

GUYANOR RESSOURCES S.A.
as Borrower

- and -

MACQUARIE BANK LIMITED
as Lender

CREDIT AGREEMENT

Dated for reference December 31, 2004

THIS AGREEMENT is dated for reference December 31, 2004.

BETWEEN:

GUYANOR RESSOURCES S.A.
as Borrower

OF THE FIRST PART

AND:

MACQUARIE BANK LIMITED
as Lender

OF THE SECOND PART

WHEREAS the Borrower has requested that the Lender make available to it a rights acquisition facility, and the Lender has agreed to do so on the terms and conditions set forth herein;

NOW THEREFORE in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Defined Terms. As used in this agreement, including the recital and the schedules, unless there is something in the subject matter or the context inconsistent therewith, the following terms shall have the following meanings:

- (1) **"Acquisition Agreement"** means the letter agreement dated September 30th, 2004 from the Borrower to GSRL.
- (2) **"affiliate"** has the meaning set forth in the Canada Business Corporations Act.
- (3) **"Borrower"** means Guyanor Ressources S.A.

- (4) **"Borrower Proceeds Account"** means a bank account maintained by the Borrower with the Lender in New York City on such terms and conditions as the Lender shall determine.
- (5) **"Business Day"** means a day (other than Saturday or Sunday) on which banks are open for business in:
 - (a) Vancouver, Canada;
 - (b) Sydney, Australia;
 - (c) London, England; and
 - (d) New York, New York.
- (6) **"Cambior"** means Cambior Inc.
- (7) **"Cambior Agreement"** means the letter agreement dated October 25, 2001 from Cambior to GSRL entitled "Guiana Shield Transactions".
- (8) **"Canadian Dollars", "Cdn. Dollars", "Cdn. \$" and "\$"** each mean lawful money of Canada.
- (9) **"Closing Date"** means the date upon which the Credit Facility shall be made available hereunder following satisfaction of the conditions set forth in section 3.1.
- (10) **"Commitment"** has the meaning set forth in section 2.1(1).
- (11) **"Credit Facility"** means the rights acquisition facility to be made available to the Borrower by the Lender on the terms and conditions of the Credit Facility Documents.
- (12) **"Credit Facility Documents"** means this agreement, the Security, the ISDA Master Agreement and all other documents necessary to implement the financing comprised in the Credit Facility and the Mandatory Hedge (including, for greater certainty, any document expressed, or agreed in writing by the parties, to be a Credit Facility Document).
- (13) **"Current Assets"** means on any date the cash or other assets of the Borrower that would in the ordinary course of business be consumed or converted into cash within 12 months after that date.
- (14) **"Current Liabilities"** means on any date the liabilities of the Borrower that would in the ordinary course of business be due and payable within 12 months after that date, but excluding any "mark-to-market" liabilities

under the Mandatory Hedge as at the date of calculation.

- (15) **"Default"** means an event which, with the giving of notice or passage of time, or both, would constitute an Event of Default.
- (16) **"Distribution"** by any person means:
- (a) any payment, dividend, return or reduction of capital or other distribution on or in respect of securities (other than any payment when due of the principal of and interest on debt securities) issued by such person;
 - (b) any purchase, redemption, retraction or other acquisition by such person of any of its issued securities;
 - (c) any consulting, licensing, management or administration fee or charge or any similar fee or charge paid or payable to any affiliate of such person (other than any such payment made in the ordinary course of business in respect of goods or services provided on terms and conditions no less favourable to the payor than would apply in a similar transaction entered into with an arm's-length party);
 - (d) any payment by such person on account of any principal of any loans or advances owed by it to any of its directors, officers or shareholders or any of its or their respective affiliates;
 - (e) in the case of the Borrower or GCI, any payment to or as directed by GSRL on account of or under any of the Restructuring Agreements as defined in the GSRL Subordination (other than a payment made by GCI to the Borrower on account of the assignment of the Participation Right from the Borrower to GCI); or
 - (f) any loan to, or guarantee of the indebtedness of, or other financial assistance provided to, any of the directors, officers or shareholders of such person or any of its or their respective affiliates, or any other person not dealing at arm's-length with such person or any of such directors, officers, shareholders or affiliates;

provided that Distribution shall not include:

- (g) any Permitted Corporate Expense Withdrawal; or
- (h) for the avoidance of doubt, the payment of US\$6 million to GSRL under the Acquisition Agreement on the Second Payment

Consideration Date (as such term is defined in the Acquisition Agreement) where such payment is funded by an issuance of equity by the Borrower.

- (17) **"DSCR"** means, in respect of any Financial Quarter, the ratio of:
- (a) the aggregate amount of the following during such Financial Quarter:
 - (i) revenues received by GCI under the Participation Right;
 - (ii) plus cash settlement proceeds received by the Borrower under the Mandatory Hedge;
 - (iii) less cash settlement proceeds paid out by the Borrower under the Mandatory Hedge;
 - (iv) less corporate costs of the Borrower and GCI;
 - to:
 - (b) the aggregate amount of the following:
 - (i) principal and interest comprised in the Obligations;
 - (ii) interest and financing charges in respect of other Financial Indebtedness (including amortization of original issue discount on any Financial Indebtedness, but excluding for greater certainty underwriting and arrangement fees);
 - (iii) mandatory dividend payments on shares comprising Financial Indebtedness (unless such dividends are cumulative or, if unpaid, are not required to be paid in the future); and
 - (iv) that component of rentals in respect of capital lease obligations which is treated as interest expense under GAAP;
- in each case paid, accrued and/or scheduled to be paid, as the case may be, by the Borrower during such Financial Quarter.
- (18) **"Environmental Laws"** means all applicable Laws, Permits and guidelines or requirements of any Official Body (whether or not having the force of Law, and including consent decrees to which any of the Borrower or GCI is a party or otherwise subject, and administrative orders which may

affect any such member) relating to public health and safety, protection of the environment, the release of hazardous materials and occupational health and safety; provided that, where such guideline or requirement does not have the force of law, it shall comprise an Environmental Law only to the extent that a prudent owner of an asset or operator of a business similar to that owned or operated by the relevant person would consider it necessary or advisable to comply with same.

- (19) **"Event of Default"** means any of the events specified in section 8.1.
- (20) **"Final Maturity Date"** means July 30, 2007.
- (21) **"Financial Indebtedness"** of a person means, at any time, indebtedness for borrowed monies of such person, including but not limited to:
 - (a) obligations of such person under financial leases and purchase money mortgages (in the case of the Borrower, only to the extent in excess of US\$500,000 or the equivalent amount in other currencies in the aggregate at any time);
 - (b) all indebtedness of such person for the deferred (in excess of 90 days) purchase price of property or services;
 - (c) trade indebtedness in excess of 60 days;
 - (d) obligations of such person to deliver goods or provide services that have been paid for in advance by a financier, or that relate to a financing transaction;
 - (e) the amount for which any shares in the capital of any such person that is a corporation may be redeemed if the holders of such shares are entitled at such time to require such person to redeem such shares, or if such person is otherwise obligated at such time to redeem such shares, in each case whether on notice or otherwise;
 - (f) obligations of such person under any interest rate, foreign exchange or commodity price risk management agreement or product, or any other hedging transaction for any purpose;
 - (g) the amount of any continuing investment or collateralization in connection with a factoring or securitization of receivables or any other asset (regardless of the form of such continuing investment or collateralization, factoring or securitization, and including any capital contribution, but not including the proceeds received for any asset that is the subject of such factoring or securitization) or

other form of credit enhancement or recourse made or required to be made in connection with such factoring or securitization and regardless of the form of such recourse arising under such factoring or securitization; and

- (h) the maximum amount which may be outstanding at any time of all amounts of the kinds referred to in (a) through (g), inclusive, which is directly or indirectly guaranteed by such person or which such person has agreed (contingently or otherwise) to purchase or otherwise acquire, or in respect of which such person has otherwise assured a creditor against loss by means of an indemnity, security or bond (whether or not such person has assumed or become liable for the payment of such amounts).
- (22) **"Financial Quarter"** means, with respect to the Borrower, any period of three consecutive calendar months ending on March 31, June 30, September 30 or December 31.
- (23) **"Financial Year"** means, in respect of the Borrower, any period of 12 consecutive calendar months ending on December 31.
- (24) **"GCI"** means Guyanor (Canada) Inc.
- (25) **"GCI Proceeds Account"** means a bank account maintained by GCI with the Lender in New York City on such terms and conditions as the Lender shall determine.
- (26) **"GSRL"** means Golden Star Resources Ltd.
- (27) **"GSRL Subordination"** means a subordination agreement made by the Borrower, GSRL and GCI in favour of the Lender regarding payments owed to GSRL under the Acquisition Agreement and related matters.
- (28) **"Hedging Obligations"** means all liabilities of the Borrower to the Lender under all agreements, options or arrangements (including the Mandatory Hedge) designed to protect the Borrower against fluctuations in (i) interest rates, (ii) currency exchange rates, or (iii) precious metals or commodity prices, whether entered into before, contemporaneously with or after this agreement, and whether or not designated on its face as giving rise to Hedging Obligations as herein defined.
- (29) **"Increased Costs"** means any amounts payable by the Borrower to the Lender under any of sections 2.5, 2.7, 6.1(12), 7.2 to 7.5 inclusive, 9.5 and 9.6.

(30) **"Interest Period"** means a period applicable to a LIBOR Tranche commencing:

- (a) in the case of the initial Interest Period, on the date of advance; and
- (b) in the case of any subsequent Interest Period for such LIBOR Tranche, on the last day of the immediately preceding Interest Period;

and ending in either case on the last day of such period as shall be selected by the Borrower pursuant to the provisions below.

The duration of each Interest Period shall be one, two or three months, as the Borrower may select, or such other period to which the Lender may agree. No Interest Period may be selected which would end on a day after the Final Maturity Date or would conflict with a repayment or prepayment required hereunder. Whenever the last day of an Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day; provided that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day.

(31) **"ISDA Master Agreement"** means the master agreement dated on or about December 31, 2004 between Macquarie Bank Limited (ABN 46 008 583 542) as "Party A" and Guyanor Ressources S.A. as "Party B".

(32) **"Law"** means any law (including common law and the laws of equity), constitution, statute, treaty, regulation, rule, ordinance, order, injunction, writ, decree or award of any Official Body.

(33) **"Lender"** means Macquarie Bank Limited.

(34) **"LIBOR"**, with respect to any Interest Period, means:

- (a) the rate of interest (expressed as an annual rate) for deposits in US Dollars for a period equal to the particular Interest Period which appears on the Reuters screen LIBOR 01 page as of 11:00 a.m. London time on the second Business Day before the first day of that Interest Period; or
- (b) if the Reuters screen LIBOR 01 page is not readily available to the Lender for any reason, the rate of interest (expressed as an annual

rate and rounded up to the nearest two decimal places) at which the Lender would be prepared to offer leading banks in the London interbank market a deposit in US Dollars for a term coextensive with that Interest Period in an amount substantially equal to the relevant Tranche at or about 11:00 a.m. (London time) on the second Business Day before the first day of such Interest Period.

- (35) **"LIBOR Tranche"** means a portion of the Principal Outstanding, in an amount of at least US\$1 million, with respect to which the Borrower has elected that a separate Interest Period will apply in accordance with the definition thereof.
- (36) **"Lien"** means any mortgage, pledge, lien, hypothecation, security interest or other encumbrance or charge (whether fixed, floating or otherwise) or title retention, any right of set-off (arising otherwise than by operation of Law) and any deposit of moneys under any agreement or arrangement whereby such moneys may be withdrawn only upon fulfilment of any condition as to the discharge of any other indebtedness or other obligation to any creditor, or any right of or arrangement of any kind with any creditor to have its claims satisfied prior to other creditors with or from the proceeds of any properties, assets or revenues of any kind now owned or later acquired.
- (37) **"Loan Life Ratio"** means, as at the date which is the end of any Financial Quarter of the Borrower, the ratio of:
- (a) the aggregate amount of the following during the period commencing on such date and ending on the Final Maturity Date:
 - (i) the aggregate revenues forecast to be received by GCI under the Participation Right;
 - (ii) plus cash settlement proceeds forecast to be received by the Borrower under the Mandatory Hedge;
 - (iii) less cash settlement proceeds forecast to be paid out by the Borrower under the Mandatory Hedge;
 - (iv) less forecast corporate costs of the Borrower and GCI;
- in each case (x) having regard to, *inter alia*, the spot and forward prices of gold on the date of calculation, (y) based on such assumptions and supported by such calculations and back-up reports and other documents as the Lender shall consider satisfactory, and (z) using a discount rate determined by the Lender

acting reasonably;

to:

- (b) the Principal Outstanding on such date (including any interest under the Credit Facility that has been added to Principal Outstanding);

in each case excluding any revenues that are received, or Principal Outstanding that is repaid, on such date.

- (38) **"Mandatory Hedge"** means all Transactions (as that term is defined in the ISDA Master Agreement) between the Borrower and the Lender under the ISDA Master Agreement, which Transactions will cover the period from the Closing Date to the Final Maturity Date, will not be margined and will contain *inter alia* the following terms:

- (a) the number of ounces covered by the Mandatory Hedge will be determined by the Lender concurrently with the Closing Date, as a function of the price of gold at such time, and (by way of illustration only) would be 55,000 oz. based on a gold price of US\$450/oz.;
- (b) the forward price under the Mandatory Hedge will be the spot price of gold at the time of execution;

all based on such determinations as the Lender shall customarily utilize for these purposes and otherwise on terms and conditions satisfactory to the Lender.

- (39) **"MAE"** means:

- (a) any material adverse change in the Project; or
- (b) any change in the business, assets, liabilities, ownership, board membership, operations or condition, financial or otherwise, of any of the Borrower, GCI, Cambior, the Project or, so long as section 2.4(2)(a) of the GSRL Subordination applies, GSRL which results in:
 - (i) any material impairment or reduction in the ability (financial or otherwise) of any of the Borrower, GCI or GSRL to fulfil any covenant or obligation to the Lender; or
 - (ii) any material impairment of the remedies of the Lender under the Security.

- (40) **"Material Contracts"** means, collectively, the following:
- (a) the PRA;
 - (b) the Acquisition Agreement; and
 - (c) the Cambior Agreement.
- (41) **"Mineral Agreement"** means the mineral agreement made as of the 7th day of April, 1994 between The Republic of Suriname represented by the Minister of Natural Resources and the Minister of Finance, Grasshopper Aluminum Company N.V. and GSRL.
- (42) **"Obligations"** means at any time the amount equal to the sum of:
- (a) the Principal Outstanding under the Credit Facility;
 - (b) all accrued and unpaid interest thereon and all interest on accrued and unpaid interest; and
 - (c) all accrued and unpaid fees, expenses, costs, indemnities, Increased Costs and other amounts payable to the Lender excluding Hedging Obligations.
- (43) **"Official Body"** means any government (including any federal, provincial, state, territorial, municipal or local government) or political subdivision or any agency, authority, bureau, regulatory or administrative authority, central bank, monetary authority, commission, department or instrumentality thereof, the TSX or any other public securities exchange, or any court, tribunal, judicial entity, or arbitrator, whether foreign or domestic.
- (44) **"Participation Right"** has the meaning set forth in the PRA.
- (45) **"Payment Date"** means each of the dates set forth in the table in section 2.2(1).
- (46) **"Permit"** means any permit, licence, approval, consent, order, right, certificate, judgment, writ, injunction, award, determination, direction, decree, authorization, franchise, privilege, grant, waiver, exemption and other similar concession or by-law, rule or regulation (whether or not having the force of Law) of, by or from any Official Body; provided that, where such permit, licence, approval, consent, order, right, certificate, judgment, writ, injunction, award, determination, direction, decree, authorization, franchise, privilege, grant, waiver, exemption and other

similar concession or by-law, rule or regulation does not have the force of law, it shall comprise a Permit only to the extent that a prudent owner of an asset or operator of a business similar to that owned or operated by the relevant person would consider it necessary or advisable to comply with same.

- (47) **"Permitted Corporate Expense Withdrawal"** means a withdrawal of all or a portion of the aggregate balance in the Proceeds Accounts from time to time on the basis of one withdrawal per calendar month, which withdrawal satisfies the following conditions, namely:
- (a) no Default or Event of Default has occurred and is continuing, or would result from such withdrawal;
 - (b) the Borrower has made the required repayment of Principal Outstanding on the Payment Date prior to the withdrawal in accordance with section 2.2(1); and
 - (c) the funds that are the subject of such withdrawal are to be used only for:
 - (i) corporate expenses contemplated in or consistent with the annual budget (as that term is referred to in section 3.1(12)(a); or
 - (ii) other reasonable corporate expenses previously approved in writing by the Lender.
- (48) **"Permitted Distribution"** means a Distribution that satisfies the following conditions, namely:
- (a) such Distribution is made on a Payment Date or within three Business Days thereafter;
 - (b) no Default or Event of Default has occurred and is continuing, or would result from such Distribution;
 - (c) the Borrower is in compliance with the financial covenants set forth in section 6.1(9) as if such financial covenants were being calculated as at such Payment Date; and
 - (d) such Distribution is in an amount not more than:
 - (i) the aggregate balance in the Proceeds Accounts;

less

(ii) the sum of:

- (A) if not theretofore paid, the amount of principal and interest payable on account of the Obligations on such Payment Date;
- (B) the amount of principal and interest payable on account of the Obligations on the Payment Date immediately following such Payment Date (based on interest rates current on the first-mentioned Payment Date);
- (C) if not theretofore paid, the cash settlement proceeds payable by the Borrower under the Mandatory Hedge contracts maturing on such Payment Date;
- (D) the cash settlement proceeds forecast to be payable by the Borrower under the Mandatory Hedge contracts maturing on the Payment Date immediately following such Payment Date; and
- (E) the anticipated corporate costs of the Borrower and GCI to be paid in the Financial Quarter following such Payment Date;

or such greater amount as may be agreed in writing from time to time by the Lender.

(49) **"Permitted Encumbrances"** means, in respect of the Borrower or GCI at any time, any of the following:

- (a) any Lien for taxes, assessments or government charges or levies not at the time due and delinquent or the validity of which is being contested at the time by such person in good faith by proper legal proceedings, and which contested Lien in the reasonable opinion of the Lender does not, and could not reasonably be expected to, constitute an MAE;
- (b) the Lien of any judgment rendered or claim filed against such person which such person shall be contesting in good faith by proper legal proceedings, and which Lien in the reasonable opinion of the Lender does not, and could not reasonably be expected to, constitute an MAE;

- (c) financial leases and purchase money mortgages; provided that same, in the case of the Borrower and GCI, secure or evidence obligations not in excess of US\$500,000 (or the equivalent amount in other currencies) in the aggregate for the Borrower and GCI at any time; and
 - (d) the Liens of the Security.
- (50) **"person"** includes an individual, partnership, body corporate, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture and other entity and any Official Body.
 - (51) **"PRA"** means the participation right agreement made and entered into as of the 16th of May, 2002 between Cambior and GSRL.
 - (52) **"Principal Outstanding"** means, at any time, the aggregate principal amount then outstanding under the Credit Facility.
 - (53) **"Proceeds Accounts"** means, collectively, the Borrower Proceeds Account and the GCI Proceeds Account.
 - (54) **"Project"** means the Gross Rosebel project situate in the district of Brokopondo in the Republic of Suriname.
 - (55) **"Restructuring Agreements"** means, collectively, the restructuring agreement dated August 11, 2004 between the Borrower and GSRL, and the agreements contemplated thereby.
 - (56) **"Security"** means all items of security given to the Lender at any time and from time to time to secure the Obligations and the Hedging Obligations, including the security set forth in Article 5.
 - (57) **"subsidiary"** has the meaning set forth in the Canada Business Corporations Act.
 - (58) **"Taxes"** means all taxes, levies, imposts, stamp taxes, duties, fees, deductions, withholdings, charges, compulsory loans or restrictions or conditions resulting in a charge which are imposed, levied, collected, withheld or assessed by any country or political subdivision or taxing authority thereof as of the date hereof or at any time in the future together with interest thereon and penalties with respect thereto, if any, and any payments of principal, interest, charges, fees or other amounts made on or in respect thereof (but excluding any taxes, franchise taxes, levies, imposts or charge imposed, levied or assessed in respect of or applied on the overall net income of the Lender, net earnings of the Lender, net profits of

the Lender or capital or place of business of the Lender or on goods and services purchased by the Lender and any penalties and payments of principal, interest, charges, fees or other amounts made on or in respect thereof), and "Tax" and "Taxation" shall be construed accordingly.

- (59) **"this agreement", "herein", "hereof", "hereto" and "hereunder"** and similar expressions mean and refer to this agreement as supplemented or amended and not to any particular Article, section, paragraph, schedule or other portion hereof; and the expressions **"Article", "section", "paragraph"** and **"schedule"** followed by a number or letter mean and refer to the specified Article, section, paragraph or schedule of this agreement.
- (60) **"TSX"** means Toronto Stock Exchange.
- (61) **"US Dollars", "United States Dollars" and "US\$"** each mean lawful money of the United States of America in same day immediately available funds or, if such funds are not available, the form of money of the United States of America that is customarily used in the settlement of international banking transactions on the day payment is due hereunder.

1.2 Computation of Time Periods.

- (1) *Inclusion Rules.* In this agreement, in the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to but excluding"**.
- (2) *Ibid.* Where in this agreement a notice must be given a number of days prior to a specified action, the day on which such notice is given shall be included and the day of the specified action shall be excluded.

1.3 Accounting Terms. All accounting terms not specifically defined herein shall be construed, and resulting calculations and determinations made, in accordance with generally accepted accounting principles in Canada consistently applied.

1.4 Gender; Singular, Plural, etc. As used herein, each gender shall include all genders, and the singular shall include the plural and the plural the singular, as the context shall require.

1.5 Use of Certain Words. The words **"including"** and **"includes"**, when either follows any general term or statement, is not to be construed as limiting the general term or statement to the specific terms or matters set forth immediately following such word or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement.

1.6 Successors, etc. In this agreement:

- (1) reference to any body corporate shall include successors thereto, whether by way of amalgamation or otherwise; provided that certain transfers and assignments by the Borrower and GCI and corporate and other reorganizations shall nonetheless be undertaken only in accordance with any restrictions imposed by the terms hereof;
- (2) references to any statute, enactment or legislation or to any section or provision thereof include a reference to any order, ordinance, regulation, rule or by-law or proclamation made under or pursuant to that statute, enactment or legislation and all amendments, modifications, consolidations, re-enactments or replacements thereof or substitutions therefor from time to time; and
- (3) reference to any agreement, instrument, Permit or other document shall include reference to such agreement, instrument, Permit or other document as the same may from time to time be amended, supplemented, replaced or restated.

1.7 Interpretation not Affected by Headings, etc. The division of this agreement into Articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.

1.8 General Provisions as to Certificates and Opinions, etc. Whenever the delivery of a certificate is a condition precedent to the taking of any action by the Lender hereunder, the truth and accuracy of the facts and the diligent and good faith determination of the opinions stated in such certificate shall in each case be conditions precedent to the right of the Borrower to have such action taken, and any certificate executed by the Borrower shall be deemed to represent and warrant that the facts stated in such certificate are true and accurate.

ARTICLE 2 THE CREDIT FACILITY

2.1 Credit Facility.

- (1) *Commitment.* The Credit Facility shall be made available, subject to the terms and conditions of this agreement, on a non-revolving basis in the principal amount of US\$6 million (the "**Commitment**").
- (2) *Purposes.* The Credit Facility shall be used only for the purpose of assisting the Borrower to fund its purchase of the Participation Right pursuant to the Acquisition Agreement and related matters. The Lender specifically

acknowledges that it is the intention of the Borrower to, and the Borrower hereby covenants to the Lender that it shall, assign the Participation Right to GCI immediately after it acquires same from GSRL.

- (3) *Accommodations.* Subject to the terms and conditions of this agreement, the Commitment shall be made available by the Lender to the Borrower in one advance following satisfaction of the conditions set forth in section 3.1, on written request therefor made by the Borrower at least two Business Days prior to the drawdown date (or such shorter period as may be agreed by the parties). Any portion of the Commitment not made available to the Borrower on the Closing Date shall be permanently cancelled; provided that the failure to advance all of the Commitment shall not affect the amount payable by way of fees under section 2.5.
- (4) *Non-Revolving Repayments.* The Credit Facility shall not revolve, and amounts repaid or prepaid thereunder may not be the subject of any further availment.

2.2 Repayment.Maturity. The Principal Outstanding will be repaid by way of instalments in accordance with the following table:

<i>Payment Date</i>	<i>Loan Repayment</i>	<i>Resultant Loan Balance</i>
29Jul2005	666,667	5,333,333
31Oct2005	666,667	4,666,666
30Jan2006	666,666	4,000,000
28Apr2006	666,667	3,333,333
31Jul2006	666,667	2,666,666
31Oct2006	666,666	2,000,000
31Jan2007	666,667	1,333,333
30Apr2007	666,667	666,666
30Jul2007	666,666	---

- (2) *Prepayment.* Notwithstanding section 2.2(1), the Borrower may prepay, in whole or in part, the principal amount outstanding under the Credit

Facility at any time and from time to time, without penalty or bonus, upon the Borrower giving to the Lender at least 60 days' prior irrevocable notice of such intention and provided that, on or before any such prepayment is made, the Lender has received payment of all interest accrued thereon and any Increased Costs with respect thereto.

2.3 Payments.

- (1) *Payment Account.* The Borrower shall make each payment to be made hereunder not later than 2:00 p.m. (New York time) in US Dollars on the day (subject to section 2.3(2)) when due, in same day funds, by deposit of such funds to such account as the Lender shall specify.
- (2) *Business Day.* Subject to the next following sentence, whenever any payment hereunder is due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest. If any such extension would cause any payment of interest to be made in the next following calendar month, such payment shall be made on the last preceding Business Day.

2.4 Computations. Each determination by the Lender of an amount of interest or fees payable by the Borrower hereunder shall be conclusive and binding for all purposes, absent manifest error.

2.5 Facility Fees. The Borrower shall pay to the Lender on the Closing Date a facility fee of US\$90,000.

2.6 Interest. *General.* The Borrower shall at all times during each Interest Period for each LIBOR Tranche pay interest on the Principal Outstanding at a rate per annum equal to the sum of LIBOR for such Interest Period plus two and one-half (2.5%) *per cent*, calculated daily and payable in US Dollars:

- (a) at the end of such Interest Period (except where such Interest Period exceeds three months in duration, in which case such interest shall be payable on the dates falling every three months following the commencement of the Interest Period and, finally, at the end of such Interest Period); and
 - (b) when such LIBOR Tranche becomes due and payable in full.
- (2) *Basis.* All computations of interest based on LIBOR shall be made by the Lender on the basis of a year of 360 days and the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable.

- (3) *Determination by Lender.* Each determination by the Lender of an amount of interest payable by the Borrower hereunder shall be conclusive and binding for all purposes, absent manifest error.
- (4) *Interest Act (Canada).* For purposes of disclosure pursuant to the *Interest Act (Canada)*, the yearly rate of interest to which any rate of interest based on LIBOR is equivalent may be determined by multiplying the applicable rate by a fraction, the numerator of which is the number of days to the same calendar date in the next calendar year (or 365 days if the calculation is made as of February 29) and the denominator of which is 360.

2.7 Interest on Overdue Amounts. Except as otherwise provided in this agreement, each amount owed by the Borrower to the Lender which is not paid when due (whether at stated maturity, on demand, by acceleration or otherwise) shall bear interest (both before and after judgment), from the date on which such amount is due until such amount is paid in full, payable on demand, at a rate per annum equal at all times to the rate otherwise applicable thereto under this agreement (including, for greater certainty, the two and one-half (2.5%) *per cent* margin over LIBOR set forth in section 2.6(1)) plus a further two (2%) *per cent* per annum. With respect to periods occurring after an Event of Default, such calculation of overdue interest shall be made on the basis of such Interest Period(s) as the Lender may reasonably select.

ARTICLE 3 CLOSING CONDITIONS

3.1 Conditions. The Borrower shall not be entitled to receive the Credit Facility from the Lender unless the conditions precedent set forth in this section 3.1 have been satisfied, fulfilled, waived or otherwise met to the satisfaction of the Lender in a manner and in form and substance satisfactory to the Lender.

- (1) *Documents.* The Credit Facility Documents shall have been executed and delivered to the Lender, and all registrations, filings or recordings necessary or desirable to preserve, protect or perfect the enforceability and first priority of the Liens created by the Security shall have been completed.
- (2) *Constating Documents.* The Lender shall have received certified copies of the constating documents of each of the Borrower and GCI.
- (3) *Resolutions.* The Lender shall have received certified copies of resolutions of the respective boards of directors of each of the Borrower and GCI authorizing the execution, delivery and performance of the Credit Facility Documents to which it is a party.

- (4) *Incumbency.* The Lender shall have received a certificate of an officer of each of the Borrower and GCI certifying the names and the true signatures of the officers authorized to sign the Credit Facility Documents to which it is a party, accompanied by a list of authorized signatories of the Borrower for Credit Facility purposes.
- (5) *Good Standing.* The Lender shall have received a certificate of good standing or like certificate in respect of each of the Borrower and GCI issued by appropriate government officials of its jurisdiction of formation and each other jurisdiction where failure to register or qualify as a foreign or extra-provincial corporation in the opinion of the Lender constitutes, or could reasonably be expected to constitute, an MAE.
- (6) *Fees.* The Lender shall have received payment of all fees and all reimbursable expenses then due to it.
- (7) *Representations and Warranties.* All of the representations and warranties contained herein or in any other Credit Facility Document shall be true and correct in all material respects on and as of the date of advance as though made on and as of such date and the Lender shall have received a certificate of a senior officer of the Borrower so certifying to the Lender.
- (8) *No Default.* No Default or Event of Default shall have occurred and be continuing, and the Lender shall have received a certificate signed by a senior officer of the Borrower so certifying to the Lender.
- (9) *Factual Matters.* The Lender shall have received evidence of the following:
 - (a) following completion of the matters contemplated by the Acquisition Agreement, GCI will be the owner of the Participation Right with a good and valid legal and beneficial title thereto, including the right to receive and deal with all of the proceeds therefrom;
 - (b) the Participation Right covers not less than 97.75% of gold production from the Project;
 - (c) the Borrower has a good and valid legal and beneficial title to all of the issued and outstanding shares in the capital of GCI, on a fully-diluted basis;
 - (d) neither the Borrower nor GCI has created, granted or permitted to remain outstanding any Lien over any of its assets except for Permitted Encumbrances; and

- (e) other than GCI, the Borrower has not incorporated or acquired any subsidiaries that are not disclosed in the most recent annual report (2003) for the Borrower provided to the Lender; and
 - (f) GCI has not incorporated or acquired any subsidiaries.
- (10) *Certain Matters.* The Lender shall have reviewed and be satisfied with:
- (a) all matters pertaining to the Project, including title, tenure, operations, the Material Contracts, the Restructuring Agreements and the Mineral Agreement;
 - (b) financial and other matters concerning Cambior; and
 - (c) general tax advice from the Borrower's external advisers regarding the Borrower and its subsidiaries.
- (11) *Mandatory Hedge.* The Borrower and GCI shall have entered into the Mandatory Hedge.
- (12) *Financial, etc.*
- (a) The Lender shall have received the annual budget as approved by the budget committee appointed by the directors of the Borrower (and which budget, for greater certainty, shall be satisfactory to the Lender as to, *inter alia*, terms and amount).
 - (b) The Lender shall have received the most recent audited consolidated financial statements of the Borrower.
 - (c) Since the last day of the period covered by the financial statements referred to in (b) there shall have been, in the opinion of the Lender, no MAE.
- (13) *Litigation.* There shall be no actions, suits or proceedings (whether or not purportedly on its behalf) pending or threatened against or affecting any of the Borrower or GCI before any court or other judicial or administrative entity which would, if adversely determined, in the opinion of the Lender constitute, or could reasonably be expected to constitute, an MAE.
- (14) *Legality.* Since the date hereof, the making, maintenance and funding of the Credit Facility shall not, in the opinion of the Lender's counsel, have been made unlawful for the Lender by any Law, or any change therein, or in the published or unpublished interpretation or application thereof by any Official Body.

- (15) *Opinions.* The Lender shall have received favourable opinions of counsel to the Borrower, GCI and GSRL and of the Lender's counsel.
- (16) *Other.* The Lender shall have received such additional information, certificates, authorizations and documents as the Lender shall require as well as satisfactory results of final due diligence enquiries as the Lender may in its absolute discretion require to be conducted by the Lender or its counsel.

3.2 Conditions Solely for the Benefit of the Lender. All conditions precedent to the entitlement of the Borrower to the Credit Facility are solely for the benefit of the Lender, and no other person shall have standing to require satisfaction or fulfilment of any condition precedent or that it be otherwise met and no other person shall be deemed to be a beneficiary of any such condition, any and all of which may be freely waived in whole or in part by the Lender at any time the Lender deems it advisable to do so in its sole discretion.

3.3 Final Date. In the event that the Closing Date does not occur prior to the close of business in Vancouver on January 31, 2005 (or a later date as agreed by the parties in writing), the Commitment of the Lender shall forthwith reduce to nil, without the necessity of any notice to the Borrower or any other person.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES.

The Borrower represents and warrants to the Lender as of the Closing Date as set forth in this Article 4, acknowledges that the Lender is relying thereon in entering into this agreement and providing the Credit Facility, agrees that no investigation at any time made by or on behalf of the Lender shall diminish in any respect whatsoever its right to rely thereon and agrees that all representations and warranties shall be valid and effective as of the date when given or deemed to have been given and to such extent shall survive the execution and delivery of this agreement and the provision of the Credit Facility.

4.1 Existence. Each of the Borrower and GCI is a corporation duly incorporated and organized and is validly subsisting and in good standing under the laws of its jurisdiction of incorporation is duly qualified as a foreign or extra-provincial corporation, as the case may be, and is in good standing in all jurisdictions where the failure to so qualify constitutes, or could reasonably be expected to constitute, an MAE.

4.2 Corporate Authority. Each of the Borrower and GCI has full corporate right, power and authority to enter into, and perform its obligations under, each Credit Facility Document to which it is a party and each of the Borrower and GCI has full

corporate power and authority to own and operate its properties and to carry on its business as now conducted or as contemplated to be conducted.

4.3 Authorization, Governmental Approvals, etc. The execution and delivery of this agreement and each other Credit Facility Document and the performance by it of its obligations hereunder and thereunder have been duly authorized by all necessary action on the part of each of the Borrower and GCI, and no Permit under any applicable Law or approval under any material contract, and (except for registration of the Security at public offices for the recording of Liens, any steps required to be taken on enforcement of the Security, and any customary filings with stock exchanges, which filings the Borrower undertakes to pursue as expeditiously as possible) no registration, qualification, designation, declaration or filing with any Official Body having jurisdiction over the Borrower or GCI, is necessary therefor or to perfect the same or to preserve the benefit thereof to the Lender.

4.4 Enforceability. This agreement has been duly executed and delivered by the Borrower and constitutes, and each other Credit Facility Document to which each of the Borrower and GCI is or will be party when executed by it will constitute, its legal, valid and binding obligation, enforceable against it in accordance with its terms, subject to such qualifications as may be set forth in the opinion of the Borrower's counsel delivered pursuant to section 3.1(15).

4.5 No Breach. The execution and delivery by the Borrower of this agreement, and by each of the Borrower and GCI of each other Credit Facility Document to which it is or will be a party, and the performance by it of its obligations hereunder and thereunder, do not and will not:

- (1) conflict with or result in a breach of any of the terms, conditions or provisions of:
 - (a) its constating documents;
 - (b) any applicable Law;
 - (c) any contractual restriction binding on or affecting it or its properties (including any Material Contract other than the Cambior Agreement, any Restructuring Agreement and (to the best of the Borrower's knowledge) the Mineral Agreement and the Cambior Agreement); or
 - (d) any writ, judgment, injunction, determination or award which is binding on it; or
- (2) result in, or require or permit:

- (a) the imposition of any Lien (other than the Security) on or with respect to any properties now owned or hereafter acquired by it; or
- (b) the acceleration of the maturity of any of its indebtedness under any contractual provision binding on or affecting it.

4.6 Litigation. The Borrower is not aware of any actions, suits or proceedings (whether or not purportedly on behalf of the Borrower or GCI) pending or threatened against or affecting any of the Borrower or GCI before any Official Body which have a material likelihood of being determined adversely to it and, if so adversely determined, constitutes, or could reasonably be expected to constitute, an MAE.

4.7 Compliance. The Borrower is not aware of any basis that any of the Borrower or GCI may be, and the Borrower is not aware that any such person has received notice that it is alleged to be, in breach of:

- (1) any Permit or mandatory requirement or directive of any Official Body having jurisdiction relating to its business or assets (including under Environmental Laws); or
- (2) any other Law applicable to its business or assets;

where such breach or alleged breach, if the allegation were proven to be correct, constitutes, or could not reasonably be expected to constitute, an MAE.

4.8 No Default. No Default or Event of Default has occurred and is continuing.

4.9 Material Contracts. As at the Closing Date:

- (1) each Material Contract other than the Cambior Agreement, each Restructuring Agreement and (to the best of the Borrower's knowledge) the Mineral Agreement and the Cambior Agreement is in full force and effect;
- (2) all conditions precedent under the Material Contracts other than the Cambior Agreement, the Restructuring Agreements (as applicable to the Closing Date) and (to the best of the Borrower's knowledge) the Cambior Agreement have been satisfied or waived;
- (3) none of (as the case may be) the Borrower, GCI or (to the best of the Borrower's knowledge) GSRL is in breach under any Material Contract or Restructuring Agreement and the Borrower is not aware of any breach thereunder by any counterparty, save for any such matter which does not constitute, and could not reasonably be expected to constitute, an MAE.

4.10 Ownership of Collateral. Each of the Borrower and GCI has good and marketable title to all of its assets and properties, free and clear of all Liens other than Permitted Encumbrances. Neither the Borrower nor GCI owns any assets or properties located in Suriname.

4.11 Tax Returns. Each of the Borrower and GCI has filed all Tax returns which are required to be filed and has paid all Taxes which have become due pursuant to such returns or pursuant to any assessment received by it, except any such Taxes which are being contested in good faith and by proper proceedings and for which adequate reserves have been maintained (and no Liens (except Permitted Encumbrances) have attached).

4.12 Financial Statements. The audited consolidated financial statements of the Borrower as of and for the period ended December 31, 2003, copies of which have been delivered to the Lender, were prepared in accordance with generally accepted accounting principles in Canada and present fairly, as at the date thereof, the consolidated financial position of the Borrower, and since December 31, 2003 to the date hereof there has not been (and at the Closing Date there will not have been), any material adverse change in such consolidated financial position. As at the Closing Date, with respect to each of the Borrower and GCI:

- (1) it is solvent;
- (2) the realizable value of its assets exceeds its aggregate liabilities; and
- (3) it is able to pay its debts in the normal course.

4.13 MAE. As at the Closing Date, to the knowledge of the Borrower, no event or circumstance has or will have occurred which constitutes, or could reasonably be expected to constitute, an MAE.

4.14 Disclosure. All information heretofore supplied to the Lender by or on behalf of the Borrower is, with respect to factual matters, true and correct in all material respects and is, with respect to projections, forecasts and other matters being the subject of opinion, believed on reasonable grounds to be true and correct in all material respects and, to the extent based upon assumptions, such assumptions are believed to be reasonable in the circumstances.

ARTICLE 5 SECURITY

5.1 Security. As continuing collateral security for the payment and performance of the Obligations and the Hedging Obligations, the Borrower and GCI shall execute and deliver to the Lender (or cause to be executed and delivered to the Lender) the

following documents, which documents shall be in form and substance satisfactory to the Lender:

- (a) a fixed and floating charge (or equivalent under applicable law as satisfactory to the Lender) over all of the Borrower's present and after-acquired assets of whatsoever nature and wherever situate;
- (b) a general security agreement covering all present and after-acquired personal property of the Borrower, including:
 - (i) all of the issued and outstanding shares in the capital of GCI; and
 - (ii) the Borrower Proceeds Account;
- (c) a general security agreement covering all present and after-acquired personal property of GCI, including:
 - (i) the GCI Proceeds Account; and
 - (ii) the right to receive payments under the Participation Right; together with an irrevocable direction to Cambior that all such payments are to be paid by Cambior directly to the Lender for deposit to the GCI Proceeds Account;
- (d) a guarantee of the Obligations and the Hedging Obligations made by GCI in favour of the Lender;
- (e) a subordination agreement made by the Borrower, GSRL and GCI in favour of the Lender regarding payments owed to GSRL under the Acquisition Agreement and related matters; and
- (f) a subordination (inter-creditor) agreement made by the Borrower and GCI in favour of the Lender regarding inter-corporate liabilities.

The pledges of shares as aforesaid shall include such definitive shares (duly endorsed for transfer), powers of attorney, irrevocable approvals of the issuing corporation's directors, shareholders or others under seal as required for the pledge and registration thereof in the name of the Lender or as it may direct, and other supporting documents as the Lender shall reasonably request (including, in the case of uncertificated securities, such arrangements for perfection as the Lender shall approve, acting reasonably). To the extent that pledged interests are not registered in the name of the Lender, forthwith upon demand by the Lender the Borrower shall, to the extent permitted by applicable

Law, cause such pledged interests to be registered in the name of the Lender or as it may require.

With respect to the fixed and floating charge referred to in section 5.1(a), it is the intention of the Lender to obtain for the Closing Date the general security agreement referred to in section 5.1(b), to be governed by the laws of, and registered in, the Province of British Columbia; provided that the Lender may at any time request that the Borrower provide to the Lender such deeds, hypothecs and other instruments under applicable laws of France, and in such form, as the Lender shall require to grant to the Lender a first-priority fixed and floating charge over all assets and properties of the Borrower, and the Borrower covenants to execute and deliver same forthwith following request therefor, and to take such further and other action in that regard as the Lender shall request; provided further that by execution hereof the Borrower acknowledges that the provision by the Borrower of its covenant set forth in this paragraph is a material condition to the Lender executing and delivering this agreement.

5.2 Continued Perfection of Security. The Borrower shall take such action and execute and deliver to the Lender such agreements, conveyances, deeds and other documents and instruments as the Lender shall reasonably request for the purpose of establishing, perfecting, preserving and protecting the enforceability of the Security and the Lien thereof, in each case forthwith upon request therefor by the Lender and in form and substance satisfactory to the Lender acting reasonably.

ARTICLE 6 COVENANTS

6.1 Affirmative Covenants. Until the Obligations and the Hedging Obligations are paid and satisfied in full, the Borrower covenants as follows:

- (1) *Corporate Existence.* The Borrower will do all things necessary to (a) maintain the corporate existence of each of the Borrower and GCI, and (b) to carry out the businesses of each of the Borrower and GCI in a proper and efficient manner in like manner as prudent operators of its businesses, including obtaining and maintaining in full force and effect all material Permits required for the conduct of such businesses. The Borrower shall immediately advise the Lender in writing of any change of corporate name, place of business, jurisdiction of domicile of any of the Borrower or GCI, and promptly provide to the Lender copies of any amendments to the constating documents of any of the Borrower or GCI.
- (2) *Compliance with Laws, etc.* It will, and will cause GCI to, comply in all material respects with all applicable Laws (including Environmental Laws) and Permits and do all things necessary to obtain, renew and

maintain in good standing from time to time all Permits and duly observe all valid requirements of any Official Body, except to the extent failure to do so in the reasonable opinion of the Lender does not constitute, and could not reasonably be expected to constitute, an MAE.

- (3) *Payment of Taxes and Claims.* It will, and will cause GCI to, file as and when required by applicable Law all Tax returns and pay and discharge before the same shall become delinquent (a) all Taxes imposed upon it or upon its property, and (b) all lawful claims (including claims for labour, materials, supplies or services) which, if unpaid, might become a Lien upon its property, except in each case any such Tax or claim which is being contested in good faith and by proper proceedings and for which adequate reserves have been maintained and no Liens (except Permitted Encumbrances) have attached.
- (4) *Keeping of Books.* It will, and will cause GCI to, keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and its assets and business to permit the preparation of financial statements in accordance with generally accepted accounting principles in Canada.
- (5) *Pay Obligations to Lender and Perform Other Covenants.* It will make full and timely payment of the Obligations and the Hedging Obligations, whether now existing or hereafter arising, and will, and will cause GCI to, duly comply with all the terms and covenants made by or applicable to it contained in each of the Credit Facility Documents, all at the times and places and in the manner set forth therein and, except for the filing of renewal statements and the making of other filings by or on behalf of the Lender as secured party, at all times take all action necessary to maintain the Liens provided for under or pursuant to this agreement and the Security as valid and perfected first Liens on the property intended to be covered thereby (subject only to Permitted Encumbrances) and supply all information to the Lender which is reasonably necessary for such maintenance.
- (6) *Use of Proceeds.* The Borrower will use, and will cause GCI to use, the proceeds of the Credit Facility only for the purposes set forth in section 2.1(2).
- (7) *Dealings.* The Borrower shall ensure that all dealings with the Lender with respect to the Credit Facility are conducted by officers and other representatives of the Borrower duly authorized on their behalf.
- (8) *Financial Statements.* The Borrower shall deliver to the Lender:

- (a) within 45 days of the end of each Financial Quarter, the unaudited consolidated financial statements of the Borrower; and
- (b) within 90 days of the end of each Financial Year, the audited consolidated financial statements of the Borrower;

in each case in sufficient detail to permit the Lender to determine the status of compliance with section 6.1(9).

(9) *Financial Matters.* The Borrower shall as at the end of each Financial Quarter:

- (a) maintain a ratio of Current Assets to Current Liabilities of 1:1 or higher; provided that this section 6.1(9)(a) shall not apply at any time that GSRL is bound by and in compliance with its covenant set forth in section 2.4(2)(a) of the GSRL Subordination;
- (b) maintain a DSCR of 1.2:1 or higher in respect of such Financial Quarter; and
- (c) maintain a Loan Life Ratio of 1.25:1 or higher;

and at any time and from time to time shall provide to the Lender such information as the Lender shall reasonably request to confirm compliance herewith.

(10) *Notice; Information.* It will promptly provide to the Lender:

- (a) written notice of any Default or Event of Default;
- (b) a copy of all information received by GCI or the Borrower:
 - (i) from Cambior or GSRL under or in respect of the Participation Right; and
 - (ii) from GSRL under or in respect of the Restructuring Agreements as defined in the GSRL Subordination;
- (c) details of any information of which it becomes aware that could reasonably be considered to reflect a material adverse change to the operating or financial condition of the Borrower, GCI, GSRL, Cambior or the Project;
- (d) written notice of any MAE or event which could reasonably be expected to constitute an MAE;

- (e) following the filing thereof by the Borrower, copies of all reports, statements and other material provided to shareholders or (other than on a confidential basis) to applicable securities regulatory agencies (including the TSX and any other stock exchange); and
 - (f) such other information as the Lender may reasonably request from time to time.
- (11) *Visitation, Inspection, etc.* The Borrower will permit the Lender and its representatives and consultants to visit and inspect any the assets of the Borrower or GCI, to examine the books and records of the Borrower and GCI and to make copies and take extracts therefrom (as reasonably required), and to discuss its or any affiliate's affairs, finances and accounts with relevant officers or independent auditors, all at such reasonable times and as often as the Lender may reasonably request.
- (12) *Environmental Indemnity.* It will indemnify and hold harmless the Lender, the Lender's affiliates and the respective directors, officers, employees, agents and representatives of the Lender and such affiliates from and against all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the indemnitees or any of them, directly or indirectly related to or arising out of any breach of any Environmental Law, or any release or the presence of hazardous materials, at any time relating to the assets or the operations of either the Borrower or GCI; provided that no amount shall be payable under this section 6.1(12) to the extent that same arises out of the gross negligence or wilful misconduct of an indemnified person or a breach by an indemnified person of this agreement. The obligations of the Borrower under this section 6.1(12) shall survive the payment and performance of the Obligations and the Hedging Obligations.
- (13) *Insurance.* It will maintain or cause to be maintained with financially sound and reputable insurance companies such insurances with respect to the properties and business of the Borrower and GCI against such casualties and contingencies and of such types and in such amounts as is customary in the case of similar businesses and in accordance with prudent industry practices.
- (14) *Proceeds Accounts.* It will forthwith:
 - (a) establish the Borrower Proceeds Account with the Lender; and
 - (b) cause GCI to establish the GCI Proceeds Account with the Lender;

and take or cause GCI to take such action, and execute or cause GCI to execute such documents, as the Lender shall request in that regard, including to establish the Proceeds Accounts on such terms and conditions as the Lender shall determine, to provide for the deposits, payments and withdrawals contemplated hereby, and to create, perfect and protect the security intended to be granted over same in favour of the Lender.

The Borrower will:

- (c) deposit into the Borrower Proceeds Account, forthwith upon receipt, all monies received:
 - (i) on account of all agreements, options or arrangements (including the Mandatory Hedge) designed to protect the Borrower against fluctuations in (A) interest rates, (B) currency exchange rates, or (C) precious metals or commodity prices; and
 - (ii) from GCI, whether by way of Distribution or otherwise; and
- (d) cause GCI to deposit into the GCI Proceeds Account, forthwith upon receipt, all monies received:
 - (i) on account of all agreements, options or arrangements designed to protect GCI against fluctuations in (A) interest rates, (B) currency exchange rates, or (C) precious metals or commodity prices;
 - (ii) from the Borrower, whether by way of Distribution or otherwise; and
 - (iii) on account of the Participation Right or otherwise under the PRA or the Acquisition Agreement;

and in that regard will execute, or cause GCI to execute, such directions and other instruments as the Lender shall request in order that, where possible, the monies referred to in (c) and (d) may be paid directly by the payor into the appropriate Proceeds Account.

Neither the Borrower nor GCI will be permitted to use or withdraw any monies in the Proceeds Accounts save for:

- (e) a Permitted Corporate Expense Withdrawal; or

(f) a withdrawal to fund a Permitted Distribution.

- (15) *Further Assurances.* It will at its cost and expense, upon request of the Lender, duly execute and deliver, or cause to be duly executed and delivered, to the Lender such further instruments and do and cause to be done such further acts as may be necessary or proper in the reasonable opinion of the Lender to carry out more effectually the provisions and purposes of this agreement and the other Credit Facility Documents.

6.2 Negative Covenants. Until the Obligations and the Hedging Obligations are paid and satisfied in full, and in addition to any other covenants herein set forth, the Borrower covenants and agrees that it will not take any of the actions set forth in this section 6.2 or permit or suffer same to occur without the prior written consent of the Lender.

- (1) *Liens.* Neither it nor GCI will create or incur any Lien over its assets, other than Permitted Encumbrances
- (2) *Indebtedness.* Neither it nor GCI will create or incur any Financial Indebtedness, save and except for:
 - (a) Financial Indebtedness required by either the Borrower or GCI in connection with funding any acquisitions contemplated by section 6.2(7)(a) and as agreed in writing by the Lender, acting reasonably;
 - (b) Financial Indebtedness secured by the Lien described in section 1.1(20)(a), and only (for the Borrower and GCI in the aggregate) to the extent therein permitted;
 - (c) any intercompany indebtedness from time to time between the Borrower and GCI; and
 - (d) for the avoidance of doubt, the Mandatory Hedge.
- (3) *Merger, etc.* Neither it nor GCI will merge, consolidate or amalgamate with or into, or sell, convey, transfer, lease or otherwise dispose of (in one transaction or a series of transactions) all or substantially all of its assets to, any other person.
- (4) *Distribution.* It shall not effect any Distribution that is not a Permitted Distribution.
- (5) *Participation Right.* It shall not, and shall not permit GCI to, reduce its interest in the Participation Right or effect any material amendment to:

- (a) any Material Contract; or
 - (b) any Restructuring Agreement.
- (6) *Hedging.* Other than the Mandatory Hedge, neither it nor GCI will incur any Hedging Obligations or enter into any hedging transaction for any purpose, except with the prior written consent of the Lender.
- (7) *Business.* Neither it nor GCI will:
- (a) acquire any company, business or material assets unless, in respect of the Borrower only, agreed to in writing by the Lender, acting reasonably; or
 - (b) engage in any business activity that is not related to mineral exploration, mining and recovery, or the acquisition or holding of royalty or similar participation interests in or derived from mining and recovery.
- (8) *Financial Assistance.* Neither it nor GCI will provide any financial assistance (whether by way of loan, guarantee, indemnity, agreement to acquire indebtedness or assets, or any other similar transaction intended to provide financial assistance) to any other person (including each other), except for:
- (a) financial assistance to GCI:
 - (i) for the acquisition of the Participation Right pursuant to and in accordance with the terms of the Acquisition Agreement; and
 - (ii) for corporate expenses of GCI in the ordinary course; and
 - (b) financial assistance to a third party in an amount of US\$50,000 or less (subject to an aggregate limit for the Borrower and GCI together of US\$50,000).
- (9) *Sale of Assets.* Neither it nor GCI shall sell, lease, exchange or otherwise dispose of (other than by way of Permitted Encumbrances) any material assets, except in any such case for the sale, lease, exchange or disposal:
- (a) of inventory in the ordinary course of business and in a manner consistent with the Mandatory Hedge;
 - (b) of obsolete or redundant assets;

- (c) of certain assets to GSRL in accordance with the terms of the option agreement dated September 21, 2004 between the Borrower, Société de Travaux Publics et de Mines Aurifères en Guyane S.A.R.L. and GSRL;
- (d) that is otherwise permitted hereunder; and
- (e) as may otherwise have been approved in writing by the Lender.

6.3 Covenant of the Lender. Until the Obligations and the Hedging Obligations are paid in full, the Lender will provide to the Borrower on a timely basis such reports as the Borrower shall reasonably request in order to monitor Proceeds Accounts activity and payments under the PRA.

ARTICLE 7 CHANGES IN CIRCUMSTANCES

7.1 Illegality. If the enactment of any applicable Law or any change therein or in the interpretation or application thereof by any Official Body or compliance by the Lender with any guideline, official directive, request or direction (whether or not having the force of Law) of any Official Body hereafter makes it unlawful for the Lender to make, fund or maintain the Credit Facility or the Mandatory Hedge or to give effect to its obligations hereunder or under any other Credit Facility Document, the Lender may by written notice thereof to the Borrower declare its obligations under this agreement to be terminated, whereupon the same shall forthwith terminate, and the Borrower shall within the time required by such Law (or at the end of such longer period as the Lender at its discretion has agreed) repay all Obligations and Hedging Obligations to the Lender.

7.2 LIBOR.

If, on or before any date on which an interest rate is to be determined on the basis of LIBOR, either:

- (a) the Lender determines that it will not be possible to determine LIBOR for the applicable Interest Period or in the applicable amounts; or
- (b) the Lender determines that LIBOR will not adequately reflect the cost of making, funding or maintaining a Tranche for the applicable Interest Period;

then, the Lender shall forthwith give notice of such event to the Borrower, whereupon the obligations of the Lender to make LIBOR advances available to the Borrower shall

be suspended with respect to the relevant LIBOR Tranche(s) until the Lender gives notice to the Borrower that the circumstances giving rise to such determination no longer exist.

In circumstances where LIBOR advances are not available, the relevant LIBOR Tranche(s) shall bear interest at such rate as the Lender shall advise the Borrower compensates the Lender for its all-in cost of funds, together with the margin of two and one-half (2.5%) *per cent* set forth in section 2.6(1) and, if applicable, the further margin of two (2%) *per cent* in respect of overdue amounts set forth in section 2.7.

7.3 Indemnification.

- (1) *Matching Funds.* The Borrower shall promptly pay to the Lender any amounts required to compensate the Lender for any breakage or similar cost, loss, cost of redeploying funds or other cost or expense suffered or incurred by the Lender as a result of:
 - (a) any payment being made by the Borrower in respect of a LIBOR advance (due to acceleration hereunder or for any other reason) on a day other than the last day of an Interest Period applicable thereto;
 - (b) the Borrower's failure to give notice in the manner and at the times required hereunder; or
 - (c) the failure of the Borrower to fulfil or honour, before the date specified for the advance of the Credit Facility, the applicable conditions set forth in Article 3 or to accept such advance in the manner and at the time specified in its request therefor.

A certificate of the Lender submitted to the Borrower as to the amount necessary to so compensate the Lender shall be conclusive evidence, absent manifest error, of the amount due from the Borrower to the Lender.

- (2) *General.* The Borrower agrees to indemnify the Lender and its affiliates, and the directors, officers and employees of each of them, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the indemnitees or any of them, related to or arising out of the transactions contemplated hereunder or under any other Credit Facility Document; provided that no amount shall be payable under this section 7.3(2) to the extent that same arises out of the gross negligence or wilful misconduct of an indemnified person or a breach by an indemnified person of this agreement.

7.4 Taxes, Costs, Etc.

- (1) *Gross-Up.* Any and all payments by the Borrower under this agreement or any other Credit Facility Document shall be made free and clear of and without deduction or withholding for Taxes unless such Taxes are required by Law to be deducted or withheld. If the Borrower shall be required by Law to deduct or withhold any Taxes from or in respect of any sum payable hereunder or thereunder:
 - (a) the sum payable shall be increased as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to additional amounts paid under this section) the Lender receives an amount equal to the sum it would have received if no deduction or withholding had been made;
 - (b) the Borrower shall make such deductions or withholdings; and
 - (c) the Borrower shall pay the full amount deducted or withheld to the relevant taxation or other authority in accordance with applicable Law.

Within 30 days after paying any sum from which it is required by Law to make any deduction or withholding, and within thirty days after the due date of payment of any Tax which it is required by section 7.4(1)(b) to pay, the Borrower shall deliver to the Lender an official receipt or other evidence reasonably satisfactory to the Lender of such deduction, withholding or payment and of the remittance thereof to the relevant Official Body.

- (2) *Pay Taxes.* The Borrower shall pay all Taxes which arise from any payment made hereunder or under any other Credit Facility Document or from the execution, delivery or registration of, or otherwise with respect to, this agreement or such other Credit Facility Document.
- (3) *Indemnity.* The Borrower shall indemnify and save harmless the Lender for the full amount of Taxes (including any Taxes imposed by any jurisdiction on amounts payable under this section) paid by the Lender and any liability (including penalties, interest and expense) arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally asserted. Payment under this indemnification shall be made within 30 days from the date the Lender makes written demand therefor. A certificate as to the amount of such Taxes submitted by the

Lender to the Borrower shall be conclusive evidence, absent manifest error, of the amount due from the Borrower to the Lender.

- (4) *Survival.* Without prejudice to the survival of any other agreement or obligation of the Borrower hereunder or under any other Credit Facility Document, the obligations of the Borrower under this section 7.4 shall survive the payment and performance of the Obligations and the Hedging Obligations.*Limitation.* The Lender shall exercise reasonable commercial efforts to limit the incidence of any additional amounts payable under this section 7.4, and the Borrower shall not be obligated to pay any such amounts to the extent that they arise after the cause of same is rescinded, removed, repealed or withdrawn. The Lender agrees not to assign the Credit Facility, or any portion thereof, to any assignee which would result in the obligations of the Borrower under section 7.4(1) above becoming more onerous in any material respect (determined immediately after such assignment), including an increase in the amount of the required deductions or withholdings. **Increased Costs.**If:
- (a) the enactment or amendment of any Law or any change in the interpretation or application thereof by any Official Body; or
 - (b) compliance by the Lender with any amendment or change to any existing directive, request or requirement (whether or not having the force of Law) of any Official Body or with any new such directive, request or requirement;

shall have the effect of:

- (c) increasing the cost to the Lender of performing its obligations under this agreement or in respect of the Credit Facility, including the costs of maintaining any capital, reserve or special deposit requirements with respect to this agreement or the Credit Facility or with respect to its obligations hereunder;
- (d) requiring the Lender to maintain or allocate any capital (including a requirement affecting the Lender's allocation of capital to its obligations) or additional capital in respect of its obligations under this agreement or in respect of the Credit Facility or otherwise reducing the effective return to the Lender under this agreement or in respect of the Credit Facility or on its total capital as a result of entering into this agreement or making the Credit Facility available;
- (e) reducing any amount payable to it by or in an amount it deems material (other than a reduction resulting from a higher rate of

income or capital Tax or other special Tax relating to the Lender's income or capital in general); or

- (f) causing the Lender to make any payment or to forgo any return on or calculated by reference to any amount received or receivable by the Lender under this agreement or in respect of the Credit Facility;

then the Lender may give notice to the Borrower specifying the nature of the event giving rise to such additional cost, reduction, payment or forgone return and the Borrower shall promptly pay such amounts as the Lender may specify to be necessary to compensate it for any such additional cost, reduction, payment or forgone return. A certificate setting out, in reasonable detail, the amount of any such additional cost, reduction, payment or forgone return, submitted in good faith by the Lender to the Borrower, shall be conclusive and binding for all purposes absent manifest error.

ARTICLE 8 EVENTS OF DEFAULT

8.1 Events of Default. Each of the events set forth in this section 8.1 shall constitute an "Event of Default".

- (1) *Payment.* The Borrower shall fail to pay to the Lender any amount payable by the Borrower hereunder or under any other Credit Facility Document (including the ISDA Master Agreement, and whether on account of principal, interest, fees, expenses, indemnity or otherwise) and the same shall remain unpaid for three Business Days after the due date. Notwithstanding the foregoing, if and only if the Borrower's failure to pay has occurred as a direct result of Cambior not making a scheduled payment in accordance with the PRA, the Lender agrees to extend the above-noted three Business Day period by an additional seven Business Days subject to the conditions that:
 - (a) the Borrower diligently pursues all reasonable legal action against Cambior, including making demand on Cambior for payment under the Participation Agreement; and
 - (b) the Borrower notifies the Lender of the Borrower's course of action against Cambior on an ongoing and timely basis.
- (2) *Representations and Warranties Incorrect.* Any of the representations or warranties made or deemed to be made by the Borrower or GCI in any Credit Facility Document shall prove to be or have been incorrect in any material respect when made or deemed to be made.

- (3) *Failure to Perform Covenants.* Other than in respect of those covenants referred to in section 8.1(4), either the Borrower or GCI shall fail to perform or observe any covenant contained in this agreement or any other Credit Facility Document on its part to be performed or observed or otherwise applicable to it; provided that, if such failure is capable of being remedied, no Event of Default shall have occurred as a result thereof unless and until such failure shall have remained unremedied for 14 days after the earlier of (i) written notice thereof has been given to the Borrower by the Lender, and (ii) such time as such person is aware of same.
- (4) *Ibid.* Either the Borrower or GCI shall fail to perform or observe any covenant contained in section 6.1(1)(a), 6.1(6) or 6.2 on its part to be performed or observed or otherwise applicable to it.
- (5) *Cross-Default.* Any event of default shall occur and shall continue after the applicable grace period (if any) specified in:
 - (a) any agreement or instrument relating to any other indebtedness of either the Borrower or GCI to the Lender (including any Hedging Obligations); or
 - (b) any agreement or instrument relating to any indebtedness of either the Borrower or GCI to any other person in an amount in excess of US\$50,000 (or the equivalent amount in other currencies), unless the Borrower or (as the case may be) GCI shall, to the satisfaction of the Lender, be diligently, continuously and in good faith taking all appropriate proceedings and other steps to dispute same.
- (6) *Voluntary Events of Bankruptcy.* Any of the Borrower, GCI, Cambior or, so long as section 2.4(2)(a) of the GSRL Subordination applies, GSRL shall:
 - (a) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, administrator, trustee, liquidator or other similar official for itself or for all or any part of its assets;
 - (b) generally not pay its debts as such debts become due or admit in writing its inability to pay its debts generally, or declare any general moratorium on its indebtedness;
 - (c) commit an act of bankruptcy, or make a general assignment for the benefit of creditors or a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or a similar Law of any applicable jurisdiction;

- (d) institute any proceeding seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, dissolution, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any statute, rule or regulation relating to bankruptcy, insolvency, reorganization, relief or protection of debtors or at common law or in equity; or
 - (e) take any corporate action to authorize any of the actions described in this section 8.1(6).
- (7) *Involuntary Events of Bankruptcy.* Any proceeding against any of the Borrower, GCI, Cambior or, so long as section 2.4(2)(a) of the GSRL Subordination applies, GSRL:
- (a) has adjudicated it a bankrupt or insolvent;
 - (b) has resulted in the liquidation, dissolution, winding-up, reorganization, arrangement, adjustment, protection or relief or composition of it or its debts under any statute, rule or regulation relating to bankruptcy, insolvency, reorganization, relief or protection of debtors, or at common law or in equity; or
 - (c) has resulted in the appointment of a receiver, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its assets.
- (8) *Execution.* All or any material part of the assets of the Borrower or GCI are attached, executed, sequestered or distrained upon or become subject to any order of a court or other process and such attachment, execution, sequestration, distraint, order or process (a) relates to claims in the aggregate in excess of US\$50,000 (or the equivalent amount in other currencies), and (b) such person shall not discharge the same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof, or deposit with the Lender cash collateral or other security satisfactory to the Lender in the amount of the claim, within 30 days from the date of entry thereof.
- (9) *Judgments.* Judgment for the payment of money (unless fully insured) in the aggregate in excess of US\$50,000 (or the equivalent amount in other currencies) shall be rendered by a court of competent jurisdiction against the Borrower or GCI and such person shall not discharge the same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof, or deposit with the Lender cash collateral or other

security satisfactory to the Lender in the amount of the judgment, within 30 days from the date of entry thereof.

- (10) *Security Unenforceable.* Any Credit Facility Document shall become unenforceable or the Lien of the Security shall cease to rank in priority in the manner contemplated herein or in the Security other than by reason of the direct act or omission of the Lender.
- (11) *PRA.* The occurrence of an event described in section 3.8 or 3.9 of the PRA.
- (12) *MAE.* In the opinion of the Lender, acting reasonably, an MAE shall have occurred and be continuing.

8.2 Effect.

- (1) *General.* Upon the occurrence and continuance of an Event of Default, except as provided in section 8.2(2), the Lender may after the expiry of seven days:
 - (a) by notice to the Borrower cancel all obligations of the Lender in respect of the Commitment; and
 - (b) by notice to the Borrower declare the Obligations and the Hedging Obligations to be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.
- (2) *Specific Defaults.* If any Event of Default specified in section 8.1(6) or 8.1(7) shall occur in respect of the Borrower or GCI, then all obligations of the Lender in respect of the Commitment shall be automatically cancelled and the Obligations and the Hedging Obligations shall be forthwith due and payable, all as if the request and notice specified in each of sections 8.2(1)(a) and 8.2(1)(b) had been received and given by the Lender.
- (3) *Enforcement.* Upon the occurrence of an Event of Default and acceleration of either or both of the Obligations and the Hedging Obligations, the Lender may commence such legal action or proceedings as it may deem expedient, including exercising and enforcing its rights and remedies under the Security, all without any additional notice, presentation, demand, protest, notice of dishonour, entering into of possession of any property or assets, or any other action, notice of all of which the Borrower hereby expressly waives. The rights and remedies of the Lender hereunder and under the other Credit Facility Documents are cumulative

and are in addition to and not in substitution for any other rights or remedies provided by Law.

ARTICLE 9 MISCELLANEOUS

9.1 Records. The Principal Outstanding and the unpaid interest accrued thereon shall at all times be ascertained from the records of the Lender, which shall be conclusive absent manifest error.

9.2 Amendments, etc. No amendment or waiver of any provision of this agreement or of any other Credit Facility Document, nor any consent to any departure by the Borrower or any other person herefrom or therefrom, shall in any event be effective unless the same shall be in writing and signed by the Lender, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

9.3 Notices, etc. Any and all notices or other communications required or permitted pursuant to this agreement shall be in writing and shall be personally delivered by courier or telecopied to the addressee at the address referred to below, in which case such notice or other communication shall conclusively be deemed to have been given to the addressee thereof on the day upon which it was delivered or received by telecopy if delivered or received prior to the relevant time on such day (or on the next Business Day if received after the relevant time or if received on a day that is not a Business Day). For this purpose, the "**relevant time**" shall be 3:00 p.m. (local time). The addresses referred to above for the Borrower and the Lender are as follows:

Borrower:

Guyanor Ressources S.A.
10901 West Toller Drive
Suite 300
Littleton, Colorado
80127

Attention: Directeur-General
Telecopy No.: (604) 608-3283

with a copy to:
Lawson Lundell
1600-925 West Georgia St.
Vancouver, BC V6C 3L2

Attention: Gordon Chambers
Telecopy No.: (604) 669-1620

Lender:

Macquarie Bank Limited
1 Martin Place
Sydney, NSW 2000

Attention: Executive Director, Metals & Mining
Telecopy No. +61 (2) 8232-3590

with a copy to:
Macquarie Bank Limited Representative Office
Level 21
600 Fifth Avenue
New York, NY 10020

Attention: John Braham
Telecopy No.: (212) 586-6901

Each party may change its address for service by written notice, given in the manner provided above, to the other parties and such change shall be effective upon the date the notice shall be deemed to be received.

9.4 No Waiver; Remedies. No failure on the part of the Lender to exercise, and no delay in exercising, any right under any Credit Facility Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right under any Credit Facility Document preclude any other or further exercise thereof or the exercise of any other right. The remedies herein and therein provided are cumulative and not exclusive of any remedies provided by Law.

9.5 Expenses. The Borrower shall pay to the Lender all reasonable costs and expenses (including all reasonable legal fees and disbursements) incurred by the Lender in connection with this agreement, the other Credit Facility Documents and the Credit Facility, including:

- (1) the negotiation of the commitment letter dated December 9, 2004 and the negotiation, preparation, execution, delivery and interpretation, both prior and subsequent to the Closing Date, of this agreement and any other Credit Facility Document (in this section 9.5, collectively, the "Documents");

- (2) the performance by the Lender of its obligations and duties under any Document;
- (3) advice of counsel with respect to the administration of or other matters relating to the Credit Facility, any Document or any transaction contemplated thereunder;
- (4) the enforcement of any Document or the enforcement or preservation of rights under and the refinancing, renegotiation or restructuring (including negotiation of any so-called "workout" or similar transaction) of the Credit Facility under this agreement or any other Document or the bringing of any action, suit or proceeding with respect to the enforcement of any Document or any such right or seeking any remedy which may be available to the Lender at law or in equity; and
- (5) any amendments, waivers or consents pursuant to the provisions hereof or any other Document.

9.6 Judgment Currency.

- (1) *Exchange Rate.* If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder to the Lender in one currency (in this section 9.6, the "**Original Currency**") into another currency (in this section 9.6, the "**Judgment Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Lender could purchase the Original Currency with the Judgment Currency on the Business Day preceding that on which final judgment is paid or satisfied.
- (2) *Obligation.* The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lender under any Credit Facility Document shall, notwithstanding any judgment in any Judgment Currency, be discharged only to the extent that, on the Business Day following receipt by the Lender of any sum adjudged to be so due in such Judgment Currency, the Lender may in accordance with normal banking procedures purchase the Original Currency with such Judgment Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Lender against such loss and, if the amount of the Original Currency so purchased exceeds the sum originally due to the Lender in the Original Currency, the Lender agrees to remit such excess to the Borrower.

9.7 Governing Law.

- (1) *Governing Law.* This agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
- (2) *Submission to Jurisdiction.* Each party hereby irrevocably submits to the jurisdiction of the courts of British Columbia in any action or proceeding arising out of or relating to this agreement and hereby irrevocably agrees that all claims in respect of any such action or proceeding may be heard and determined in such courts. Each party hereby irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action or proceeding. Each party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.
- (3) *Non-Exclusive.* Nothing in this section 9.7 shall affect the right of any party to serve legal process in any other manner permitted by Law or affect the right of a party to bring any action or proceeding against another party or its property in the courts of other jurisdictions.
- (4) *Trial by Jury.* Each of the parties hereto, to the fullest extent permitted by Law, hereby waives its rights to a trial by jury.

9.8 Successors and Assigns.

- (1) *Effectiveness.* This agreement shall become effective when it shall have been executed by the Borrower and the Lender and thereafter shall be binding upon and enure to the benefit of each such person, its successors and permitted assigns.
- (2) *Borrower not to Assign.* The Borrower shall not have the right to assign its rights or obligations hereunder or any interest herein without the prior consent of the Lender, which consent may be arbitrarily withheld.
- (3) *Assignments.* The Lender may assign (including by way of syndication or loan participation) all or any part of its interest in the Credit Facility to one or more persons (each an "**Assignee**") and, to the extent of any such assignment (unless otherwise stated therein), the assignee shall have the same rights and benefits hereunder and under the other Credit Facility Documents as it would have if it were the Lender hereunder; provided that any assignment (other than to an affiliate of the Lender) prior to a Default shall require the written consent of the Borrower, which consent shall not be unreasonably withheld.

- (4) *Assumption.* In order to effect an assignment contemplated by section 9.8(3), the Lender shall deliver to the Borrower (at the Lender's cost but exclusive of the fees of the Borrower's counsel) an agreement by which the Assignee assumes the obligations and agrees to be bound by all the terms and conditions of this agreement, all as if such Assignee had been an original party hereto. Upon any such assignment and such assumption of the obligations of the Lender by such Assignee, the Lender and the Borrower shall be mutually released from their respective obligations hereunder to the extent of such assignment and assumption and shall thenceforth have no liability or obligations to each other to such extent, except in respect of actions taken or matters which have arisen prior to such assignment.

9.9 Conflict. In the event of a conflict between the provisions of this agreement and the provisions of any other Credit Facility Document, the provisions of this agreement shall prevail.

9.10 Severability. The provisions of this agreement are intended to be severable. If any provision of this agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions hereof in any jurisdiction.

9.11 Prior Understandings. This agreement supersedes all prior understandings and agreements, whether written or oral, among the parties relating to the transactions provided for herein.

9.12 Time of Essence. Time shall be of the essence hereof.

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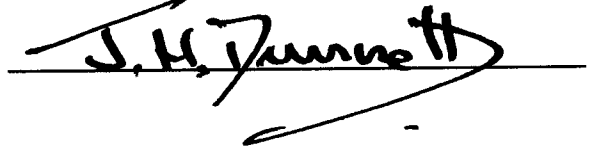
9.13 Counterparts. This agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument, and may be delivered by a party by facsimile or similar means of recorded communication.

IN WITNESS WHEREOF the parties have caused this agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

GUYANOR RESSOURCES S.A.

Per: _____

A handwritten signature in black ink, appearing to read "J. H. Zumbardo", is written over a horizontal line. The signature is stylized with a large, sweeping flourish at the end.

LENDER:

MACQUARIE BANK LIMITED

Per: _____

9.13 Counterparts. This agreement may be executed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument, and may be delivered by a party by facsimile or similar means of recorded communication.

IN WITNESS WHEREOF the parties have caused this agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

BORROWER:

GUYANOR RESSOURCES S.A.

Per: _____

LENDER:

MACQUARIE BANK LIMITED

Per: _____

KATIE BO-KEI CHOI
LAWYER
MACQUARIE BANK LIMITED

Anthony Lennon
Associate Director