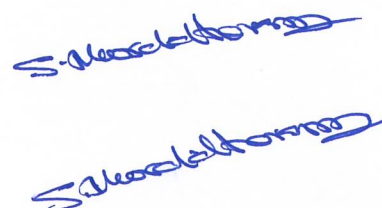
B. CLOSING FOR SALE AND PURCHASE OF SALE SHARES

3. Completion of the sale and purchase of the Sale Shares shall take place after the Seller receives payment of the Purchaser Consideration for the Sale Shares from the Inward Investment Account ("IIA") of the Purchasers. In the event the Closing does not occur within 30 days from the execution of this MOU or such extend date as mutually agreed between the Parties ("**Long Stop Date**"), this MOU will automatically terminate.
4. The Closing shall not be deemed to have occurred unless all the following actions have been completed:
 - i. At Closing, the Purchase Consideration shall be remitted by the Purchasers to the Bank Account of the Seller as nominated by them, in accordance with Clause 2 & 3.
 - ii. On Closing, after receipt of the Purchase Consideration in the bank account in accordance with Clause 4(i), the Seller shall along with the Purchasers, execute share transfer form and deposit the duly executed share transfer form along with the share certificates corresponding to the Sale Shares with the Company and the Seller shall ensure that the Sale Shares are transferred in favour of the Purchasers within 1 working day of receipt of the Purchase Consideration.
5. If the Closing does not occur and conclude in the manner contemplated in Clause 4 above, after the Purchasers having remitted the Purchase Consideration to the Seller in accordance with Clause 4(i), the Seller shall immediately, and in no event later than 7 (seven) calendar days therefrom, upon such request by the Purchasers, remit and refund the Purchase Consideration for the Sale Shares to the Purchasers without any delay or demur.

C. REPRESENTATION AND WARRANTIES

6. As a material inducement to the Purchasers to acquire the Sale Shares, the Seller warrant and represent, to the Purchasers that the warranties given below are all true and correct in every material respect as of the Execution Date and further represent that they shall be true and correct on and as of the Closing Date.






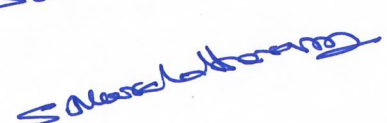


- i. There are no claims or proceedings before any court in progress or pending against or relating to the Seller which could be expected to enjoin, restrict or prohibit the sale of the Sale Shares as contemplated by the MOU or prevent the Seller from fulfilling his / its obligations set out in this MOU.
 - ii. The Seller, as on the Execution Date and on the Closing Date, has the full legal and beneficial ownership of the Sale Shares free and clear of any encumbrance. The share certificates for the Sale Shares, constitutes conclusive title to the Sale Shares.
 - iii. On the Closing Date, the Purchasers shall acquire full legal and beneficial ownership and good title with respect to the Sale Shares and there is no option, claim, right to acquire, or encumbrance on, over or affecting the Sale Shares or any of them or any agreement or commitment to give or create any of the foregoing in respect of the Sale Shares.
 - iv. This MOU, having been duly executed by the Seller, constitutes a legal, valid, and binding obligation of the Seller and is enforceable against the Seller.
 - v. The execution, delivery, and performance by the Seller, of this MOU and their compliance with the terms and provisions hereof does not and will not contravene any provision of any applicable law, contract, agreement or any order, writ, injunction or decree of any court or tribunal or authority, to which the Seller are subject.
7. The Purchasers, represent and warrant to the Seller that this MOU has been duly executed and delivered by them and constitutes a valid and legally binding and enforceable obligation.
8. The Purchasers represent and warrant to the Seller that they have sufficient funds available to pay the Purchaser Consideration on the Closing Date.

D. INDEMNIFICATION

9. Subject to the provisions of Clause 10, the Seller, agree to indemnify, defend and hold harmless, the Purchasers to the fullest extent permitted by applicable law from and against any and all damages incurred by the Purchasers in connection with or arising out of or in relation to (a) any breach of a warranty by the Seller; (b) breach of any covenant or terms or conditions of this MOU by the Seller prescribing the obligations of the Seller for transferring the Shares, as contained in this MOU.
10. Upon occurrence of an indemnity event, the Purchasers shall be entitled to make a claim against the Seller and undertake such actions as permitted under applicable law for the

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recovery of damages suffered by the Purchasers. The aggregate liability of the Seller towards the Purchasers with respect to any and all claims arising out of the indemnity events, shall not exceed the aggregate of Purchase Consideration.

E. CONFIDENTIALITY

11. Each of the Parties shall maintain utmost confidentiality, regarding the contents of this MOU at all times. However nothing contained herein shall affect the ability of the Parties to make disclosures to any governmental authority or any other person under the provisions of any applicable law, and/or the ability of the Parties to make disclosures to its lenders, provided that, in all such circumstances, the Party which is required to disclose such information shall make a reasonable effort to give prior notice to the other Party before making the disclosure, indicating the nature of information that is proposed to be disclosed.

F. TERMINATION

12. **Termination:** This MOU shall continue in full force and effect until terminated in the event of any of the following events:
- i. **Mutual Termination:** This MOU shall continue in full force and effect until terminated in writing by the Purchasers, the Seller, and the Company by mutual consent.
 - ii. **Automatic Termination:** This MOU shall automatically terminate in the event the Closing does not occur by the Long Stop Date.
13. **Accrued rights and obligations:** All rights and obligations of the Parties under this MOU shall cease immediately upon termination, but termination shall not affect a Party's accrued rights and obligations as on the date of termination.
14. **Survival:** The provisions of this MOU which by their nature are intended to survive, shall survive the termination of this MOU.

G. COSTS

15. **Taxes:** The Seller shall be exclusively liable to pay any and all taxes, as may be applicable to the Seller, in relation to this MOU and the transactions contemplated herein including capital gains tax payable in respect of the sale of the Shares.
16. **Other Expenses:** Each Party shall bear its own costs and expenses in connection with the transactions contemplated herein.

H. NOTICES









17. Unless otherwise provided herein, all notices, requests, waivers and other communications shall be made in writing, in English language and by letter (delivered by hand, courier or registered post), email or facsimile transmission (save as otherwise stated) ("**Notices**") and to the addresses and authorized representatives set out in the first page above, unless the addresses or the authorized representative is changed by Notice.
18. In the event a Party refuses delivery or acceptance of a Notice under this MOU, it shall be deemed that the Notice was given upon proof of the refused delivery, provided the same was sent in the manner specified in this MOU.





I. GOVERNING LAW AND DISPUTE RESOLUTION

19. This MOU shall be governed by and construed in accordance with the laws of Sri Lanka.
20. Any dispute arising from or related to this MOU shall be resolved by mutual discussions. Unresolved disputes including any question regarding its existence, validity, or termination, shall be referred to and finally resolved through Arbitration by a sole arbitrator to be appointed jointly by the Parties. The Arbitration shall be conducted under the Sri Lankan Arbitration Act No. 11 of 1995. The venue & seat of the arbitration shall be Colombo. All the proceedings shall be held in English language.
21. The Provincial High Court of the Western Province of Sri Lanka exercising its jurisdiction in Colombo shall have exclusive jurisdiction on all disputes arising out of arbitration prior to the constitution of the arbitration panel. The arbitration award shall be final and binding on both Parties. Both Parties irrevocably submit to the exclusive jurisdiction of the Provincial High Court of the Western Province of Sri Lanka exercising its jurisdiction in Colombo. This Clause 21 shall survive the expiration or early termination of this MOU.
22. Each Party to an arbitration shall bear its own expenses in relation thereto (including advisors' fees and expenses). The fees of arbitration shall be borne equally by the Parties to the dispute. Notwithstanding the previous sentence, the arbitrator may (but shall not be required to) award to a Party that substantially prevails on merits, its costs and reasonable expenses (including reasonable fees of its counsel).



J. GENERAL


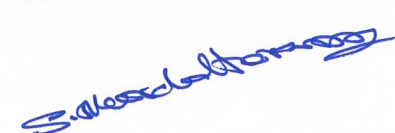
23. **Shareholders' Agreement:** The Sale Shares being sold by the Seller and purchased by the Purchasers shall be subject to the terms and conditions of the Shareholders' Agreement dated 29 August 2024. The Purchasers and the Sale Shares shall be governed by and remain bound by the provisions of the said Shareholders' Agreement in all respects.
24. **Acts by Parties:** All Parties shall do all such acts and things, and sign and execute all such documents and deeds, as may be reasonably required by the Purchasers, for the purpose of implementing the terms of this MOU.

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25. **Specific Performance; Cumulative Remedies:** This MOU is binding upon and shall inure to the benefit of the Parties. The Seller and the Purchasers shall be entitled to seek specific performance of this MOU. All remedies, either under this MOU or by applicable law or otherwise afforded, will be cumulative and not alternative.
26. **Assignment:** The MOU and the rights and/or obligations herein may be assigned and novated by the Purchasers. The MOU and the rights and obligations herein shall not be assigned by the Company or the Seller without the written consent of the Purchasers and any attempt to do so shall be void.
27. **Entire Agreement:** This MOU including the recitals and schedules, supersedes all prior discussions and MOUs between the Parties with respect to the subject matter of this MOU, and this MOU, contains the sole and entire MOU between the Parties hereto with respect to the subject matter hereof.
28. **No Third-Party Beneficiaries:** This MOU is for the sole benefit of the Parties and nothing contained herein express or implied shall give or be construed to give to any Person, other than the Parties, any legal or equitable rights hereunder.
29. **Amendment:** No modification or amendment to this MOU and no waiver of any of the terms or conditions hereto shall be valid or binding unless made in writing and duly executed by all the Parties.
30. **No Waiver:** No forbearance, indulgence or relaxation or inaction by a Party at any time to require performance of any of the provisions of this MOU shall in any way affect, diminish or prejudice the right of such Party to require performance of that provision. Any waiver or acquiescence by a Party of any breach of any of the provisions of this MOU shall not be construed as a waiver or acquiescence of any right under or arising out of this MOU or of the subsequent breach, or acquiescence to or recognition of rights other than as expressly stipulated in this MOU.
31. **Severability:** If any provision of this MOU is held to be illegal, invalid, or unenforceable under any present or future Applicable Law, and if the rights or obligations under this MOU of the Seller are not materially and adversely affected thereby, (a) such provision shall be fully severable; (b) this MOU shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; and (c) the remaining provisions of this MOU shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance here from. Without prejudice to the foregoing, the Parties hereto shall mutually agree to provide a legal valid and enforceable provision as similar in terms and effect to such illegal, invalid, or unenforceable provision as may be possible.

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32. **Relationship between the Parties:** Except as stated in this MOU, nothing in this MOU or in any document referred to in it shall constitute any of the Parties a partner of the other, nor shall the execution, completion and implementation of this MOU confer on any Party any power to bind or impose any obligation on any other Party with respect to third parties or to pledge the credit of any other Party.
33. **Counterparts:** This MOU may be executed simultaneously in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

[SCHEDULES AND SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this MOU as of the date first written above.


For Jain Resource Recycling Private Limited

For Star Minerals and Metals Pte. Ltd.


Authorised Signatory


Authorised Signatory

For Mars Metals and Minerals Mannar (Private) Limited


Director

For Sun Mineral Mannar Private Limited


Director

Witnesses: