

**SHARE SUBSCRIPTION AND PURCHASE
AGREEMENT**

by and among

CAMBIOR INC.

and

**THE COOPERATIVE
REPUBLIC OF GUYANA**

and

**NATIONAL INDUSTRIAL AND COMMERCIAL
INVESTMENTS LIMITED**

and

OMAI BAUXITE MINING INC.

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THIS SHARE SUBSCRIPTION AND PURCHASE AGREEMENT ("Agreement") is made as of the 2nd day of November, 2004 with effect as of the Completion Date.

BETWEEN: **CAMBIOR INC.**, a company incorporated under the laws of the Province of Québec, Canada, having its principal place of business at 1111 St. Charles Street West, East Tower, Suite 750, Longueuil, Province of Québec, Canada ("**Cambior**");

AND: **THE COOPERATIVE REPUBLIC OF GUYANA**, a sovereign state organized in such territory, on such principles and according to such rules as are described in the Constitution of the Cooperative Republic of Guyana proclaimed into operation as of October 6, 1980, as amended, said party being represented for the purposes hereof by its Government, acting by and through the Prime Minister, Wights Lane, Kingston, Georgetown, Guyana ("**Guyana**" as represented herein by the "**Government**");

AND: **NATIONAL INDUSTRIAL AND COMMERCIAL INVESTMENTS LIMITED**, a company incorporated under the laws of Guyana and wholly-owned by Guyana, having its registered office at 126 Barrack Street, Kingston, Georgetown, Guyana ("**NICIL**"); and

AND: **OMAI BAUXITE MINING INC.**, a company incorporated under the Companies Act, No. 29 of 1991, having its registered office at 176-D Middle Street, Cummingsburg, Georgetown, Guyana (the "**Company**");

Cambior, Guyana, NICIL and the Company are hereinafter sometimes referred to individually as a "**Party**" and collectively as "**Parties**".

WHEREAS:

- A. Cambior has been active in the gold mining industry in Guyana, principally with the commercial exploitation of the Omai gold mine, through OMAI Gold Mines Limited, its subsidiary incorporated and existing under the laws of Guyana (hereinafter, "**OGML**");
- B. Guyana is the sole beneficial shareholder of Linden Mining Enterprise, Limited (hereinafter, "**Linmine**"), a company owning and operating bauxite mining and related activities in or around the town of Linden, Guyana, and which is owned legally by NICIL;
- C. Linmine holds various mineral rights and interests to explore for and exploit bauxite in or around Linden;



- D. Linmine is also the sole owner and operator of buildings, surface rights, facilities, equipment and other assets relating to the exploration, development, extraction, handling and processing of bauxite, all being located in or around Linden;
- E. After Guyana had assessed various alternatives to operate and exploit Linmine's bauxite assets and had sought proposals from interested Persons to enter into arrangements for the privatization of its bauxite activities, Guyana and Linmine entered into with Cambior, as of June 6, 2002, the Linmine Restructuring Project Agreement (hereinafter, the "**Heads of Agreement**") providing for the following actions and transactions:
- (i) the completion by Cambior of a Bankable Feasibility Study (as defined in the Heads of Agreement);
 - (ii) the incorporation of the Company with its share capital to be held, at Completion Date, as to 30% by Guyana (either directly or through Linmine or another Affiliate) and as to 70% by Cambior, either directly or through an Affiliate;
 - (iii) the reconveyance and transfer to the Government prior to Completion Date, of certain of Linmine's mineral rights, followed by the issue, grant and conveyance, at Completion Date, of Mining Licenses and Prospecting Licenses to the Company, conferring upon the Company the exclusive right and interest in and to such mineral rights;
 - (iv) the granting, at Completion Date, by Guyana to Cambior of a right of first refusal for the acquisition of certain of Linmine's mineral rights not to be made part of the aforementioned Mining Licenses and Prospecting Licenses;
 - (v) the assignment, conveyance and transfer, at Completion Date, to the Company of certain buildings, equipment, facilities and assets of Linmine (the "**Vested Assets**") by means of a Vesting Order of the Government, conferring upon the Company the exclusive ownership thereto; the Vested Assets being described in such Vesting Order, a copy of which is attached hereto as Schedule "A";
 - (vi) a contribution of US \$10 million by Cambior to the Company through a combination of a cash investment and the assignment of mining and mining-related equipment;
 - (vii) the use of Cambior's best efforts to provide arrangements satisfactory to the Government for third party financing;
 - (viii) the assumption by Linmine and Guyana of all costs, obligations, undertakings and liabilities that are ensuing from all activities and operations performed as well as decisions made prior to Completion Date in respect of all mineral rights and assets of Linmine, to the full exoneration of Cambior and the Company; correspondingly, the assumption by the Company of all costs, obligations, undertakings and liabilities that will be ensuing from its own activities, decisions and operations following the Completion Date;

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- (ix) the termination of Linmine's employees, the assumption by Linmine and Guyana of all costs, obligations, undertakings and liabilities ensuing therefrom, and the hiring by the Company of new employees; and
 - (x) the entering into by Guyana, the Company and Cambior of a mineral agreement (hereinafter "**Mineral Agreement**") drafted and structured along the lines of the Mineral Agreement dated August 16, 1991 and relating to OGML and the Omai gold mine, with the necessary adaptations;
- F. OMAI Bauxite Company Inc. ("**OBC**"), a wholly-owned subsidiary of Cambior incorporated under the laws of Guyana, entered into an agreement (the "**OBC Agreement**") as of December 10, 2002 to provide Linmine with its services as contractor to perform overburden stripping and bauxite mining operations at the mineral deposits known as East Montgomery and Dacoura Mines;
- G. Cambior completed the Bankable Feasibility Study in February 2003 and the Government approved same in October 2004;
- H. The Government caused Linmine to terminate the employment of all its employees, with effect as of July 31, 2003 and, pursuant to a Management Agreement made as of July 24, 2003 and effective as of August 1, 2003 (the "**Management Agreement**"), assigned, on a contractual basis, the overall management of Linmine to OGML;
- I. The Government and Cambior agreed to terminate the OBC Agreement and the Management Agreement at Completion Date;
- J. Each of Guyana, the Company and Cambior is satisfied that substantially all conditions precedent to Completion Date as set forth in Article 5 of the Heads of Agreement have been fulfilled and each of them agreed to enter into the Mineral Agreement providing for the terms and conditions pursuant to which bauxite operations shall be developed and exploited by the Company, concurrently with the entering into of this Agreement;
- K. Guyana deemed it appropriate to provide for the making of such lawful Orders and administrative acts by such Ministers, Government Authorities and the giving of such undertakings by Guyana in respect of such matters as are described in the Mineral Agreement;
- L. Cambior and the Government caused the Company to be incorporated under the Companies Act 1991 of Guyana on June 25, 2004;
- M. The Company desires to sell and issue to Cambior, and Cambior desires to subscribe for and purchase from the Company, on the terms and conditions set forth in this Agreement, 12,187,486 ordinary shares in the Company ("**Cambior's Shares**"), which, after issuance, will represent 70% of all issued and outstanding ordinary shares of the Company following completion of all contemplated subscriptions provided for in this Agreement;
- N. The Company desires to sell and issue to NICIL (on behalf of Guyana), and NICIL desires to subscribe for and purchase from the Company, on the terms and conditions set forth in this Agreement, 5,223,208 ordinary shares in the Company ("**NICIL's Shares**"), which, after issuance, will represent 30% of all issued and outstanding ordinary shares of

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the Company following completion of all contemplated subscriptions provided for in this Agreement; and

- O. The Parties wish to enter into this Agreement for the purposes of, *inter alia*, (i) setting forth the terms, condition and consideration pertaining to the issuance of Shares of the Company to Cambior and NICIL, and (ii) providing for such other matters as the Parties deem appropriate or necessary.

NOW, THEREFORE, THIS AGREEMENT WITNESSES THAT, in consideration of the mutual representations, warranties, covenants, conditions, and agreements contained in this Agreement, the receipt and sufficiency of which is hereby acknowledged, **IT IS AGREED AND DECLARED** by and among the Parties as follows:

Article 1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In addition to terms defined elsewhere in this Agreement (including in the above preamble) and unless otherwise required or indicated by the context, the following terms shall respectively have the following meanings:

“Acceptable Financial Institution” means Clico Investment Bank Limited or such other financial institution(s) as may be acceptable to Cambior, the Government, and the Company to provide the financing referred to in clause 7.2(a)(vi) to the Company.

“Affiliate” means, in relation to a Party, a body corporate:

- (i) which is directly or indirectly controlled by such Party; or
- (ii) which directly or indirectly controls such Party; or
- (iii) which is, directly or indirectly, controlled by a body corporate that also, directly or indirectly controls such Party.

For the purpose of this definition, **“control”** of a body corporate means the power to direct, administer and dictate policies of such body corporate, it being understood and agreed that control of a body corporate can be exercised without direct or indirect ownership of fifty percent (50%) or more of its voting shares, provided always that direct or indirect control of fifty percent or more of such voting shares shall be deemed to be effective control.

“Agreement” means this Share Subscription And Purchase Agreement, including the Schedules and any amendments hereto.

“Articles” means the Articles of Incorporation of the Company.

“Business Day” means a day upon which licensed banks are open for business in Georgetown, Guyana.

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"Business Plan" means the Bankable Feasibility Study for the Company as amended up to the Completion Date.

"By-laws" means the By-laws of the Company.

"Cambior's Subscription Price" shall have the meaning ascribed thereto in clause 2.1.

"Capital Equipment" means capital equipment, including capital spares, parts and supplies, suitable for the operations of the Company under the Business Plan with the value provided for in clause 3.1(a).

"Completion" means the performance by the Parties of their obligations under Article 7, and references to **"Complete"** shall be construed accordingly.

"Completion Date" means December 1st, 2004, or such other date agreed to in writing among the Parties, and is the date upon which Completion takes place.

"Confidentiality Undertaking" means the confidentiality undertakings of the Government, Linmine and Cambior under the Heads of Agreement, to each other in consideration of each making available to the others certain information regarding itself.

"Encumbrance" includes a debenture, mortgage, charge (whether fixed, floating or after-acquired), pledge, lien, hypothecation, title retention, equity, deferred purchase, option or any other security interest, whether legal or equitable.

"Execution Date" means November 2nd, 2004.

"EPA" means the Environmental Protection Agency established under Section 3 of the Environmental Protection Act 1996 of the laws of Guyana.

"Governmental Authority" means the government of any state or nation, and any political subdivision and organ thereof, and any agency, instrumentality, independent regulatory body, or local, municipal or regional authority.

"LIBOR", in respect of any day, means the annual rate of interest commonly referred to as the London Interbank Offered Rate and published from time to time in the Financial Times of London (or, failing such publication, in any other publication of general circulation) as the reference rate of interest for US Dollar loans between or among banks which are due in 60 days and, in respect of any month or part thereof, means the LIBOR on the first Business Day of such month.

"Material Adverse Event" means any change, event, or effect that is materially adverse to the general affairs, business, operations, assets, liabilities, condition (financial or otherwise) or results of operations or prospects of any corporate entity or group of assets taken as a whole. The following shall not be taken into account in determining a Material Adverse Event that shall have occurred after the execution hereof: any adverse change,

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event, or effect that is directly attributable to (i) conditions affecting the Guyana economy generally, or (ii) conditions affecting the bauxite industry generally.

"NICIL's Subscription Price" shall have the meaning ascribed thereto in clause 2.2.

"Person" means an individual, body corporate (with or without share capital), partnership, unincorporated association, trust, joint venture or other organization or entity, including without limitation a Governmental Authority.

"Prior Asset Condition" means the environmental and physical condition of the Vested Assets at any time prior to the Completion Date, and their compliance or non-compliance status in respect of all applicable laws relating to the protection of environment in Guyana.

"Prior Liabilities" means, collectively and without limitation or restriction to the generality of the following wording, any loss, cost, expense (including, without limitation, reasonable and documented attorneys' fees and other expenses incurred in defending against litigation, either threatened or pending), damage, liability, obligation, undertaking or commitment arising out of, ensuing from or based upon:

- (i) any adverse or non-regulatory compliant (with applicable laws of Guyana and/or relevant international standards) Prior Asset Condition;
- (ii) any claim, obligation, liability or indebtedness owed by Guyana or any Governmental Authority, to Linmine or any of its directors, officers or employees, and incurred at any time prior to the Completion Date; and
- (iii) any losses, costs, obligations, liabilities or undertakings of Linmine of any nature whatsoever, and incurred at any time prior to the Completion Date.

"Product Inventories" means, collectively, all stockpiles of high-alumina refractory bauxite (also known as Refractory A Super Calcined or RASC), of chemical grade bauxite and of cement grade bauxite, extracted from the Company's bauxite deposits in or around Linden and processed through the Vested Assets.

"Schedule" means a schedule to this Agreement.

"Shareholders Agreement" means the Shareholders Agreement dated November 2nd, 2004 and effective as of the Completion Date among Cambior, NICIL and the Company.

"Shares" means collectively Cambior's Shares and NICIL's Shares.

"Vested Assets" means, collectively, such assets to be transferred from Linmine to the Company as described in the Vesting Order, as indicated in the preamble.

"Vesting Order" means the order issued by the President of Guyana under Sections 8 and 11 of the Public Corporations Act 1988 of the laws of Guyana, transferring certain assets and operations from Linmine to the Company and providing for other matters, in the form attached as Schedule "B".

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1.2 Statutes

References to an applicable law, statute or statutory provision, or any order or regulation made under it, include that law, statute, provision, order or regulation, as the same may be amended, modified, reenacted, consolidated or replaced from time to time, and shall include subordinate legislation made thereunder.

1.3 General References

References to:

- (a) one gender includes each other gender;
- (b) the singular includes the plural and vice versa;
- (c) an agreement includes that agreement as amended, supplemented, novated or substituted in writing from time to time;
- (d) words of inclusion shall not be construed as terms of limitation, so that references to included matters shall be regarded as non-exclusive, non-characterising illustrations; and
- (e) Schedules, articles and clauses mean Schedules, articles and clauses of this Agreement, unless otherwise indicated.

1.4 Headings

Section headings in this Agreement are strictly for convenience and general reference and shall not affect the meaning or interpretation of any of the provisions of this Agreement.

1.5 Principle of Construction

No provision of this Agreement or any related document shall be construed against or interpreted to the disadvantage of any Party by any Court or governmental, judicial or arbitral authority by reason of that Party having, or being deemed to have, drafted that provision.

1.6 Capitalized Terms and Expressions

Capitalized terms and expressions used but not defined in clause 1.1 shall have the meanings ascribed thereto elsewhere in this Agreement (including the preamble) or, as applicable, in the Heads of Agreement. Capitalized letters are used in defined terms in this Agreement for convenience of reference only, and the inadvertent or other failure to use capital letters in a defined term shall not affect the interpretation thereof.

1.7 Preamble

The Parties hereby agree that the recital of events leading up to the execution of this Agreement as set forth in the above preamble is true, correct and accurate in all material respects.

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Article 2. SUBSCRIPTION, SALE AND CONDITION OF SHARES**2.1 Subscription by Cambior**

Subject to the terms and conditions of this Agreement, Cambior hereby irrevocably subscribes for and agrees to purchase from the Company, and the Company hereby irrevocably agrees and undertakes to sell, issue, and deliver, on Completion Date, on and subject to the terms and conditions set forth herein, 12,187,486 Cambior's Shares at a price of US \$1.00 each, for an aggregate amount of US \$12,187,486 ("**Cambior's Subscription Price**") payable by Cambior as provided for in Article 3.

2.2 Subscription by NICIL

Subject to the terms and conditions of this Agreement, NICIL hereby irrevocably subscribes for and agrees to purchase from the Company, and the Company hereby irrevocably agrees and undertakes to sell, issue, and deliver, on Completion Date, on and subject to the terms and conditions set forth herein, 5,223,208 NICIL's Shares at a price of US \$1.00 each, for an aggregate amount of US \$5,223,208 ("**NICIL's Subscription Price**") payable by NICIL as provided for in Article 4.

2.3 Condition of the Shares

The Shares shall, on issuance and allotment to each of Cambior and NICIL, be issued as fully paid and non-assessable, free and clear from any Encumbrances and shall have the benefit of all rights attaching to them, including the right to receive all dividends declared or paid on the Shares after the Completion Date.

Article 3. PAYMENT OF CAMBIOR'S SUBSCRIPTION PRICE**3.1 Capital Equipment and Cash Portion**

At least ten (10) Business Days prior to the Completion Date and as a condition precedent to the Government's, NICIL's, and the Company's obligations to Complete, Cambior shall deliver to the Government, NICIL, and the Company:

- (a) a certified accounting report from an accountant (the "**Accounting Report**") who may rely on reports from valuers and surveyors, all of whom being acceptable to the Government and the Company, to the effect that the Capital Equipment is worth not less than US \$5,000,000;
 - (b) a certificate from Cambior's Chief Executive Officer or Cambior's Chief Financial Officer that Cambior has the funds available to pay the cash portion of Cambior's Subscription Price (*i.e.* US \$5,000,000), as adjusted in accordance with clause 3.2; and
 - (c) a statement setting forth the costs of carrying out the Bankable Feasibility Study and such other pre-Completion costs assumed by and/or charged to the Company as agreed between the Parties, such statement to be incorporated in and certified by the Accounting Report.
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3.2 Adjustments to Cash Portion of Cambior's Subscription Price

At least fifteen (15) Business Days prior to the Completion Date, the Parties shall meet to review and agree upon adjustments to the US \$5,000,000 cash portion of Cambior's Subscription Price, consisting of the subtraction, from such cash portion, of moneys that have already been incurred by Cambior and its Affiliates to carry out the Business Plan and to make arrangements in preparation for Linmine's privatization. The Parties hereby agree and covenant that the amount resulting from such subtraction shall constitute the cash portion of Cambior's Subscription Price that Cambior is obligated to pay on Completion Date pursuant to clauses 3.3 and 5.2. The determination of all relevant amounts of money for the purposes of the aforesaid subtraction shall have been audited to the satisfaction of both Parties.

3.3 Payment of Cambior's Subscription Price

Subject to the terms and conditions of this Agreement, Cambior shall pay the cash portion of Cambior's Subscription Price on the Completion Date on the following terms:

- (a) by wire transfer, certified cheque or a bank draft, to such bank account in the name of the Company as the Company specifies to Cambior;
- (b) in United States dollars; and
- (c) free of any deduction, withholding, restriction, condition or Encumbrance.

3.4 Arrangement Regarding Sales Contracts, Product and Fuel Inventories

(a) Assignment of Sales Contracts, and Purchase Orders

Guyana shall cause Linmine, with effect as at Completion Date, to assign, convey and transfer all of its right, title and interest in and to all sales contracts, sales confirmations or, as applicable, purchase orders, in favor of the Company, subject to the fulfillment of the following conditions, to Linmine's satisfaction, acting reasonably:

- (i) the Company and Linmine shall have agreed on the financial position in respect of each customer or supplier;
- (ii) all receivables of Linmine prior and up to the Completion Date (including any claims or interest accruing prior and up to the Completion Date) shall be paid by the relevant customers to Linmine and, for greater clarity, no such receivables shall be transferred to the Company; and
- (iii) the obtaining of a release by the individual customer that there is no outstanding liability of Linmine or, otherwise, a confirmation that Linmine accepts any such liability.

(b) Inventories

Cambior and NICIL shall, as at the day immediately preceding the Completion Date, calculate and determine in writing the aggregate sum, expressed in US Dollars, of the "Net Sales of Inventories", in accordance with the following formula, subject to audit by the Office of the Auditor General:

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$$\text{NSI} = \text{PFI} - (\text{P} + \text{EAF})$$

Where:

NSI = Net Sales of Inventories

PFI = all finished Product Inventories and fuel inventory (excluding fuel inventory for power generation) calculated on terms consistent with Schedule "B" of the Heads of Agreement;

P = all payables by Linmine to OBC and OGML;

EAF = the Export Advance Facility payable to OGML as per the agreement dated December 24, 2003.

If the value of the Net Sales of Inventories is greater than zero, which will result as an account payable by the Company to Linmine, the Parties hereby agree and covenant to cause Linmine, with effect as at Completion Date, to assign, convey and transfer the Net Sales of Inventories to the Company at that specific value and cause the Company to pay to Linmine an amount equivalent to said value not later than four (4) months following the Completion Date, without incurring any interest or penalty whatsoever on the outstanding amount owed to Linmine at any given time.

If the value of the Net Sales Inventories is less than zero, which will result as an account payable by Linmine to OGML and OBC, Guyana and NICIL hereby agree and covenant to cause Linmine to pay to OGML and OBC an amount equivalent to such value not later than four (4) months following the Completion Date, without incurring any interest or penalty whatsoever on the outstanding amount owed to OGML and OBC at any given time, and provided that Linmine shall have first paid amounts owed to National Bank of Industry and Commerce ("NBIC").

- (c) Prior to the Completion Date, the Parties shall have agreed on the terms of reference for the audit of Linmine, in respect to the determination of Linmine's assets and liabilities, that will be paid to OBC, OGML, NBIC and other third party creditors.

Article 4. PAYMENT OF NICIL'S SUBSCRIPTION PRICE

4.1 Vested Assets

At least ten (10) Business Days prior to the Completion Date and as a condition precedent to Cambior's and the Company's obligations to Complete, the Government and NICIL shall deliver to Cambior and the Company a certified accounting report from an accountant who may rely on reports from valuers and surveyors, all of whom being acceptable to Cambior and the Company, to the effect that the Vested Assets are worth not less than US \$5,000,000.

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4.2 Payment of NICIL's Subscription Price

Guyana (acting through the Government) shall make all necessary arrangements such that, on Completion Date, the Vested Assets be assigned, conveyed and transferred to the Company, free and clear of all Encumbrances.

4.3 Mining Licenses, Prospecting Licenses and Right of First Refusal

For greater certainty, the Parties hereby acknowledge and agree that the Mining Licenses and the Prospecting Licenses referred to in clause E(iii) of the preamble hereof, shall be governed by the Mineral Agreement. As well, Cambior's right of first refusal set forth in clause E(iv) shall be governed by a separate agreement.

Article 5. COMPLETION

5.1 Time and place

Completion shall take place at 10:00 a.m. on the Completion Date at the office of NICIL or such other place in Guyana as agreed by the Parties.

5.2 Documents for delivery on the Completion Date

Subject to fulfillment or waiver of the conditions precedent set forth in clauses 3.1, 3.2, 4.1 and 7.2, on the Completion Date:

- (a) Cambior shall deliver to the Company the cash portion of Cambior's Subscription Price as adjusted pursuant to clause 3.2 (the valuation of the Capital Equipment having previously been delivered to the Company as provided for in clause 3.1);
- (b) Cambior shall deliver to the Company, the Government, and NICIL:
 - (i) a certificate stating that Cambior has fulfilled the conditions precedent set forth in clause 7.2(a);
 - (ii) a certificate stating that the representations and warranties made by Cambior in this Agreement are true in all respects as of the Completion Date and do not contain any omissions that make the statements materially misleading;
 - (iii) three (3) executed copies of the Shareholders Agreement and the Mineral Agreement;
 - (iv) a certificate from the corporate secretary of Cambior evidencing resolutions of the Board of Directors of Cambior approving Cambior's consummation of the transaction contemplated by this Agreement, including subscription for Cambior's Shares constituting Cambior 70% equity interest in the Company, payment of the cash portion of Cambior's Subscription Price, and transfer of the Capital Equipment to the Company;
- (c) the Government shall deliver to Cambior and to the Company:
 - (i) the Vesting Order, as gazetted;

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- (ii) a certificate stating that the Government has fulfilled the conditions precedent set forth in clause 7.2(b);
 - (iii) a certificate stating that the representations and warranties made by the Government in this Agreement are true in all respects as of the Completion Date and do not contain any omissions that make the statements materially misleading;
 - (iv) three (3) executed copies of the Mineral Agreement executed by the Government (on behalf of Guyana) and the Guyana Geology and Mines Commission;
 - (v) a certificate from the Prime Minister certifying that the approvals necessary for the Government's consummation of the transaction contemplated by this Agreement have been given;
- (d) NICIL shall deliver to the Company, the Government and Cambior:
- (i) a certificate stating that NICIL has fulfilled the conditions precedent set forth in clause 7.2(b);
 - (ii) a certificate stating that the representations and warranties made by NICIL in this Agreement are true in all respects as of the Completion Date and do not contain any omissions that make the statements materially misleading;
 - (iii) a certificate from the corporate secretary of NICIL evidencing resolutions of the Board of Directors of NICIL approving NICIL's consummation of the transaction contemplated by this Agreement, including execution of this Agreement, subscription for NICIL's Shares constituting NICIL 30% equity interest in the Company and transfer of Vested Assets;
 - (iv) three (3) executed copies of the Shareholders Agreement;
- (e) the Company shall deliver to Cambior one (1) share certificate evidencing 12,187,486 Cambior's Shares;
- (f) the Company shall deliver to NICIL one (1) share certificate evidencing 5,223,208 NICIL's Shares;
- (g) the Company shall deliver to Cambior, the Government, and NICIL:
- (i) a certificate from an officer of the Company evidencing resolutions of the Board of Directors of the Company approving the Company's consummation of the transaction contemplated by this Agreement including execution of this Agreement and, upon payment by Cambior of the cash portion of Cambior's Subscription Price and transfer of the Capital Equipment, and upon transfer by NICIL of Vested Assets, which shall be the assessed value of NICIL's Subscription Price, the issue and allotment to Cambior of Cambior's Shares and the issue and allotment to NICIL of NICIL's Shares;
 - (ii) copies of the Articles and By-Laws, certified by an officer of the Company as true and accurate copies;

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- (iii) a certificate stating that the Company has fulfilled the conditions precedent set forth in clause 7.2(b);
- (iv) a certificate stating that the representations and warranties made by the Company in this Agreement are true in all respects as of the Completion Date and do not contain any omissions that make the statements materially misleading; and
- (v) three (3) executed copies of the Shareholders Agreement and the Mineral Agreement.

Article 6. REPRESENTATIONS AND WARRANTIES; COVENANTS

6.1 Reciprocal Representations and Warranties regarding the Company

Guyana and NICIL, acting together, and Cambior hereby represent and warrant reciprocally that they made all the necessary arrangements and did all the necessary things such that:

- (a) the Company is duly incorporated, validly existing and in good standing under the Companies Act 1991 of the laws of Guyana;
- (b) the authorized share capital of the Company consists of an unlimited number of ordinary shares of which, on Completion Date, 12,187,486 will have been issued to and will be beneficially owned by Cambior as fully paid ordinary shares of the Company and, on Completion Date, 5,223,208 will have been issued to and will be beneficially owned by NICIL as fully paid ordinary shares of the Company;
- (c) upon Completion, the issued and outstanding share capital of the Company will be comprised of Cambior's Shares and NICIL's Shares;
- (d) the Company has all requisite authority to execute, deliver and perform this Agreement and to carry out the transactions provided for herein;
- (e) upon issue, the Shares will be validly issued, as fully paid and non-assessable, free and clear from Encumbrances, and shall have the benefit of all rights attaching to them, including the right to receive all dividends declared or paid on them after the Completion Date;
- (f) there are no agreements or restrictions (whether arising out of legislation, regulations, agreement or otherwise) restricting or precluding the Company from carrying out the issue and allotment of all Shares;
- (g) this Agreement is valid and binding upon the Company and enforceable in accordance with its terms;
- (h) the Company's execution, delivery and performance of this Agreement and its consummation of the transactions contemplated hereunder have been duly authorized by all requisite corporate action;
- (i) the entering into and the delivery of this Agreement and the consummation by the Company of the transactions contemplated hereby shall not result in the violation of or constitute a default under:

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- (i) any of the provisions of its Articles or By-laws; or
 - (ii) any agreement or other instrument to which it is a party or by which it is bound; or
 - (iii) any applicable law, rule or regulation;
- (j) the Company has obtained all requisite or necessary clearances, authorizations or consents from such Governmental Authorities as may be necessary, whether in Guyana or any other jurisdiction, to carry out the transactions contemplated by this Agreement, which clearances, authorizations or consents are valid on the Execution Date and shall remain valid up to and after the Completion Date;
- (k) the Company is not bankrupt, nor has it been or is subject to any insolvency proceedings nor has it filed for or is it in any other way involved in any proceedings for its reorganization or is in any similar proceedings which would affect its capacity to assume its obligations under this Agreement or its ability to perform its obligations hereunder;
- (l) no Person is entitled to any brokerage fee, commission or other remuneration for any services as broker, agent or other intermediary acting on the Company's behalf in connection with this Agreement;
- (m) except in respect of fraud, the Company shall have no right or remedy in respect of any representation, warranty, promise, or assurance, except as specified in this Agreement; and
- (n) there are no suits or proceedings pending, or to the Company's knowledge threatened, in any court or before any regulatory commission, board or other administrative governmental agency against or affecting it which will have a material adverse effect on its financial condition or business or its ability to execute, deliver and perform this Agreement.

6.2 Representations and Warranties of Cambior

Cambior hereby makes the following representations and warranties in favour of the other Parties, acknowledging that they are relying upon them:

- (a) it is a company duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its organization;
 - (b) it has all the requisite power and authority to execute, deliver and perform this Agreement and possesses all necessary authority and powers to carry out the transactions contemplated hereby;
 - (c) its execution, delivery and performance of this Agreement and its consummation of the transactions contemplated hereunder have been duly authorized by all requisite corporate action;
 - (d) this Agreement is valid and binding upon it and enforceable in accordance with its terms;
 - (e) it has obtained all requisite or necessary clearances, authorizations or consents from such Governmental Authorities as may be necessary, whether in Guyana or
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- any other jurisdiction, to carry out the transactions contemplated by this Agreement, which clearances, authorizations or consents shall be valid on the Execution Date and shall remain valid up to and after the Completion Date;
- (f) the contents of the Business Plan provided by Cambior to the Government, NICIL and Linmine shall be accurate at the time of Completion in all material respects;
 - (g) the Business Plan shall form the basis for the future investment plans and business operations of the Company, and Cambior shall use its best efforts to cause the Company to implement the Business Plan in its entirety, within the originally anticipated time frame, with the goals of advancing the interests of the Company, its shareholders and its employees;
 - (h) neither Cambior nor any of its Affiliates is bankrupt, has been or is subject to any insolvency proceedings nor has it filed for nor is it in any other way involved in any proceedings for its reorganization nor is in any similar proceedings which would affect Cambior's capacity to assume its obligations under this Agreement, or its ability to perform its obligations hereunder;
 - (i) the entering into and the delivery of this Agreement and the consummation by Cambior of the transactions contemplated hereby shall not result in the violation of or constitute a default under:
 - (i) any of the provisions of Cambior's constitutive documents;
 - (ii) any agreement or other instrument to which Cambior is a party or by which Cambior is bound; or
 - (iii) any applicable law, rule or regulation;
 - (j) no Person is entitled to any brokerage fee, commission or other remuneration for any services as broker, agent or other intermediary acting on its behalf in connection with this Agreement;
 - (k) Cambior is acquiring Cambior's Shares for its own account for investment and not with a view to the sale or distribution of the whole or a part of them to any Person;
 - (l) except in respect of fraud, Cambior shall have no right or remedy in respect of any representation, warranty, promise, or assurance, except as specified in this Agreement; and
 - (m) save and except for (i) a representative action served on OGML on May 2003 claiming damages on behalf of approximately 23,000 Persons, and (ii) an appeal of a February 2001 decision of a Justice of the High Court of the Supreme Court of Guyana to strike out a very similar action brought in 1998 on behalf of allegedly the same 23,000 Persons, there are no suits or proceedings pending, or to its knowledge threatened, in any court or before any regulatory commission, board or other administrative governmental agency against or affecting it which will have a material adverse effect on its financial condition or business or its ability to execute, deliver and perform this Agreement.
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6.3 Representations and Warranties of Guyana

Guyana hereby makes the following representations and warranties in favour of Cambior and the Company, acknowledging that Cambior and the Company are relying upon them:

- (a) it has all the requisite power and authority to execute, deliver and perform this Agreement and to carry out the transactions contemplated hereby;
- (b) its execution, delivery and performance of this Agreement, and its consummation of the transactions contemplated hereunder have been duly authorized by all requisite governmental action;
- (c) this Agreement is valid and binding upon it and enforceable in accordance with its terms;
- (d) it has caused to be granted, issued and delivered all requisite or necessary clearances, authorizations or consents from such Governmental Authorities as may be necessary to carry out the transactions contemplated by this Agreement, which clearances, authorizations or consents shall be valid on the Execution Date and shall remain valid up to and after the Completion Date;
- (e) its entering into and the delivery of this Agreement and its consummation of the transactions contemplated hereby shall not result in the violation of or constitute a default under:
 - (i) any agreement or other instrument to which it is a party or by which it is bound; or
 - (ii) any applicable law, rule or regulation;
- (f) no Person is entitled to any brokerage fee, commission or other remuneration for any services as broker, agent or other intermediary acting on its behalf in connection with this Agreement;
- (g) except in respect of fraud, the Government shall have no right or remedy in respect of any representation, warranty, promise, or assurance, except as specified in this Agreement; and
- (h) there are no suits or proceedings pending, or to its knowledge threatened, in any court or before any regulatory commission, board or other administrative governmental agency against or affecting it which will have a material adverse effect on or its ability to execute, deliver and perform this Agreement.

6.4 Representations and Warranties of NICIL

NICIL hereby makes the following representations and warranties in favour of Cambior and the Company, acknowledging that Cambior and the Company are relying upon them:

- (a) it is a company duly incorporated, validly existing and in good standing under the laws of Guyana;
 - (b) it has all the requisite power and authority to execute, deliver and perform this Agreement, and possesses all necessary authority and powers to carry out the transactions contemplated by this Agreement;
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- (c) its execution, delivery and performance of this Agreement, and its consummation of the transactions contemplated hereunder have been duly authorized by all requisite corporate action;
- (d) this Agreement is valid and binding upon it and enforceable in accordance with its terms;
- (e) it has obtained all requisite or necessary clearances, authorizations or consents from such Governmental Authorities as may be necessary, whether in Guyana or any other jurisdiction, to carry out the transactions contemplated by this Agreement, which clearances, authorizations or consents shall be valid on the Execution Date and shall remain valid up to and after the Completion Date;
- (f) it is not bankrupt, nor has been nor is subject to any insolvency proceedings nor has it filed for nor is it in any other way involved in any proceedings for its reorganization nor is in any similar proceedings which would affect its capacity to assume its obligations under this Agreement, or its ability to perform its obligations hereunder;
- (g) its entering into and the delivery of this Agreement, and its consummation of the transactions contemplated hereby shall not result in the violation of or constitute a default under:
 - (i) any of the provisions of its constitutive documents;
 - (ii) any agreement or other instrument to which it is a party or by which it is bound; or
 - (iii) any applicable law, rule or regulation;
- (h) no Person is entitled to any brokerage fee, commission or other remuneration for any services as broker, agent or other intermediary acting on its behalf in connection with this Agreement;
- (i) NICIL is acquiring NICIL's Shares for its own account for investment and not with a view to the sale or distribution of the whole or a part of them to any Person;
- (j) except in respect of fraud, NICIL shall have no right or remedy in respect of any representation, warranty, promise, or assurance, except as specified in this Agreement; and
- (k) there are no suits or proceedings pending, or to its knowledge threatened, in any court or before any regulatory commission, board or other administrative governmental agency against or affecting it which will have a material adverse effect on its financial condition or business or its ability to execute, deliver and perform this Agreement.

6.5 Vested Assets

As regards the Vested Assets, Guyana and NICIL hereby jointly and severally make the following representations and warranties in favor of Cambior and the Company, acknowledging that Cambior and the Company are relying upon them:

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- (a) the Government, through NICIL, owns 100% of the total issued and outstanding shares of Linmine and no other Person has any right or option to purchase or otherwise acquire Linmine's shares;
- (b) Linmine has a good and valid ownership title in and to the Vested Assets, free and clear of all Encumbrances, save and except for obligations owed to third parties, other than Government, that were communicated to Cambior and the Company in writing; the ownership rights in the Vested Assets have been properly acquired or otherwise properly constituted, as applicable, and are valid and in good standing; proper evidence of ownership has been duly filed, registered and recorded where is necessary to perfect and preserve Linmine's ownership of the Vested Assets;
- (c) Linmine has full authority to sell, assign, convey and transfer the Vested Assets to the Company as envisaged in the Heads of Agreement and as set forth herein and the Company shall acquire exclusive good, legal and marketable title to the Vested Assets and record and beneficial ownership thereof, free and clear of all Encumbrances;
- (d) nothing under the applicable laws and regulations of Guyana precludes Linmine from selling, assigning, conveying and transferring the Vested Assets held by it to the Company and there is no action threatened or pending by any Person or Persons for delaying or preventing the transfer of the Vested Assets by way of injunctive proceedings, restraining orders or other legal processes;
- (e) neither the Government nor Linmine has entered into any agreement or arrangement, or has made any material commitment, which may entail a Material Adverse Event as regards the Vested Assets during the period of time between the date of execution of the Heads of Agreement and the Completion Date;
- (f) Linmine is not in default under any material agreement, arrangement or commitment regarding the Vested Assets; and
- (g) save and except as communicated to Cambior in writing prior to Completion, there is no judgment, decree, injunction, ruling or order of any court, governmental department, commission, agency, instrumentality or arbitrator and no claim, suit, action, litigation, arbitration or governmental proceeding in progress, pending or threatened against or relating to, and affecting the Vested Assets.

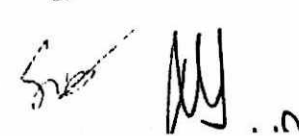
6.6 Survival

All representations and warranties set forth in this Article 6 shall survive the Completion Date and remain in full force and effect for a period of five (5) years thereafter.

6.7 Covenants of Cambior

Cambior acknowledges, agrees and covenants that, except for the representations and warranties of the Company set forth in clause 6.1, of Guyana set forth in clauses 6.3 and 6.5, and of NICIL set forth in clauses 6.4 and 6.5:

- (a) it has made its own independent inquiry and investigations into the affairs of Linmine and the Company and all of their Affiliates (including, without



limitation, the business, operations, financial condition, prospects, creditworthiness and status of them); and

- (b) neither the Company, the Government, NICIL, Linmine or any of their respective advisors, consultants, employees, officers, officials or agents has given, or shall give, any representation or warranty as to the future prospects of the Company.

6.8 Covenants of Guyana

Guyana hereby agrees, covenants and undertakes to take all such steps which are necessary for the implementation of this Agreement, including passing the necessary or appropriate laws and regulations, and issuing the necessary or appropriate authorizations and orders to provide for the adaptation and modification of the applicable laws and regulations of Guyana which may affect the implementation of this Agreement.

Article 7. CONDUCT OF BUSINESS AND CONDITIONS PRECEDENT TO COMPLETION

7.1 Conduct of Business

Pending Completion:

- (a) the Company shall:
- (i) operate and conduct its business and assets in the normal course of business in accordance with the business practices employed by the Company as at the Execution Date and consistent with the business of the Company;
 - (ii) properly keep and maintain all necessary books of account, minute books, records, the register of members and the share register;
 - (iii) maintain its assets in as good a state of operating condition and repair as they are on the Execution Date, except for ordinary depreciation and ordinary wear and tear;
 - (iv) maintain in full force and effect all insurance existing on the Execution Date (if any) in respect of the Company's business and assets; and
 - (v) promptly notify Cambior, NICIL and the Government (other than in respect of normal debt collection) of any lawsuits, claims, proceedings, investigations or adverse events which may occur, be threatened, brought, asserted or commenced against the Company, its officers or directors, involving in any way the Company's business or assets;
- (b) the Company shall not, without the prior written consent of Cambior, NICIL and the Government, such consent not to be unreasonably withheld:
- (i) make any alterations to the Articles or By-laws or take any steps towards altering the capital structure of the Company; or
 - (ii) declare or pay, or approve the declaration or payment of, any dividend in respect of the Company; or

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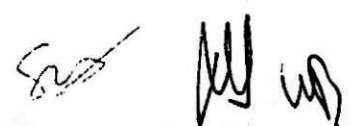
- (iii) employ any Person; or
- (iv) make, or enter into any legal commitment in respect of any item of capital Expenditure not consistent with the capital budget previously disclosed to and approved by Cambior, NICIL and the Government; or
- (v) give any guarantee of or indemnity in respect of the liabilities of any other Person; or
- (vi) create or allow any Encumbrance to arise over the Company's business or assets (other than any title retention arising in the ordinary course of business or any Encumbrance arising by operation of law); or
- (vii) dispose of any of the Company's assets other than in the ordinary course of business or in the nature of disposals of redundant or other non-material assets.

7.2 Conditions Precedent to Completion

- (a) The obligations of the Company, NICIL, and the Government to be performed under this Agreement are subject to the satisfaction on or before the Completion Date of the following conditions:
 - (i) the representations and warranties made by Cambior pursuant to clause 6.2 shall be true in all respects as of the Completion Date and shall not contain any omissions that make the statements materially misleading;
 - (ii) on or before the Completion Date, Cambior shall have complied in all respects with the covenants and agreements precedent to Completion as set forth in this Agreement;
 - (iii) the Government and the Company are satisfied that the Capital Equipment is suitable for the operations of the Company under the Business Plan; the Capital Equipment shall have been transferred to the Company, free and clear of all Encumbrances; and the Company shall own and have full right to utilize said Capital Equipment;
 - (iv) no suit, investigation, act or other proceeding shall be threatened or pending against the Company, the Government, NICIL or Cambior before any court or tribunal which could result in the restraint or prohibition of, or the obtaining by any Person of damages or other relief against the Company, the Government or NICIL in connection with this Agreement or the consummation of the transactions contemplated herein;
 - (v) Cambior shall have executed the Mineral Agreement and the Shareholders' Agreement and fulfilled the conditions precedent to Completion provided for therein;
 - (vi) Cambior shall have secured from Acceptable Financial Institution financing in the amount of US \$10,000,000 for the restructuring, rehabilitation, development and operation of the Company's assets in accordance with the Business Plan, and such funds are available to be drawn by the Company at Completion Date;

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- (vii) the Management Agreement and the OBC Agreement shall have been irrevocably terminated by the parties thereto;
 - (viii) as of the Completion Date, the Company's balance sheet shall be substantially in form and substance as the indicative balance sheet set forth in Schedule "B" hereof;
 - (ix) all sales agreements, sales confirmations or, as applicable, purchase orders between any Person and Linmine shall have been terminated, or the written consent of any such Person to the assignment of Linmine's right, title and interest in any such sales agreements, sales confirmations or, as applicable, purchase orders, to the Company shall have been obtained, or new sales agreements, sales confirmations or, as applicable, purchase orders, shall have been entered into between any such Person and the Company;
 - (x) Cambior shall have provided the documents and other things required to be provided by it under clause 5.2 hereof;
 - (xi) the Government shall have completed and be satisfied with the results of its review and due diligence as outlined in clause 3.11 of the Heads of Agreement; and
 - (xii) Cambior shall have provided a legal opinion to the Government, NICIL and the Company regarding Cambior's title to the Capital Equipment and, after Cambior's transfer thereof to the Company, the Company's title to the same, in a form and substance satisfactory to the Government, NICIL and the Company.
- (b) The obligations of Cambior to be performed under this Agreement are subject to the satisfaction on or before the Completion Date of the following conditions:
- (i) the representations and warranties made by the Company pursuant to clause 6.1, by Guyana pursuant to clauses 6.3 and 6.5, and by NICIL pursuant to clauses 6.4 and 6.5 shall be true in all respects as of the Completion Date and shall not contain any omissions that make the statements materially misleading;
 - (ii) on or before the Completion Date, the Company, the Government and NICIL shall have complied in all respects with the covenants and agreements precedent to Completion set forth in this Agreement;
 - (iii) no suit, investigation, act or other proceeding shall be threatened or pending against the Company, the Government, NICIL or Cambior before any court or tribunal which could result in the restraint or prohibition of, or the obtaining by any Person of damages or other relief against the Company or Cambior in connection with this Agreement or the consummation of the transaction provided herein;
 - (iv) the Company, the Government, and NICIL shall have executed the Shareholders' Agreement and the Mineral Agreement, and the Company,



- the Government, and NICIL shall have fulfilled the conditions precedent to Completion provided for therein;
- (v) the Company, the Government, and NICIL shall each have furnished Cambior with the documents and other things required to be provided by each of them under clause 5.2 hereof;
 - (vi) the Company shall have obtained from the EPA an environmental permit including all environmental authorizations and certificates desirable or necessary to conduct its operations, including any ancillary activities, which permit shall include a compliance schedule;
 - (vii) the Management Agreement and OBC Agreement shall have been irrevocably terminated by the parties thereto;
 - (viii) all sales agreements, sales confirmations or, as applicable, purchase orders between any Person and Linmine shall have been terminated, or the written consent of any such Person to the assignment of Linmine's right, title and interest in any such sales agreements, sales confirmations or, as applicable, purchase orders, to the Company shall have been obtained, or new sales agreements, sales confirmations or, as applicable, purchase orders, shall have been entered into between any such Person and the Company;
 - (ix) all necessary actions shall have been taken to transfer the Vested Assets to the Company, free and clear of all Encumbrances;
 - (x) all consents, approvals, amendments or modifications from third parties and Governmental Authorities necessary or desirable to consummate the transactions contemplated by this Agreement, in form and substance reasonably satisfactory to Cambior, shall have been obtained;
 - (xi) the Government and Linmine shall have terminated the employment of Linmine's employees, subject to section 3.17 of the Heads of Agreement; and
 - (xii) the Government and the Company shall have provided a legal opinion to Cambior regarding title matters relating to the Vested Assets and any other assets to be transferred to the Company by the Vesting Order, in a form and substance satisfactory to Cambior and to the Acceptable Financial Institution.

Article 8. TERMINATION

8.1 Termination

This Agreement may be terminated at any time prior to Completion:

- (a) by the mutual written consent of the Parties;
- (b) by the Company, NICIL or the Government, without liability, if Cambior fails to perform its obligations under this Agreement or materially breaches its representations, warranties or covenants, provided that such failure to perform or

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material breach is not cured or commenced to be cured by Cambior (provided that in the later case Cambior diligently continues to cure) within thirty (30) days after the Company, NICIL or the Government has notified Cambior in writing of the failure of performance or material breach and of the Company's, NICIL's or the Government's intention to terminate this Agreement;

- (c) by Cambior, without liability, if any of the Company, NICIL or the Government fails to perform its obligations under this Agreement or materially breaches its representations, warranties or covenants, provided that such failure to perform or material breach is not cured or commenced to be cured by the Company, NICIL or the Government (provided that in the later case the defaulting or breaching Party diligently continues to cure) within thirty (30) days after Cambior has notified the Company, NICIL or the Government in writing of the failure of performance or material breach and of Cambior's intention to terminate this Agreement;
- (d) by any of the Company, the Government, NICIL or Cambior, by written notice to the other Parties, without liability, if there shall be entered any order, writ, injunction or decree of any Court or Governmental Authority binding on the Company, the Government, NICIL or Cambior, which prohibits or restrains the Company, the Government, NICIL or Cambior from consummating any of the transactions provided for in this Agreement; provided that the Company, the Government, NICIL or Cambior, as the case may be, shall have used reasonable efforts to have any such order, writ, injunction or decree lifted, and the same shall not have been lifted within fourteen (14) days after its entry; and
- (e) by any Party as permitted by Article 20 (force majeure).

8.2 Obligations Surviving Termination prior to Completion

Termination of this Agreement pursuant to this Article 8 shall terminate all obligations of the Parties, except for the obligations under Articles 9 and 10; provided, however, that termination under clause 8.1(b) or (c) shall not relieve a defaulting or breaching Party from liability to the terminating Parties, as provided for herein and under applicable law.

Article 9. CONFIDENTIALITY AND PUBLIC ANNOUNCEMENTS

9.1 General

The terms of this Agreement and all information obtained in connection with the performance of this Agreement, including information relating to the business or activities carried out prior to and upon the Completion Date by Cambior, the Company, NICIL, the Government, Linmine or any Governmental Authority (collectively, the "Confidential Information"), shall be the exclusive property of the Parties and, except as provided in clause 9.2, shall not be disclosed directly or indirectly, by any Party (the "Disclosing Party") to any third party or the public without the prior written consent of the other Parties, which consent shall not be unreasonably withheld.

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9.2 Exceptions

The consent required by clause 9.1 shall not apply to a disclosure:

- (a) to an Affiliate, consultant, contractor or subcontractor, financial institution, director, officer or employee that has a *bona fide* need to be informed;
- (b) to the Parliament of Guyana, a Governmental Authority or to the public which the Disclosing Party believes in good faith is required by applicable law or the rules, by-laws or policies of any stock exchange;
- (c) of information falling within the public domain or which has been disclosed by a third party not under any obligation of confidentiality, other than by default of any Party to this Agreement.

In any case to which this clause 9.2 is applicable, the Disclosing Party shall give notice to the other Parties concurrently with the making of such disclosure. As to any disclosure pursuant to clause 9.2(a), only such Confidential Information as such third party shall have a legitimate business need to know shall be disclosed and such third party shall first agree in writing to protect the Confidential Information from further disclosure to the same extent as the Parties are obligated under the provisions of this Article 9.

9.3 Use of Confidential Information

Each Party hereby agrees not to use Confidential Information to the detriment of any other Party.

9.4 Disclosure to Employees, Managers or Agents

Each Party shall restrict the disclosure of any and all Confidential Information only to those of its employees, managers or agents as may reasonably need to know and shall advise all such Persons of the strict obligations of confidentiality hereunder. Each Party shall further take all such measures as may be necessary to protect the confidential nature of the Confidential Information and shall require its employees, manager or agents to refrain from using the Confidential Information for their own use.

9.5 Public Announcements

The Parties shall use all reasonable efforts to ensure that public announcements or reports (including press releases) by any Party (the "**Reporting Party**") of any information relating to the performance of this Agreement, including information relating to the business or activities carried on or out prior to the Completion Date this Agreement by the Parties or their Affiliates, or the Supplementary Agreements conducted hereunder (whether given to stock exchanges or otherwise) shall be made on the basis of agreed texts approved in good faith in advance of issuance by the other Parties. The Reporting Party accordingly agrees with the other Parties that it shall, in advance of reporting to a stock exchange or to other authorities having jurisdiction, or in other similar circumstances, endeavor to advise the other Parties of the text of the proposed report and provide the other Parties with the opportunity to make comments upon and changes to the form and content thereof before the same is issued. Such comments or changes, as the

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case may be, shall be communicated to the Reporting Party within a reasonable time having due regard to the urgency of the announcement but, in any event, not later than forty-eight (48) hours after its communication to the other Parties.

9.6 Survival of Confidentiality Undertakings

The provisions of this Article 9 shall be in addition to, and not in substitute of, the obligations of Cambior and the Government under their respective Confidentiality Undertakings, and in the event of a conflict between the express provisions of this Agreement and a Confidentiality Undertaking, the terms of this Agreement shall prevail.

9.7 Duration of Confidentiality

The obligations of the Company, the Government, NICIL, and Cambior under this Article 9 shall survive termination of this Agreement for the same duration as that of the Shareholders' Agreement.

Article 10. EXPENSES

10.1

Whether or not any of the transactions contemplated by this Agreement are consummated, each of the Parties shall (unless otherwise specified in this Agreement) bear its own legal and accountancy costs and other expenses of and incidental to the preparation, negotiation and execution of this Agreement, and the Completion itself. The obligations of the Company, the Government, NICIL, and Cambior under this Article 10 shall survive termination of this Agreement.

Article 11. ASSIGNMENT

11.1

No Party may assign this Agreement or in any manner sell, assign or transfer any or all of its rights or obligations hereunder without the prior written consent of the other Parties, in their absolute and sole discretion. Any such assignment or delegation requiring, but made without, such prior written consent shall be null and void and unenforceable. This Agreement shall inure to the benefit of and be binding upon the Parties and their successors and permitted assigns, and any reference to a right or an obligation of a Party shall be deemed to include a reference to successors or permitted assigns to the maximum extent that the context requires.

Article 12. DELAYS AND EXERCISE OF RIGHTS

12.1 No Delay

No delay, grant of time, release, compromise, forbearance (whether partial or otherwise) or other indulgence by one Party in respect of any default or breach of any other Party's obligations under this Agreement is to be deemed a delay, grant of time, release,

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compromise, forbearance (whether partial or otherwise) or other indulgence in respect of, or a waiver of, any subsequent or other default or breach.

12.2 Exercise of rights and waivers

Time is of the essence of this Agreement, both as regards the dates and periods specifically mentioned and as to any dates and periods which may be substituted by agreement in writing between and among the Parties, but no failure to exercise, and no delay in exercising, a right by a Party shall operate as a waiver of that right, nor shall a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right. No waiver by any Party of its rights under this Agreement shall be effective unless it is in writing signed by that Party.

12.3 Partial invalidity

The illegality, invalidity or unenforceability of a provision of this Agreement under any law shall not affect the legality, validity or enforceability of that provision under another law or the legality, validity or enforceability of another provision. Any provision or provisions of this Agreement, or the application thereof to any Person or entity, place or circumstance, which shall be declared invalid or unenforceable by order, decree or judgment of any competent authority, shall be deemed severed from this Agreement, but the remainder of this Agreement shall remain in full force and effect.

Article 13. FURTHER ASSURANCES

13.1

Each Party shall sign, execute and do all deeds, schedules, acts, documents and things as may reasonably be required by any other Party to carry out and give effect to the terms, intentions and objectives of this Agreement, whether before or after Completion.

Article 14. AMENDMENTS

14.1

No amendment to this Agreement shall be effective unless it is in writing and signed by all Parties.

Article 15. NOTICES

15.1

All notices and other required communications made pursuant to this Agreement to any Party shall be in writing and shall be addressed as follows:

To Cambior:

CAMBIOR INC.
1111 St. Charles Street West
East Tower, Suite 750
Longueuil, QC, Canada J4K 5G4
Facsimile: (450) 677-2648

Signature
Initials

Attention: President and Chief Executive Officer

To Guyana:

OFFICE OF THE PRIME MINISTER
Wights Lane
Kingston, Georgetown, Guyana
Facsimile: 592-2-67573

Attention: Hon. Prime Minister Samuel Hinds

To NICIL:

National Industrial and Commercial Investments Limited
126 Barrack Street
Kingston, Georgetown, Guyana
Facsimile: 592-226-6426

Attention: CEO or Executive Director

To the Company:

OMAI BAUXITE MINING INC.
176-D Middle Street, Cummingsburg
Georgetown, Guyana
Facsimile: (59-2) 226-6468

Attention: General Manager

All notices shall be given (i) by personal delivery to the Party or (ii) by electronic communication (including telexes, telecopies or telefaxes), or (iii) by registered or certified mail, return receipt requested. All notices shall be effective and shall be deemed to have been delivered (i) if by personal delivery, on the date of delivery if delivered during normal business hours and, if not, then on the next Business Day following delivery; (ii) if by electronic communication, on the next Business Day following receipt of the electronic communication; and (ii) if solely by mail, on the next Business Day after actual receipt. A Party may change its address for notice by providing notice of such new address to the other Parties.

Article 16. ENTIRE AGREEMENT

16.1

This Agreement constitutes the entire understanding and agreement of the Parties relating to the sale and purchase of the Shares and the other matters contained herein.

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Article 17. COUNTERPARTS

17.1

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Article 18. GOVERNING LAW, DISPUTE RESOLUTION AND JURISDICTION

18.1 Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the Republic of Guyana, without regard to its principles of conflicts of laws.

18.2 Dispute

If any dispute or conflict, contractual or not in nature, arises in connection with this Agreement or any Schedule, or the breach, termination, validity, performance or interpretation thereof (any of such occurrence being hereinafter referred to as a "Dispute") the Parties shall resolve the Dispute in the manner hereinafter set forth in this Article 18.

18.3 Negotiation at First Instance

A Party may commence proceedings under this Article 18 by convening (in writing) a meeting between authorized representatives of the Parties. Such representatives shall meet within 30 days from the date of the notice convening the meeting and shall use their best efforts to settle the Dispute in good faith for a period not exceeding 60 days from the date of the aforesaid notice.

18.4 Conciliation or Mediation

Any Dispute which is not resolved pursuant to clause 18.3 or otherwise, shall be referred to the Court (as defined in clause 18.5) for purposes of attempting a conciliation or mediation thereof, in which event the rules and practices of the Court relating to conciliation or mediation shall apply. The Parties shall meet within 30 days from the expiry of the 60-day period set forth in clause 18.3 and shall use their best efforts to settle the Dispute in good faith for a period not exceeding 60 days from the expiry of the 60-day period set forth in clause 18.3. The failure to attempt or complete conciliation or mediation proceedings shall in no event prevent a Party from instituting arbitration proceedings in accordance with clause 18.5.

18.5 AAA Arbitration

Any Dispute which is not resolved pursuant to clauses 18.3 or 18.4 or otherwise, shall be referred for determination to final and binding arbitration, to the exclusion of all courts of Guyana or any other country and of other like forums, under the International Arbitration Rules (the "Rules") of the American Arbitration Association (the "Court"), valid on the date of the filing of a demand for arbitration with the Court; provided that the Rules may be supplemented, if required and applicable, by international law, including general

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principles of law recognized by civilized nations and principles applicable to contracts between States and foreign private parties, to the extent necessary to give full effect to the true intentions of the Parties as set forth in this Agreement and its Schedules. In particular, the arbitration shall be conducted in accordance with the following provisions:

- (a) an arbitral tribunal constituted pursuant to this clause 18.5 (the "Tribunal") shall consist of three arbitrators, one appointed by each Party and one appointed to be chairman of the Tribunal by agreement of the Parties, or failing such agreement, in accordance with the Rules; in the event the Dispute involves more than two Parties, each Party shall appoint one arbitrator, and jointly appoint an additional arbitrator who shall be chairman of the Tribunal; failing such joint appointment, the chairman shall be appointed in accordance with the Rules;
- (b) a decision of a majority of the members of the Tribunal is required to settle or resolve any Dispute; in the event the Tribunal is composed of an even number of arbitrators and is deadlocked, the chairman of the Tribunal shall appoint an additional arbitrator who, after a consideration of the Dispute and the evidence and submissions of the Parties, shall cast the deciding vote to settle or resolve the Dispute;
- (c) arbitration proceedings shall be in Port of Spain, Trinidad & Tobago, or at any other location mutually agreed by the Parties in writing; and
- (d) each Party shall participate in any arbitration proceedings at its own expense, and the expenses of arbitration shall be borne equally by the Parties. In the case of an award of monetary damages, the Court or, as applicable, the Tribunal shall be entitled to award interest thereon at LIBOR from the earlier of (i) the date on which proceedings are instituted and (ii) the date on which the relevant obligations became exigible.

18.6 Provisional Measures

Without prejudice to the authority and power of the Court or, as applicable, the Tribunal to order provisional and conservatory measures, any Party may request any judicial authority of competent jurisdiction to order any provisional or conservatory measure, including attachment, prior to the institution of arbitration proceedings, or during the proceedings, for the preservation of its rights or interests.

18.7 Consolidation

The Parties agree that any Dispute may be consolidated by the Tribunal, under the Rules, and heard together with any arbitration that may arise under any other agreement between the Parties, if the Tribunal is of the opinion that such consolidation would be appropriate and in the best interests of the Parties.

18.8 Capacity

The Government hereby expressly represents and warrants that it has signed and ratified all treaties, conventions and other documents necessary to give full effect to the provisions of this Article 18 and that such provisions are binding and enforceable against it.

18.9 Sovereign Immunity

The Government and NICIL hereby expressly and irrevocably waive the right to any claim for sovereign immunity against jurisdiction, enforcement and execution of any arbitral award rendered as provided for in this Article 18 or any judgment thereon in any court of competent jurisdiction.

18.10 Binding Effect

The failure by a Party to participate in arbitral proceedings shall not constitute valid grounds for rejecting the jurisdiction of the Court or of the Tribunal appointed under clause 18.5(a), or the validity and enforceability of any of its awards. Each Party undertakes to execute any arbitral awards rendered against it in accordance with its terms, in full, voluntarily and without delay. Judgment on the award may be entered and enforced in any court of competent jurisdiction.

18.11 Exemption from Arbitration Act

For greater certainty, but not so as to restrict the generality of the foregoing, it is hereby expressly agreed that the Arbitration Act, Cap. 7:03 of the laws of Guyana shall not apply to a submission to arbitration under this Article 18.

Article 19. LANGUAGE**19.1 Language**

The English language shall be the official text hereof, despite translations or interpretations of this Agreement in other languages, and English shall be the language of negotiation and/or arbitration.

Article 20. FORCE MAJEURE**20.1 Force Majeure**

No Party shall be liable to the other Parties for failure or delay in the performance of any of its obligations under this Agreement for the time and to the extent such failure or delay is caused by riots, civil commotions, wars, hostilities between nations, embargoes, actions by a government in its sovereign capacity, acts of God, storms, earthquakes, fires, accidents, labor disputes or strikes, sabotage, explosions or other similar contingencies; provided that such event is without the fault of or beyond the reasonable control of the Party invoking force majeure, whose duty to perform those obligations affected by the event of force majeure shall be suspended for a period equal to the delay directly resulting from the occurrence of such event. In the event that a Party wishes to invoke force majeure, that Party shall, promptly after the occurrence of the event of force majeure has become known to that Party, send written notice of such event to the other Parties (a "Force Majeure Notice").

The Party affected shall take all reasonable measures to minimize or remove the effect of force majeure and, within the shortest possible time, attempt to resume performance of the obligations affected by the event of force majeure. If greater than one hundred and

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eighty (180) days elapses from the date of the Force Majeure Notice and the Party affected has not resumed performance of its obligations pursuant to this Agreement, then any Party may terminate this Agreement ten (10) Business Days after written notice to the other Parties of its intention to terminate the Agreement.

Article 21. INDEMNIFICATION

21.1 In Favor of Cambior

Guyana hereby agrees and covenants to indemnify and save Cambior harmless from and against any and all Prior Liabilities as well as any loss, cost, expense, damage, or liability (including, without limitation, reasonable and documented attorneys' fees, and other expenses incurred in defending against litigation, either threatened or pending) arising out of or based upon:

- (a) any breach by Guyana of any representation, warranty, covenant or agreement made by either of them in this Agreement; and
- (b) any failure by Guyana to satisfy any commitment or obligation made under this Agreement or under any document executed or delivered in connection with the transactions set forth in this Agreement.

21.2 In Favor of Guyana

Cambior hereby agrees and covenants to indemnify and save Guyana harmless from and against any loss, cost, expense, damage, or liability (including, without limitation, reasonable and documented attorneys' fees and other expenses reasonably incurred in defending against litigation, either threatened or pending) arising out of or based upon:

- (a) any breach of any representation, warranty, covenant or agreement made by it in this Agreement;
- (b) any failure by it to satisfy any commitment or obligation made under this Agreement or under any document executed or delivered in connection with the transactions set forth in this Agreement; and
- (c) save and except for any and all Prior Liabilities, any environmental liability or adverse environmental condition of any nature whatsoever which may arise from or exist in connection with the Vested Assets caused by its performance of Operations and, otherwise at any time after the end of the Investment Period (as defined in the Mineral Agreement) and, thereafter, the period of time corresponding to the Remedial Timetable (as defined in the Mineral Agreement).

21.3 Claim

If any claim or demand (a "Claim") is asserted by any Person against a Party in respect of which such Party may be entitled to indemnification under the provisions of this Article 21 (the "Indemnified Party"), written notice of such Claim, specifying the basis for the Claim and the amount thereof (to the extent feasible) shall promptly be given to the other Party (the "Indemnifying Party") from whom indemnification may be sought. The Indemnifying Party shall have the right (and if the Claim is based on a claim made by a third Person, shall notify the Indemnified Party whether it exercises such right),

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within thirty (30) days of its receipt of the notice of the Claim, to assume (subject to the right of the Indemnified Party to participate, at its own expense and with counsel of its choice) the entire control of the defense, compromise or settlement of the Claim, including, at the Indemnifying Party's expense, retaining counsel of its choice. No Claim shall be settled or otherwise compromised without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld. Any damages to the assets, business or operations of the Indemnified Party caused by a failure of the Indemnifying Party to defend, compromise or settle a Claim in a reasonable and expeditious manner, after the Indemnifying Party has given notice that it will assume control of the defense, compromise or settlement of the matter, shall be included in the damages for which the Indemnifying Party shall be obliged to indemnify the Indemnified Party.

21.4 No Punitive Damages

In no event will consequential, exemplary or punitive damages be recoverable with respect to this Agreement by any Party, except to the extent sought and recovered by a third Person from the Indemnified Party.


21.5 Limitation

The Indemnifying Party shall not be liable to the Indemnified Party for compensation hereunder unless the cumulative amount of compensation owing under all or any such Claims exceeds US \$50,000 in the aggregate. In such event, however, the full amount of any compensation owing shall be payable without deduction.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first written above.

CAMBIOR INC.

By:


Name: LOUIS GIGAC
Title: PRESIDENT & CEO

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THE COOPERATIVE REPUBLIC OF
GUYANA

By:

Name: AMUEL HINDS

Title: PRIME MINISTER

Witness

NATIONAL INDUSTRIAL AND
COMMERCIAL INVESTMENTS LIMITED

By:

Name: Winston Brassington

Title: Director

Witness

OMAI BAUXITE MINING INC.

By:

Name: REJEAN GORGE

Title: PRESIDENT

Witness

Schedule "A"

Vesting Order

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ORDER

Made Under

THE PUBLIC CORPORATIONS ACT 1988

(NO. 21 OF 1988)

IN EXERCISE OF THE POWERS CONFERRED UPON ME BY SECTIONS 8 AND 11 OF THE PUBLIC CORPORATIONS ACT 1988, I HEREBY MAKE THE FOLLOWING ORDER:—

Citation and
Commencement.

1. This Order may be cited as the Linden Mining Enterprise Limited (Transfer of Assets) Order 2004 and shall come into operation on 30th November, 2004.

Interpretation.

2. In this Order —

- (a) "appointed day" means the date on which this Order comes into operation;
- (b) "Agreement" means the Share Subscription and Purchase agreement between the Company, Cambior Inc, the Co-operative Republic of Guyana and National Industrial and Commercial Investments Ltd. entered into on the 2nd day of November 2004.
- (c) "Company" means OMAI Bauxite Mining Inc. being a company incorporated under the Companies Act 1991 with its registered office at 176-D Middle Street, Georgetown, Demerara, Guyana;
- (d) "Linmine" means Linden Mining Enterprise Limited, being a company registered under the Companies Act, continued under the Companies Act 1991, with its registered office at Old Washer Pond's Road, Mackenzie, Linden, Demerara, Guyana.

No. 29 of 1991

Cap. 89:01
No. 29 of 1991

Transfer of assets.

3. (1) Pursuant to the Agreement, the assets of Linmine described in paragraph (2) shall, as from the appointed day, stand transferred to and shall be vested in the Company.

(2) The assets referred to in paragraph (1) shall mean —

First Schedule

(a) the immovable property more specifically described in the First Schedule, which is owned by Linmine immediately before the appointed day;

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Second Schedule

(b) all machinery, plant and equipment, motor vehicles and tools found at named locations more specifically described in the Second Schedule owned and used by Linmine immediately before the appointed day.

(c) all intellectual property rights including drawings, manuals, technical papers that are directly related to the operation of the bauxite plant.

4. Nothing in this Order shall be construed as conferring, transferring or vesting ownership of any asset owned by Linmine to the Company other than those assets listed in the First and Second Schedules hereto.

FIRST SCHEDULE

Tract A being a portion of Mc Kenzie, Plantation Noitgedacht containing 82.4 (eight two decimal four) acres of land-situate in the town of Linden, Upper Demerara River in the County of Demerara, as shown on a plan by T.A.K. Fisher, Sworn Land Surveyor, dated 6th September 2004 with buildings and erections thereon.

SECOND SCHEDULE

Motor Vehicles

VEHICLE DESCRIPTION	REGISTRATION #
TATA CAR	PFF 9385
SUZUKI JEEP, SAMURAI	PFF 4165
SUZUKI JEEP, SAMURAI	PFF 4167
SUZUKI JEEP, SAMURAI	PFF 4168
SUZUKI JEEP, SAMURAI	PFF 4459
DAIHATSU WAGON	PDD 9732
DAIHATSU WAGON	PDD 9734
DAIHATSU WAGON	PDD 9736
DAIHATSU WAGON	PDD 876
DAIHATSU HARDTOP	PDD 9739
DAIHATSU HARDTOP	PDD 9741
DAIHATSU HARDTOP	PDD 9743
DAIHATSU HARDTOP	PDD 9744
DAIHATSU HARDTOP	PDD 9745
DAIHATSU HARDTOP	PDD 9747
DAIHATSU HARDTOP	PDD 9748

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VEHICLE DESCRIPTION	REGISTRATION #
DAIHATSU HARDTOP	PDD 9749
DAIHATSU HARDTOP	PDD 9751
DAIHATSU HARDTOP	PDD 9752
DAIHATSU HARDTOP	PDD 9753
DAIHATSU HARDTOP	PDD 9754
DAIHATSU HARDTOP	PDD 9756
DAIHATSU PICKUP	PDD 9759
DAIHATSU PICKUP	PDD 9761
DAIHATSU PICKUP	PDD 9762
DAIHATSU PICKUP	PDD 9771
DAIHATSU PICKUP	PDD 9772
DAIHATSU PICKUP	PDD 9777
DAIHATSU PICKUP	PDD 9783
DAIHATSU WAGON	PDD 9733
DAIHATSU WAGON	PDD 9735
DAIHATSU WAGON	PDD 9737
DAIHATSU HARDTOP	PDD 9747
100 Ton Low bed Trailer #1004LR	TBB 6047
Ford L9000 Service Truck	GHH 3997

MACHINERY, PLANT, EQUIPMENT & TOOLS

East Montgomery Mine Site

1. Caterpillar 1997 crawler excavator/backhoe, 5 ¾ CY bucket: Model: 375, S/N 8WJ00095
2. Gardner Denver 1990 crawler type rock drill Model: RDC-168, S/N 16C-1305
3. Caterpillar 1987 & 1993 off-road dump trucks nos. 5, 8, 9 10 & 11: Model: 769C, S/Nos. 01X04037*, 01X06209- & 01X06228: 32 metric ton capacity each.
4. Two (2) Caterpillar 1992 articulating dump trucks model: ADT D400D: s/nos. 8TF00489 & 490 (40 ton capacity each.
5. Two (2) Grove estimated 1985/90 all-terrain mobile crane: Model: RT 745, Serial Numbers – 16332 and 16333 45 ton capacity.
6. Transit 50 ton capacity all terrain mobile crane: Serial number 6278
7. Various manufacturers end suction sump pump sets consisting of:
 - 4 - Georgia Iron Works 12" x 14" x 200' head pumps, s/nos. 5012-5118, 5012-5106, 5012-5261 & 5012-5260*; 2 - SRL 10" x 12" x 96' head pumps, s/nos. 23426 & 25876*; 1 - Simmanco 10" x 12" x 96' head pumps, serial number - not known;
 - 3 - Hazelton 10" x 12" x 100" head pumps, s/nos. 10501*, 10503* & N12230 each typically with: special built steel pontoons, electric and/or diesel powered motors (typically 400 HP capacity), transformers, flexible piping, mounting platforms, etc.
8. Grove estimated 1970/75 all terrain mobile crane 10 ton capacity: Model number: unknown; Serial Number 11617

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9. One (1) TDW 00622 and one (1) Long year core drills;
10. 25,000 USG horizontal diesel storage tanks with tank supports and hoses.
11. Lot of miscellaneous East Montgomery mine site items consisting of:
diesel storage tanks, wood storage shacks and other miscellaneous items.
12. Feeder #2
13. Estimated 25 KVA pole mounted transformer with 13.8KV/220/110V (phase 1 Φ) (T6)
14. 500 kva Siemens pole mounted transformer with 13.8KV/455/263V (phase 3 Φ) located at Substation #7 (T7);
15. 500 kva Siemens transformer with 13.8KV/455/263V (phase 3 Φ) located at Substation #7 (T8);
16. 1500kva ABB transformer with 13.8KV/4160V (phase 3 Φ) (T9)
17. 225kva Pioneer Electric transformer with 13.8KV/440/254V (phase 1 Φ) (T10);
18. 750 Kva Square-D transformer with 13.8KV/4160/2400V (phase 3 Φ) (T11);
19. 800 kva Siemens transformer with 13.8KV/462/266V (phase 3 Φ) located at the south end of the East Montgomery Mine (T12);
20. 800 kva Siemens transformer with 13.8KV/455/263V (phase 3 Φ) located at Substation #6 (T17);
21. Estimated 300 kva Siemens transformer with 13.8KV/455/263V (phase 3 Φ) (T19);

East Montgomery Workshop Area

22. Stewart Wattly overhead bridge crane estimated 20' span x 5 ton capacity with:
crane way.
23. 800 kva Siemens transformer with 13.8KV/462/266V (phase 3 Φ) (T20);
24. Estimated 500 kva Siemens transformer with 13.8KV/462/266V (phase 3 Φ) (T21);

East Montgomery Bucket Repair Workshop

25. Lot of DC arc welders with cables and electrode holders consisting of:
3 - Lincoln Electric DC arc welders, model DC 600, 600 amp capacity;
1 - Lincoln Electric DC arc welder, model SF 600, 600 amp capacity;
1 - Lincoln Electric DC arc welder, model Ideal arc 400, 400 amp capacity; and
1 - Welding Alloys DC arc welder, 650 amp capacity.
26. Davy Morris estimated 1990/95 overhead top running box type bridge crane 7 ton capacity x 60' span (approx.) with approximately 175' of crane way.

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26. Davy Morris estimated 1990/95 overhead top running box type bridge crane 7 ton capacity x 60' span (approx.) with approximately 175' of crane way.
27. Lot of bucket repair shop equipment consisting of:
 1 - Colchester "Mascot 1600" engine lathe; 1 - Elliot radial arm drill, 10" dia. column x 48" long arm; 1 - overhead top running box type bridge, 3 ton capacity x 25' span (approx.) with 175' of crane way; 9 - large capacity motor speed reducers; 2 - 300 HP DC motors; 1 - cable winch unit; 3 - 15,000 USG horizontal diesel storage tanks with steel supports; 1 - 8,000 USG horizontal lube oil tank with steel supports; and 1 - 6,000 USG horizontal lube oil tank with steel supports.
28. Lot of miscellaneous / minor items consisting of:
 1 - 14" dia. double end floor type grinder;
 1 - Buffalo Forge No. 22 floor drill press;
 1 - conveyor splicer unit; and
 1 - hydraulic shop press.

East Montgomery Heavy Equipment Workshop

29. Aladin Cleaning Systems 1998 high pressure washer 3,000 PSI capacity; Model: 4530 D S/N 70686
30. Estimated 1970/80 overhead top running box type bridge crane 10 ton capacity x 75' span (approx.) with: estimated 150' long crane way.
31. Lot of heavy equipment workshop equipment consisting of:
 1 - Rapidon power hacksaw; 2 - Miller Electric DC arc welders, model: SRH-444-CY50, 400 amp capacity; 2 - Miller Electric DC arc welders, model: SRH-444, 400 amp capacity; 1 - Miller Electric DC arc welder, model: SRH-333, 300 amp capacity; 1 - WMW Heckert radial arm drill, 12" dia. column x 60' long arm; 1 - Gould Pump end suction centrifugal sump pump set, model: JC 3 X 4 with a two cylinder diesel motor; 1 - 5,000 USG horizontal water storage tank with steel supports. 1 - Caterpillar abrasive chop saw, 16" dia. blade; 1 - Colchester "Mascot 1600" engine lathe; 2 - engine stands; 1 - 100 ton hydraulic shop press; 1 - Hercules radial arm drill, 12" dia; 1 - Bridgeport vertical milling machine; 1 - estimated 75 kW diesel driven gen set; 1 - floor type double end grinder; 1 - Lincoln Electric motor driven arc welder, model SAE 300; 1 - Lincoln Electric DC arc welder, model: DC 600, 600 amp capacity; 1 - Welding Alloys DC arc welder, 650 amp capacity. 2 - tank mounted air compressors; 11 - retractable hose reels; 9 - miscellaneous lube oil storage tanks; and 1 - lot of miscellaneous hand tools.
32. Caterpillar 1986 motor grader Model: 16G S/N 93U02535
33. Caterpillar diesel powered fork-lift truck Model: V-120 S/N 92-1601 11,600lbs. Capacity
34. Two (2) Fork-lift trucks Model V-80E; S/N 15185 and 13761

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East Montgomery Laboratory

35. Perkins Elmer 1998 atomic absorption spectrometer Model: Analyst 100
36. Philips estimated 1991 X-ray fluorescence spectrometer Model: PW 1480
37. Lot of miscellaneous equipment located in the soil lab, instrument lab, chemical lab, sample lab and in the high bay storage area collectively described as follows: lab ovens, scales and balances, polisher, cutters, grinders, compression machines, moulds, sieves, Perkins Elmer UV/VIS spectrophotometer, 90,000# press, Perkins Elmer atomic absorption spectrophotometer, strength tester, brightness tester, extraction hoods, floor centrifuge, precision balance, electric furnaces, bauxite samplers, ball mill, Marta mill, cone crushers, high pressure washer, Miller Electric welder, tank mounted air compressors, DI water system, yard transformer and other miscellaneous items.

Linmine Process Plant

38. Crushing System: open circuit raw ore crushing system circuit no. 1 @ 450 tonnes/hour & circuit no. 3 @ 900 tonnes/hour (approx.) capacities consisting of:
 - 1 - 30' x 20' x 12' deep (approx.) 60 ton cap. receiving hopper no. 1 with:
 - 2 - motorized railcar winches, 1 - Adamson 3' x 6' (approx.) long pan feeder, model: Amsco and 1 - 60" x 20' (approx.) W.S. Tyler "Tyrock 900" primary sizing screen;
 - 1 - 30' x 20' x 12' deep (approx.) 75 ton cap. receiving hopper no. 3 South with:
 - 2 - motorized railcar winches, 1 - National Iron Works 6' x 30' (approx.) long pan feeder and 1 - 5' x 15' Hammermill Inc. wobble bar feeder/grizzly;
 - 1 - 30' x 20' x 12' deep (approx.) 75 ton cap. receiving hopper no. 3 North, pan feeder (Abandoned in-place);
 - 2 - Hammermill Inc. rotary impact crushers nos. 1 & 3, model: HM1R06NC, with infeed chutes, 600 HP DC motors to flywheel drives, discharge chutes, steel supports, reinforced concrete foundations, etc.;
 - 1 - 42" x 25' long (approx.) traversable/b-directional belt conveyor no. CR-1 with estimated 15 HP speed reduced drive set;
 - 1 - 48" x 75' long (approx.) inclined belt conveyor no. CR-2 with estimated 40 HP speed reduced drive set;
 - 1 - 60" x 85' long (approx.) inclined belt conveyor no. CR-5 with estimated 50 HP speed reduced drive set;
 - 2 - estimated 50 HP vertical centrifugal sump pump with piping;
 - 1 - estimated 75 HP vertical centrifugal slurry pump with piping;
 - 1 - inclined classifier screw conveyor;
 - 1 - estimated 125 HP vertical centrifugal slurry/classifier reclaim sump pump with piping;
 - 2 - heavy duty structural steel crusher buildings designated as building nos. 16 & 16X, each having footprints of approximately 90' x 40' and including reinforced concrete foundations, walls and pits, sloped metal roofs, trestle supports, etc.;
 - 1 - lot of motor control centers, electrical installations and all necessary cables/wiring/breakers; and
 - 1 - all necessary installation and rigging.

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39. **Old & New Wash Plant:** estimated 1940/50 & 1967 twin system bauxite wash plant ("old side" & "new side") "old side" @ 450 tonnes/hour & "new side" @ 900 tonnes/hour (approx.) capacities consisting of:

1 - 42" x 320' long (approx.) inclined "old wash plant" feed belt conveyor no. W-1 with steel support towers, discharge chute and estimated 100 HP speed reduced drive set; 1 - 48" x 330' long (approx.) inclined "new wash plant" feed belt conveyor no. W-7 with steel support towers, discharge chute and estimated 150 HP speed reduced drive set; 1 - W. S. Tyler inclined vibratory "old side east" scalping screen, model: TyRock F-900, 6' x 12' twin deck, with spray wash, underpans, steel supports and chutes; 1 - W. S. Tyler inclined vibratory "old side south" scalping screen "scrap, not in use"; 1 - drop chute to belt conveyor W-8 2 - W. S. Tyler inclined vibratory "new side middle & south" scalping screen, model: TyRock F-900, 6' x 12' twin deck, with spray wash, underpans, steel supports and chutes; 4 - W. S. Tyler inclined vibratory "old side" scrubber screens nos. 8, 10, 11 & 12, model: TyRock F-660, 5' x 10' single deck, with spray wash, underpans, steel supports and chutes; 4 - W. S. Tyler inclined vibratory "new side" scrubber screens nos. 15, 16, 17 & 18, model: TyRock F-880, 5' x 10' single deck, with spray wash, underpans, steel supports and chutes; 2 - screen's water steel receiving tanks, 1 @ 15' x 15' x 8' high (approx.) and 1 @ 20' x 15' x 8' high (approx.) with piping; 3 - Denver Company 14" x 12" end suction centrifugal pump sets, rubber lined each with estimated 150 HP motors and piping; 1 - clear water catch basin; 2 - Denver Company 14" x 12" end suction centrifugal pump sets, rubber lined each with estimated 150 HP motors and piping; 1 - 36" x 150' long (approx.) flat and inclined washed bauxite discharge belt conveyor no. W-4 with steel support towers, discharge chute and estimated 50 HP speed reduced drive set; 1 - 48" x 175' long (approx.) flat and inclined washed bauxite discharge belt conveyor no. W-8 with steel support towers, discharge chute and estimated 50 HP speed reduced drive set; 1 - heavy duty multi-level structural steel wash plant building designated as building no. 5, having a footprint of approximately 90' x 65' and including reinforced concrete foundations, walls and pits, mezzanine floors, sloped metal roofs, etc.; 1 - lot of motor control centers, electrical installations and all necessary cables/wiring/breakers; and 1 - lot of piping, chutes and flumes; and 1 - all necessary installation and rigging

40. **Filtration and Tailing Plant:** estimated 1967 slurry filtration and tailing recovery plant estimated 300 tonnes/hour (approx.) capacity consisting of:

1 - 15' dia. x 30' (o/a) high steel hopper bottom "west" holding tank with steel support stand, piping and concrete footings; 1 - 15' dia. x 30' (o/a) high steel "east" holding tank, (Abandoned in-place); 2 - Williams & Williamson hydro clone separators with 9 - 12" dia. ceramic lined cyclones and 10' dia. discharge basin; 2 - Dorr Oliver rake classifiers "A & C", 6' x 30' with discharge chutes; 2 - Dorr Oliver Long rotary horizontal pan filters "A & C", 15' dia. (approx.) with discharge chutes; 1 - Nash Engineering vacuum pump set, model CL 6002 with 300 HP motor, motor silencer, vertical vacuum reservoir and reinforced concrete footings; 3 - steel settling tanks with pump sets; 1 - horizontal slime water holding tank; 1 - Denver Company 12" x 10" end suction centrifugal pump sets, rubber lined each with estimated 125 HP motor and

1 - Denver Company 14" x 12" end suction centrifugal pump sets, rubber lined each with estimated 300 HP motor and piping;

1 - lot of approximately 3,000' of 12" dia. pipeline to tailings area; 1 - heavy duty multi-level structural steel filtration and tailing plant building designated as building no. 32, having a footprint of approximately 85' x 65' and including reinforced concrete foundations, walls and pits, mezzanine floors, sloped metal roofs, etc.; 1 - lot of motor control centers, electrical installations and all necessary cables/wiring/breakers; and 1 - lot of piping, chutes and flumes; and 1 - all necessary installation and rigging.

41. Calciner Kiln No. 13 :

estimated 1965/70 calciner kiln no. 13 unknown capacity consisting of:

1 - 36" x 250' long (approx.) inclined & elevated feed belt conveyor no. CF-15 with steel support towers and estimated 50 HP speed reduced drive set;

1 - overhead kiln surge/feed bin; 1 - estimated 1965/70 rotary oil-fired calciner kiln no. 13, F. L. Smidth, 11' dia. x 300' long, 2 RPM, estimated 3,000 degrees Fahrenheit with: 600 HP ID fan assembly, twin cyclone dust collector and removal system, Pillard oil fired burner including preheat system, 13' dia. X 20' high (approx.) bunker C oil storage tank and control panel, 3 - 75 HP Folax cooler fan assemblies, 72" dia. x 125 HP air removal fan assembly and stack, 200 HP kiln drive and drag chain conveyor no. CPD-9; 1 - 24" x 225' long (approx.) inclined & elevated belt conveyor no. CF-11 with steel support towers and estimated 10 HP speed reduced drive set;

1 - 24" x 60' long (approx.) inclined & elevated belt conveyor no. CF-12 with steel support towers and estimated 10 HP speed reduced drive set;

1 - bucket elevator transfer; 1 - 24" x 175' long (approx.) inclined & elevated belt conveyor no. CF-13 with steel support towers and estimated 10 HP speed reduced drive set; 1 - lot of all necessary reinforced concrete foundations, heavy duty structural steel equipment supports, electrical installations, piping, rigging and installation.

42. Calciner Kiln No. 14

estimated 1976/78 calciner kiln no. 14 unknown capacity consisting of:

1 - 48" x 85' long (approx.) partially inclined belt conveyor no. W-8 with steel support towers and estimated 40 HP speed reduced drive set;

1 - 48" x 75' long (approx.) inclined & elevated belt conveyor no. W-8 with steel support towers and estimated 25 HP speed reduced drive set;

1 - 36" x 200' long (approx.) inclined & elevated belt conveyor no. CF-1 with steel support towers and estimated 30 HP speed reduced drive set;

1 - 36" x 150' long (approx.) inclined & elevated belt conveyor no. CF-2 with steel support towers and estimated 40 HP speed reduced drive set;

1 - 36" x 175' long (approx.) inclined & elevated belt conveyor no. CF-16 with steel support towers and estimated 30 HP speed reduced drive set;

1 - overhead kiln surge/feed bin; 1 - estimated 1976/78 rotary oil-fired calciner kiln no. 14, Bergstrom, 11.5' dia. x 314' long, 2 RPM, estimated 3,000 degrees Fahrenheit with: 600 HP ID fan assembly, electrostatic precipitator (obsolete), Pillard oil fired burner including preheat system, 12' dia. x 24' high (approx.) bunker C oil storage tank and control panel, 10 - Unax cooler assembly, 72" dia. X 125 HP air removal fan assembly and stack, 2 - 200 HP kiln drives and 2 - drag chain conveyors nos. CPD-11 & 12; 1 - 24" x 150' long (approx.) inclined & elevated belt conveyor no. CP-16 with steel support towers and estimated 15 HP speed reduced drive set and surge dump bin; 1 - 24" x 175' long (approx.)

inclined & elevated belt conveyor no. CP-17 with steel support towers and estimated 15 HP speed reduced drive set; 1 - 24" x 300' long (approx.) inclined & elevated belt conveyor no. CP-18 with steel support towers and estimated 15 HP speed reduced drive set; 1 - lot of all necessary reinforced concrete foundations, heavy duty structural steel equipment supports, electrical installations, piping, rigging and installation.

43. **Dryer No. 10**

estimated 1950 oil fired rotary bauxite dryer unknown capacity consisting of:
1 - 42" x 250' long (approx.) inclined & elevated belt conveyor no. SR-1 with steel support towers and estimated 75 HP speed reduced drive set;
1 - 42" x 110' long (approx.) inclined & elevated belt conveyor no. DF-1 with steel support towers and estimated 10 HP speed reduced drive set and surge bin;
1 - estimated 1950 rotary oil-fired bauxite dryer no. 10, 10' dia. x 160' long, with cyclone type dust collector, oil fired burner, estimated and 125 HP motor;
1 - 36" x 85' long (approx.) inclined & elevated belt conveyor no. DP-1 with steel support towers and estimated 100 HP speed reduced drive set;
1 - 36" x 350' long (approx.) inclined & elevated belt conveyor no. DP-2 with steel support towers and estimated 100 HP speed reduced drive set;
1 - lot of all necessary reinforced concrete foundations, heavy duty structural steel equipment supports, electrical installations, piping, rigging and installation.

44. **Gravitometric System**

estimated 1970/75 & 1997 gravitometric system consisting of: 1 - overhead feed bin; 1 - roller crusher; 1 - 24" wide belt conveyor no. CP-20;
1 - inclined vibratory sizing screen; 1 - triple section sorting bin;
1 - 24" wide belt conveyor no. CP-21; 1 - 24" wide belt conveyor no. CP-22; and
1 - 1997 Lenoir sizing table, model and serial numbers not accessible, with centrifugal fan unit.

Storage & Shipping

45. estimated 1965/70 flat and inclined washed ore storage belt conveyor no. SR-6 36" x 350' long (approx.) with steel supports and estimated 50 HP speed reduced drive set.
46. estimated 1965/70 flat and inclined washed ore storage belt conveyor no. SR-3 36" x 750' long (approx.) with steel supports and estimated 75 HP speed reduced drive set.
47. estimated 1965/70 overhead traversing shuttle belt conveyor no. DP-3 36" x 75' long (approx.) with: belt tripper; estimated 25 HP shuttle belt conveyor drive; 2 - estimated 25 HP traversing drives; and overhead steel support frame.
48. estimated 1965/70 underground unload belt conveyors nos. DL-1 & DL-2 42" x 285' long (approx.) each with: reinforced concrete tunnels, ventilation and estimated 40 HP speed reduced drives.
49. estimated 1965/70 underground unload belt conveyor no. DL-3 48" x 400' long (approx.) with: reinforced concrete tunnel and estimated 40 HP speed reduced drive.

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50. estimated 1965/70 underground unload belt conveyor no. DL-4 48" x 250' long (approx.) with: partial gallery type conveyor cover; steel supports; and estimated 75 HP speed reduced drive set
51. estimated 1960/65 ship loading system no. 1 300 MTPH capacity with:
1 - estimated 48" x 65'/105' extendable belt conveyor boom no. DL-5;
1 - overflow bin; and 1 - heavy duty structural tower and clad exterior.
52. estimated 1965/70 inclined and elevated belt conveyor no. CP-13 24" x 175' long (approx.) with: steel support towers; three spout discharge hopper; and estimated 10 HP speed reduced drive set.
53. estimated 1965/70 overhead belt conveyor no. CP-8 24" x 225' long (approx.) with: belt tripper; estimated 15 speed reduced drive set; and overhead steel support frame.
54. estimated 1965/70 inclined belt conveyor no. CP-4 24" x 175' long (approx.) with: steel support towers; and estimated 10 HP speed reduced drive set.
55. estimated 1965/70 inclined and elevated belt conveyor no. CP-5 24" x 150' long (approx.) with: steel support towers; and estimated 7.5 HP speed reduced drive set.
56. estimated 1965/70 overhead belt conveyor no. CP-6 24" x 100' long (approx.) with: belt tripper; estimated 15 speed reduced drive set; and overhead steel support frame.
57. estimated 1965/70 overhead belt conveyor no. CP-6A 24" x 100' long (approx.) with: belt tripper; estimated 10 speed reduced drive set; and overhead steel support frame.
58. estimated 1965/70 overhead and flat conveyor no. CP-7 24" x 150' long (approx.) with: steel supports; conveyor cover and estimated 15 HP speed reduced drive set.
59. estimated 1960/65 underground unload belt conveyor no. CL-1 48" x 220' long (approx.) with: reinforced concrete tunnel and estimated 40 HP speed reduced drive.
60. estimated 1960/65 inclined belt conveyor no. CL-2 24" x 150' long (approx.) with:
steel supports; open gallery cover; and estimated 40 HP speed reduced drive set.
61. estimated 1960/65 underground unload belt conveyors nos. CL-3 & CL-5 30" x 150' long (approx.) with: reinforced concrete tunnel and estimated 40 HP speed reduced drive.
62. estimated 1960/65 24" x 150' long (approx.) flat belt conveyors nos. CL-4 & CL-6 30" x 30' long (approx.) with: estimated 10 HP speed reduced drive set.

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63. estimated 1960/65 inclined belt conveyor no. CL-11 24" x 150' long (approx.) with: steel supports; and estimated 40 HP speed reduced drive set.
64. estimated 1960/65 vertical steel storage silo estimated 60" dia. x 80' high (o/a) 7,600 MT capacity with: dome top; 1 - vertical bucket elevator loader; 3 - 30" x 60' long (approx.) unload belt conveyors nos. CL-7, CL-8 & CL-9; reinforced concrete foundations and supports stairway and other miscellaneous equipment.
65. estimated 1960/65 inclined belt conveyor no. CL-10 24" x 100' long (approx.) with: steel supports; and estimated 20 HP speed reduced drive set.
66. estimated 1960/65 inclined belt conveyor no. CL-12 24" x 150' long (approx.) with: steel supports; and estimated 15 HP speed reduced drive set.
67. estimated 1960/65 ship loading system no. 2 400 MTPH capacity with:
 - 1 - estimated 48" x 75'/125' extendable belt conveyor boom no. CL-13;
 - 1 - heavy duty structural tower; and motorized loader moving winching drive.

Machine Shop

68. 1989 heavy duty track repair system Maruma Technica Company Model: MTP 230 S/N 057 consisting of: 1 - shoe bolt unit; 1 - track welder; 1 - roller buffer; 1 - cable puller 2 - 800 amp DC welders; and 1 - rack winder.
69. lot of miscellaneous roller idler repair equipment Maruma Technica Company consisting of: 1 - flux reclaimer; 1 - dust collector, 1 - parts washer, 1 - roller idler press, 1 - roller buffer, 1 - pre-heat box, 1 - welder stand, 2 - 800 amp DC welders and 1 - flux remover.
70. lot of miscellaneous heavy equipment repairs equipment consisting of: Hotsy high pressure washer, AC/DC welder, Miller Electric welder, Dake hydraulic shop press, overhead bridge crane and craneway and other minor items.
71. lot of fittings shop equipment consisting of:
 - 1 - Rockwell Machine 18" x 8" surface grinder, s/n MT3684;
 - 1 - WMW 20" capacity floor type drill press, s/n 07353;
 - 1 - Richmond radial arm drill, 10" dia. column x 36" long arm, s/n 5081;
 - 1 - Rockwell table type drill press;
 - 1 - WMW Heckert radial arm drill, 12" dia. column x 48" long arm, s/n 752528;
 - 1 - Ormerod vertical stroke shaper, s/n 5701;
 - 1 - Churchill Redman horizontal stroke shaper, s/n CF710/51; and
 - 1 - hydraulic shop press.
72. estimated 1980/85 OD Grinder Zanrosa 48" x 15' long (approx.) capacity model: Muto 600.
73. lot of machining & turning shop equipment consisting of:
 - 1 - WMW Zerbst facing lathe, s/n 34-0659;
 - 1 - Csepel radial arm drill, 20" dia. column x 96" long arm, s/n 74062;
 - 1 - Cincinnati OD grinder, 20" x 72" size;
 - 1 - Churchill OD grinder, 20" x 84" size, s/n 25280;
 - 1 - Kalamazoo horizontal bandsaw;
 - 1 - Alexander Dudley power hacksaw;
 - 1 - Behringer power hacksaw;
 - 1 - Cincinnati twin column vertical planer;
 - 1 - Chicago mechanical press brake;
 - 1 - WMW Union floor type horizontal boring mill, 5" dia. spindle;

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1 - Pegard table type horizontal boring mill; 2 - WMW Heckert universal milling machines; 1 - Milwaukee universal milling machine, No. 3/model H; 1 - Universal Boring Machine table type horizontal boring mill, 5" dia. spindle; 1 - WMW Zerbst heavy duty engine lathe, s/n 35-0425; 1 - Jones & Lamson universal turret lathe, No. 7A; 3 - American engine lathes; 1 - Lodge & Shipley 25" engine lathe; 1 - Giddings & Lewis table type horizontal boring mill, s/n 7394, 4" dia. spindle; 1 - Axelson split bed engine lathe, 100" cap.; 1 - Cazeneuve engine lathe, HB18, s/n 20776U14; 1 - WMW Niles engine lathe; 1 - Churchill Redman engine lathe; 1 - Monarch Machine engine lathe, s/n 30960; 1 - Holbrock engine lathe; 1 - American "Pacemaker" engine lathe; 1 - Dean Smith Grace engine lathe, s/n 41712-782; 2 - overhead top running bridge cranes, 1 @ 8 ton capacity & 1 @ 5 ton capacity, each 30' span with one commonly shared craneway; 1 - lot of electric hoist, jib cranes, etc.

Plate Fabrication & Welding

74. lot of plate fabrication & welding equipment consisting of:
1 - Chicago manual bending brake; 1 - Rushworth hydraulic shear 20mm x 2,000mm capacity; 1 - Bertsch three roll bending roll, 12" dia. x 120" long, s/n 10361; 1 - Demba three roll bending roll, 12" dia. x 120" long; 1 - George Kendrick manual bending brake; 1 - 60' x 20' (approx.) welding table; 1 - Kling Bros. Ironworker, No. 7; 1 - Morgan Works mechanical shear; 1 - WMW Heckert floor type drill press, s/n 07349; 1 - heavy duty grinder; 7 - Lincoln Electric wire feeders; 3 - Lincoln Electric DC arc welders, model: DC 400; 7 - Lincoln Electric DC arc welders, model: DC 600 1 - Miller Electric DC arc welder, model: SRH 444; 2 - portable fume eliminators; 1 - Buxton three roll bending roll; 1 - Femas tin shear, s/n 90053; 1 - 84" hand bending brake; 1 - F.J. Edwards shear; and 1 - top running bridge crane, estimated 10 ton capacity with 400' long (approx.) craneway.

75. Locomotive Repair: Whiting 25 ton locomotive lifting jacks.

Air Compressor Area

76. Sullair 1991 rotary screw air compressor Model: 20-100 S/N 003-85480 with: Sullair refrigerated air drier, model: SRD-630, vertical air receiver and piping.

Foundry/Welding

77. lot of foundry/welding equipment consisting of:
3 - Lincoln Electric DC arc welders, model: DC 600; 1 - Hobart tig welder; 1 - Lincoln Electric DC arc welder, model: DC 400; 1 - Startrite horizontal bandsaw; 1 - Buffalo ironworker; 1 - Kitchen Wade radial arm drill, 16" dia. column x 72" long arm; 2 - DC arc welders; 1 - railcar bead welder and fixture with Automatic Welding Company welder; 1 - Massey wheel press; 4 - foundry furnaces; 1 - three roll bending roll, 6" dia. x 24" long rolls; and 1 - Canadian Ingersoll Rand drill bit sharpener.

Pump and Heavy Assembly

78. lot of pump and heavy assembly equipment consisting of:
1 - metal stretcher machine; 1 - precision vertical belt sander; 1 - two vessel oil separator; and 9 - pneumatic vertical barrel pump units.

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Motor Rework

79. lot of motor rework equipment consisting of:
1 - universal valve refacer; 1 - universal boring machine; 1 - Hartridge universal fuel pump test stand; 1 - Merlin valve refacer; 1 - injection test unit; 1 - large injector test unit; 1 - miscellaneous diesel engines in various stages of repair; and 1 - Clayton engine dynamometer.

Carpentry Shop

80. lot of carpentry shop equipment consisting of:
1 - Wadkin 12" jointer; 1 - Oliver Machinery 24" surface planer; 1 - Wadkin Bursgreen 24" surface planer; 1 - Oliver 14" jointer; 1 - Stenner vertical bandsaw, 36" capacity; 1 - wood lathe; and 1 - Cincinnati 14" dia. rip saw.

New Electrical Building

81. estimated 1995 Davey Morris top running bridge crane 7 ton capacity with craneway;
82. estimated 1995 Davey Morris top running bridge crane 5 ton capacity with craneway;
83. lot of motor armature equipment consisting of:
1 - Grieve Corp electric bake oven, model B4-450, s/n 14332; 1 - Bayco electric bake oven; 3 - Miller Electric and/or Lincoln Electric DC arc welders; 1 - Presto die lift truck; 1 - Kohler gen set; and 1 - lot of miscellaneous motors and various capacity transformers.

Electrical Shop

84. lot of electrical shop equipment consisting of:
1 - Crypton electric test bed; 1 - Cam International armature winder, type WW;
1 - GE/special built motor test bed; 2 - Tamper and/or Canron test beds;
7 - DC arc welders for repairs; and 1 - lot of small and large HP motors for rework.

Mobile Repair Shop

85. lot of mobile repair shop equipment consisting of:
vehicle lifts, wheel balancers, air compressor, floor jacks, analyzer tools and other minor equipment.

Other Plant Wide Ancillary Equipment

86. 1964 main electrical sub-station no. 32X consisting of:
4 - Pioneer Electric 13,800 volt / 4,160-2,400 volt, 1,500 kva transformers;
6 - Pioneer Electric weather tight metal clad switchgear units, estimated 6,000 amp capacity each; 6 - Pioneer Electric primary breaker, estimated 3,000 amp capacity; and 1 - lot of high voltage distribution cables.
87. estimated 1970/75 secondary electrical sub-station no. 2X consisting of:
2 - Pioneer Electric 13,800 volt / 480 volt, 1,500 kva transformers;
2 - Pioneer Electric metal clad switchgear units, estimated 6,000 amp capacity each; 2 - Pioneer Electric primary breaker, estimated 3,000 amp capacity; and 1 - lot of high voltage distribution cables.
88. estimated 1965/70 electrical sub-station no. 36X consisting of:

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3 - Pioneer Electric 13,800 volt / 4,160-2,400 volt, 1,500 kva transformers;
3 - Pioneer Electric weather tight metal clad switchgear units, estimated 6,000 amp capacity each; 3 - Pioneer Electric primary breaker, estimated 3,000 amp capacity; and 1 - lot of high voltage distribution cables

89. nine cubicle motor control centre Allen Bradley.
90. 1975 & 1981 rotary screw air compressor Sullair Model: 20-100 S/Nos. 21574-FGE & 003-55407 with: 1 - commonly shared PureAire Inc. refrigerated air drier, model: PCF-500, vertical air receiver and piping
91. 1991 rotary screw air compressor Sullair model: 20-100 serial numbers - not available each with: Sullair refrigerated air drier, model: SRD-630, vertical air receiver and piping.
92. estimated 1940/50 riveted steel plate diesel storage tank no. D1 50' dia. x 42' high (approx.) size 500,000 I.G. capacity (approx.) with: infeed and discharge piping, ladder, earthen dike and pipeways and manways.
93. estimated 1950/60 main oil & diesel transfer pump-house consisting of:
2 - estimated 6" x 6" x 500' head capacity each with estimated 150 HP motors;
1 - estimated 4" x 4" x 300' head capacity each with estimated 30 HP motor;
and 1 - lot of filters and piping.
94. estimated 1950/60 end suction centrifugal fuel oil transfer pumps estimated 6" x 6" x 500' head capacity with:
reinforced concrete pit, estimated 1,000' of 6" diameter pipe and 75 HP speed reduced drive sets.

River Water Pumping Station

95. lot of process water piping through-out the lot of process water piping through-out the consisting of:
approximately 2,000 L.F. of 24" dia. pipe; approximately 350 L.F. of 14" dia. pipe; approximately 250 L.F. of 12" dia. pipe; approximately 2,335 L.F. of 10" dia. pipe; approximately 50 L.F. of 8" dia. pipe; approximately 300 L.F. of 6" dia. pipe; approximately 750 L.F. of 4" dia. pipe; and approximately 750 L.F. of 2" & 3" dia. pipe.

Barge & Ship

96. river ship and dredge barge "Not Inspected"
97. Engineering and Survey Equipment

Made this 1st day of November, 2004


PRIME MINISTER

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Schedule "B"

**Indicative Balance Sheet
OMAI Bauxite Mining Inc.**

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OMAI BAUXITE MINING COMPANY INC.

**BALANCE SHEET
(as at July 31, 2004)**

ASSETS	<u>Notes</u>	US\$	Comments
Current assets			
Cash		<u>3,029,415</u>	US\$5M reduced by capital Expenditure approved by Linmine
FIXED ASSETS			
Contributed by Linmine/NICIL	1	5,223,208	Equipment to 30% of equity (after determining Cambior values)
Equipment contributed by OMAI	2	6,036,154	Mining equipment and related Equipment (see valuations)
Capital expenditure	3	<u>1,970,585</u>	Capital expenditure by Cambior (e.g. Road, Kiln expenditure)
		<u>13,229,947</u>	
Organization cost/deferred cost	4	<u>1,151,332</u>	Organization cost - feasibility study/deferred expenditure
TOTAL ASSETS		<u>\$17,410,694</u>	
EQUITY			
Cambior		12,187,486	70% of common shares
Linmine <i>Nicil</i>		<u>5,223,208</u>	30% of common shares
		<u>\$17,410,694</u>	

October 26, 2004

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OBCI Capital Equipment Transfer

Date Acquisition	Unit	Serial No.	Unit No.	Original Cost	Net Book Value @31-12-03	Depreciation Jan-Oct '04	Refurbishment Costs 2004	Net Book Value @31-10-04	Transfer Value US\$
January, 1993	Hydraulic Excavator - P&H Backhoe	E55085	020-001	1,794,162	453,453	81,599	122,853	494,707	494,707
January, 1993	Hydraulic Excavator - P&H Shovel	E57030	020-002	1,808,471	180,459	109,103	174,863	246,219	246,219
August, 1998	Cat 330LME Backhoe	6DR01891	021-016	305,148	24,243	8,932	0	15,311	80,000
July, 1996	Cat 992C Loader	49Z01940	030-002	1,202,986	44,375	44,375	43,000	43,000	150,000
January, 1993	Cat 966F Loader	ISL00978	031-021	233,764	37,361	4,932	0	32,429	60,000
January, 1993	Cat IT 18 Integrated Tool Carrier	4ZD01004	031-040	120,139	-0	0	0	-0	35,000
January, 1993	Haul Truck - Cat 777B	4YC01698	040-005	733,084	207,984	26,431	0	181,553	181,553
January, 1993	Haul Truck - Cat 777B	4YC01700	040-007	733,085	33,333	17,545	77,000	92,788	145,000
January, 1993	Haul Truck - Cat 777B	4YC01697	040-010	733,085	124,773	45,968	0	78,805	140,000
April, 1993	Haul Truck - Cat 777B	4YC01618	040-015	733,084	129,778	10,742	0	119,036	119,036
December, 1996	Haul Truck - Cat 777B	4YC01790	040-017	770,635	44,904	23,634	0	21,270	140,000
November, 1997	Haul Truck - Cat 777B	4YC01670	040-022	395,071	60,294	26,498	317,271	351,067	351,067
January, 1993	Haul Truck - Cat 777B	4YC01434	040-024	501,294	40,000	21,063	0	18,947	145,000
July, 1996	Haul Truck - Cat 777B	4YC01067	040-026	398,435	160,043	11,802	0	148,241	148,241
November, 1997	Haul Truck - Cat 777B	4YC01853	040-027	444,355	52,448	27,805	24,000	48,843	145,000
January, 1993	Tracked Dozer - Cat D-9N	1JD03231	050-002	443,732	0	0	0	0	150,000
July, 1996	Tracked Dozer - Cat D-9N	6XJ00731	050-005	0	0	7,428	0	0	150,000
November, 1997	Tracked Dozer - Cat D-9R	7TL00868	050-007	528,804	59,762	5,728	62,814	55,386	200,000
January, 1993	Tracked Dozer - Cat D-8H	3ZF04030	050-020	177,257	-0	0	0	-0	60,000
January, 1993	Tracked Dozer - Cat D-8LGP	3YG04252	050-022	243,701	0	0	0	0	60,000
December, 1998	Grader - Cat 16H	6ZJ00471	055-055	422,557	75,809	27,857	0	47,752	180,000
January, 1993	Compactor - Smooth Drum CS-563	8XF00383	058-062	103,087	0	0	0	0	45,000
September, 1998	Cat 250 Fuel & Lube Truck	5WDX00511	060-002	362,826	0	0	0	0	40,000
January, 1993	Kenworth Tractor	IKXDBTX4NJ576706	065-040	71,181	0	0	0	0	40,000
November, 1997	Lo-Boy	1LH370SK2M1005836	068-001	101,104	-0	0	0	-0	30,000
January, 1993	Grove 40t Crane	75703	070-003	369,004	-0	0	0	-0	140,000
January, 1993	Grove 22t Crane	76059	070-004	202,833	-0	0	0	-0	40,000
July, 1996	Ford 9000 Boom Trk	1FDYW90L7GVA46479	071-014	69,883	0	0	0	0	70,000
January, 1993	Ford 9000 and Tire Handler	1FDZY82AONVA17732	080-009	127,368	-0	0	0	-0	75,000
December, 1998	Ford 450 Flat Deck Truck (or equivalent)	1FDXF47F2XEB59156	080-038	37,340	0	0	0	0	20,000
December, 1998	Kodiak Service Truck	1GBK6HJ0XJ100931	080-042	34,726	0	0	0	0	20,000
September, 2001	Troop Carrier	JTFAY107004000080	082-017	31,094	13,169	6,931	0	6,238	15,000
September, 2001	Troop Carrier	BU211-0007229	082-018	31,094	13,169	6,931	0	6,238	15,000
August, 1998	Toyota 4X4 Crewcab	LN166-0001476	085-032	23,405	0	0	0	0	5,000
November, 1998	Toyota 4X4 Crewcab	LN166-0040942	085-050	22,000	0	0	0	0	5,000
September, 2001	Toyota 4X4 Crewcab	JTFDE626100061162	085-060	22,568	0	0	0	0	5,000
September, 2001	Toyota 4X4 Crewcab	JTFDE626400061205	085-062	22,567	-0	0	0	-0	5,000
August, 1998	Honda ATV's (4)		088-119/147	19,300	0	0	0	0	6,000
	Generator sets (3)		091-03x	30,000	0	0	0	0	12,000
	Light Plants (4)		092-00x	40,000	0	0	0	0	20,000

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OBCI Capital Equipment Transfer

Date Acquisition	Unit	Serial No.	Unit No.	Original Cost	Net Book Value @31-12-03	Depreciation Jan-Oct '04	Refurbishment Costs 2004	Net Book Value @31-10-04	Transfer Value US\$
January, 1993	Hydraulic Excavator - P&H Backhoe	E55085	020-001	1,794,162	453,453	81,599	122,853	494,707	494,707
January, 1993	Hydraulic Excavator - P&H Shovel	E57030	020-002	1,808,471	180,459	109,103	174,863	246,219	246,219
August, 1998	Cat 330LME Backhoe	6DR01891	021-016	305,148	24,243	8,932	0	15,311	80,000
July, 1996	Cat 992C Loader	4RZ01940	030-002	1,202,986	44,375	44,375	43,000	43,000	150,000
January, 1993	Cat 966F Loader	ISL00978	031-021	233,764	37,361	4,932	0	32,429	60,000
January, 1993	Cat IT 18 Integrated Tool Carrier	4ZD01004	031-040	120,139	-0	0	0	-0	35,000
January, 1993	Haul Truck - Cat 777B	4YC01698	040-005	733,084	207,984	26,431	0	181,553	181,553
January, 1993	Haul Truck - Cat 777B	4YC01700	040-007	733,085	33,333	17,545	77,000	92,788	145,000
January, 1993	Haul Truck - Cat 777B	4YC01697	040-010	733,085	124,773	45,968	0	78,805	140,000
April, 1993	Haul Truck - Cat 777B	4YC01618	040-015	733,084	129,778	10,742	0	119,036	119,036
December, 1996	Haul Truck - Cat 777B	4YC01790	040-017	770,635	44,904	23,634	0	21,270	140,000
November, 1997	Haul Truck - Cat 777B	4YC01670	040-022	395,071	60,294	26,498	317,271	351,067	351,067
January, 1993	Haul Truck - Cat 777B	4YC01434	040-024	501,294	40,000	21,053	0	18,947	145,000
July, 1996	Haul Truck - Cat 777B	4YC01067	040-026	398,435	160,043	11,802	0	148,241	148,241
November, 1997	Haul Truck - Cat 777B	4YC01853	040-027	444,355	52,448	27,605	24,000	48,843	145,000
January, 1993	Tracked Dozer - Cat D-9N	1JD03231	050-002	443,732	0	0	0	0	150,000
July, 1996	Tracked Dozer - Cat D-9N	6XJ00731	050-005	0	0	7,428	0	0	150,000
November, 1997	Tracked Dozer - Cat D-9R	7TL00868	050-007	528,804	59,782	5,728	62,814	55,386	150,000
January, 1993	Tracked Dozer - Cat D-6H	3ZF04030	050-020	177,257	-0	0	0	0	200,000
January, 1993	Tracked Dozer - Cat D-6LGP	3YG04252	050-022	243,701	0	0	0	0	60,000
December, 1998	Grader - Cat 16H	6ZJ00471	055-055	422,557	75,609	27,857	0	47,752	180,000
January, 1993	Compactor - Smooth Drum CS-563	8XF00383	056-062	103,087	0	0	0	0	45,000
September, 1998	Cat 250 Fuel & Lube Truck	5WD00511	060-002	362,826	0	0	0	0	40,000
January, 1993	Kenworth Tractor	IKX0DBTX4NJ576706	065-040	71,181	0	0	0	0	40,000
November, 1997	Lo-Boy	1LH370SK2M1005836	068-001	101,104	-0	0	0	0	40,000
January, 1993	Grove 40t Crane	75703	070-003	369,004	-0	0	0	0	30,000
January, 1993	Grove 22t Crane	76059	070-004	202,833	-0	0	0	0	140,000
July, 1996	Ford 9000 Boom Trk	1FDYW90L7GVA46479	071-014	69,863	0	0	0	0	40,000
January, 1993	Ford 9000 and Tire Handler	1FDZY82AONVA17732	080-009	127,368	-0	0	0	0	70,000
December, 1998	Ford 450 Flat Deck Truck (or equivalent)	1FDXF47F2XEB59156	080-038	37,340	0	0	0	0	75,000
December, 1998	Kodiak Service Truck	1GBK6HJ0XJ100931	080-042	34,726	0	0	0	0	20,000
September, 2001	Troop Carrier	JTFAY107004000080	082-017	31,094	13,169	6,931	0	6,238	20,000
September, 2001	Troop Carrier	BU211-0007229	082-018	31,094	13,169	6,931	0	6,238	15,000
August, 1998	Toyota 4X4 Crewcab	LN166-0001476	085-032	23,405	0	0	0	0	5,000
November, 1998	Toyota 4X4 Crewcab	LN166-0040942	085-050	22,000	0	0	0	0	5,000
September, 2001	Toyota 4X4 Crewcab	JTFDE626100061162	085-060	22,568	0	0	0	0	5,000
September, 2001	Toyota 4X4 Crewcab	JTFDE626400061205	085-062	22,567	-0	0	0	-0	5,000
August, 1998	Honda ATV's (4)		088-119/147	19,300	0	0	0	0	6,000
	Generator sets (3)		091-03x	30,000	0	0	0	0	12,000
	Light Plants (4)		092-00x	40,000	0	0	0	0	20,000

ADDENDUM NO. 1

ADDENDUM AMENDING the Share Subscription and Purchase Agreement made and entered into as of the 2nd day of November, 2004 between the parties hereto ("**Subscription Agreement**"), each of the Subscription Agreement and this Addendum having effect as of this 8th day of December 2004.

BETWEEN: **CAMBIOR INC.**, a company incorporated under the laws of the Province of Québec, Canada, having its principal place of business at 1111 St. Charles Street West, East Tower, Suite 750, Longueuil, Province of Québec, Canada ("**Cambior**");

AND: **THE COOPERATIVE REPUBLIC OF GUYANA**, a sovereign state organized in such territory, on such principles and according to such rules as are described in the Constitution of the Cooperative Republic of Guyana proclaimed into operation as of October 6, 1980, as amended, said party being represented for the purposes hereof by its Government, acting by and through the Prime Minister, Wights Lane, Kingston, Georgetown, Guyana ("**Guyana**" as represented herein by the "**Government**");

AND: **NATIONAL INDUSTRIAL AND COMMERCIAL INVESTMENTS LIMITED**, a company incorporated under the laws of Guyana and wholly-owned by Guyana, having its registered office at 126 Barrack Street, Kingston, Georgetown, Guyana ("**NICIL**"); and

AND: **OMAI BAUXITE MINING INC.**, a company incorporated under the Companies Act, No. 29 of 1991, having its registered office at 176-D Middle Street, Cummingsburg, Georgetown, Guyana (the "**Company**");

Cambior, Guyana, NICIL and the Company are hereinafter sometimes referred to individually as a "**Party**" and collectively as "**Parties**".

THIS ADDENDUM TO THE SUBSCRIPTION AGREEMENT WITNESSES THAT the Parties hereby agree and covenant to amend the Subscription Agreement as follows:


1. The number of ordinary shares of the Company subscribed for by Cambior and issued and allotted by the Company to Cambior at US \$1.00 each (defined as "**Cambior's Shares**" in the Subscription Agreement), shall aggregate 12,187,487 and not 12,187,486. Therefore, the following clauses of the Subscription Agreement are hereby amended and modified accordingly:

[Handwritten initials and signatures]

- (i) page 3, third (3rd) line of clause M of the preamble;
 - (ii) page 8, fourth (4th) and fifth (5th) lines of clause 2.1;
 - (iii) page 12, second (2nd) line of clause 5.2(e); and
 - (iv) page 13, second (2nd) line of clause 6.1(b).
2. All other clauses and provisions of the Subscription Agreement remain effective, unamended.


IN WITNESS WHEREOF, the Parties have executed this Addendum to the Subscription Agreement this 8th day of December 2004.

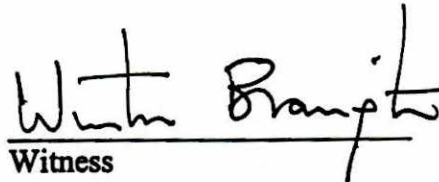
CAMBIOR INC.

By: 
Name: MARC DAGENAIS
Title: VICE PRESIDENT, LEGAL

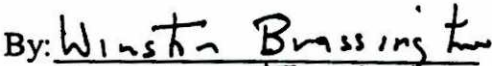

Witness


THE COOPERATIVE REPUBLIC OF
GUYANA

By: 
Name: SAMUEL A ANDREWS
Title: _____


Witness

NATIONAL INDUSTRIAL AND
COMMERCIAL INVESTMENTS LIMITED

By: 
Name: Winston Brassington
Title: Executive Director


Witness

OMAI BAUXITE MINING INC.

By: 
Name: REJEAN GOUDE
Title: CHAIRMAN


Witness

ADDENDUM NO. 2

ADDENDUM amending, clarifying and supplementing the Share Subscription and Purchase Agreement made and entered into as of the 2nd day of November, 2004 between the parties hereto (the "**Subscription Agreement**"), each of the Subscription Agreement and this Addendum having effect as of this 8th day of December, 2004.

BETWEEN: **CAMBIOR INC.**, a company incorporated under the laws of the Province of Québec, Canada, having its principal place of business at 1111 St. Charles Street West, East Tower, Suite 750, Longueuil, Province of Québec, Canada ("**Cambior**");

AND: **THE COOPERATIVE REPUBLIC OF GUYANA**, a sovereign state organized in such territory, on such principles and according to such rules as are described in the Constitution of the Cooperative Republic of Guyana proclaimed into operation as of October 6, 1980, as amended, said party being represented for the purposes hereof by its Government, acting by and through the Prime Minister, Wights Lane, Kingston, Georgetown, Guyana ("**Guyana**" as represented herein by the "**Government**");

AND: **NATIONAL INDUSTRIAL AND COMMERCIAL INVESTMENTS LIMITED**, a company incorporated under the laws of Guyana and wholly-owned by Guyana, having its registered office at 126 Barrack Street, Kingston, Georgetown, Guyana ("**NICIL**"); and

AND: **OMAI BAUXITE MINING INC.**, a company incorporated under the Companies Act, No. 29 of 1991, having its registered office at 176-D Middle Street, Cummingsburg, Georgetown, Guyana (the "**Company**");

Cambior, Guyana, NICIL and the Company are hereinafter sometimes referred to individually as a "**Party**" and collectively as "**Parties**".

WHEREAS:

- A. The Parties entered into the Subscription Agreement and, concurrently with the execution hereof, the Addendum no. 1 amending same.
- B. The Subscription Agreement, as amended, is made and entered into in connection with a series of arrangements and transactions whereby Guyana is privatizing most of the bauxite mineral rights, assets and operations of Linden Mining Enterprise, Ltd. (the "**Privatization**").
- C. The Subscription Agreement, as amended, provides for the subscription:

[Handwritten signatures and initials]

- (i) by Cambior of 12,187,487 ordinary shares of the Company at US \$1.00 each (hereinafter, "Shares"); and
 - (ii) by NICIL of 5,223,208 Shares.
- D. The Subscription Agreement provided that the above-described subscription of Shares as well as their issue and allotment to each of Cambior and NICIL are contemplated to be performed on the Completion Date (as defined therein).
- E. Each of Cambior and NICIL currently holds one (1) ordinary share of the Company issued at G \$1,000 for each such share.
- F. Upon request of the Parties, authorization to use the US currency for the conduct of its business including, without limitation, the issue of its share capital, was granted by the Bank of Guyana to the Company on November 24, 2004 (the "Bank Authorization").
- G. All conditions precedent to close the Privatization are met and the Parties have agreed to perform Completion (as defined in the Subscription Agreement) as at the date hereof.
- H. However, no Share (denominated in US currency) can be issued (as contemplated in the Subscription Agreement) until one (1) month elapses from the receipt of the Bank Authorization.

THIS ADDENDUM TO THE SUBSCRIPTION AGREEMENT WITNESSES THAT the Parties hereby agree, covenant and undertake as follows:


1. The Completion (as defined in the Subscription Agreement) shall be performed as at the date hereof.
2. The Company shall issue and allot, effective as at December 24, 2004:
 - (a) 12,187,487 Shares to Cambior; and
 - (b) 5,223,208 Shares to NICIL.

The Company hereby irrevocably and unconditionally undertakes to deliver, upon December 24, 2004, one (1) certificate representing 12,187,487 Shares to Cambior and one (1) certificate representing 5,223,208 Shares shall be delivered to NICIL.
3. The Company shall redeem for cancellation and cancel, effective immediately after the issue and allotment of Shares to Cambior and NICIL under clause 2 above:
 - (a) one (1) ordinary share at G \$1,000 currently held by Cambior; and
 - (b) one (1) ordinary share at G \$1,000 currently held by NICIL.
4. All provisions of the Subscription Agreement providing for, and relating to the timing of the issue and allotment of Shares to Cambior and NICIL at Completion Date shall be deemed modified hereby to read and be interpreted to reflect that such issue and allotment will occur on December 24, 2004, with no other amendment, change or

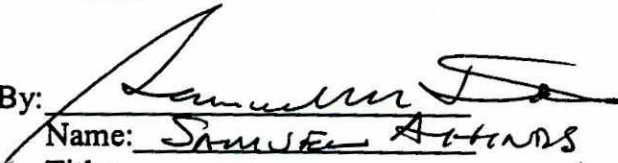
modification to such provisions. All other clauses and provisions of the Subscription Agreement remain effective, unamended.

- 5. All other arrangements, agreements, transactions and provisions relating to or giving effect to the Privatization are not modified by this Addendum.
- 6. This Addendum is governed by the laws of Guyana and any Dispute (as defined in the Subscription Agreement) relating to its enforcement or interpretation shall be determined by the provisions of article 18 of the Subscription Agreement, *mutatis mutandis*.

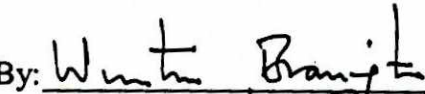
IN WITNESS WHEREOF, the Parties have executed this Addendum to the Subscription Agreement this 8th day of December 2004.

CAMBIOR INC.)
)
)
)
 By: )
)
 Name: MARC DAGENAIS)
 Title: VICE PRESIDENT, LEGAL)



 Witness

THE COOPERATIVE REPUBLIC OF)
 GUYANA)
)
)
 By: )
)
 Name: SAMUEL ADAMS)
 Title: _____)


 Witness

NATIONAL INDUSTRIAL AND)
 COMMERCIAL INVESTMENTS LIMITED)
)
)
 By: )
 Name: Winston Brampton)
 Title: Executive Director)


 Witness

OMAI BAUXITE MINING INC.)
)
)
)
 By: )
 Name: REXFORD BOURNE)
 Title: CHAIRMAN)


 Witness

MANAGEMENT AGREEMENT

THIS AGREEMENT is made as of this 24 day of July 2003, with effect as of August 1st, 2003.

AMONG:

THE REPUBLIC OF GUYANA, a Sovereign State organized in such territory, on such principles and according to such rules as are described in its constitution proclaimed into operation as of October 6, 1980, said party being represented for the purposes hereof by its Government;

(hereinafter referred to as "Guyana" as represented herein by the "Government")

AND:

LINDEN MINING ENTERPRISES, LTD., a company incorporated and existing under the laws of Guyana with its registered office located at Washer Pond Road, Mackenzie, Linden and wholly-owned by Guyana;

(hereinafter referred to as "Linmine")

AND:

OMAI GOLD MINES LIMITED, a company incorporated and existing under the laws of Guyana with its registered office located at 176-D Middle Street, South Cummingsburg, Georgetown;

(hereinafter referred to as "OGML")

WHEREAS Linmine is commercially exploiting bauxite deposits in and around the town of Linden, Guyana and, in connection with such exploitation, (i) is the exclusive holder of mining licences, prospecting licenses, mining leases and other mining rights, interests and permits relating to such deposits (collectively, the "Mining Rights"), and (ii) is the sole owner and operator of surface rights, buildings, facilities, equipment and other assets located in or around the town of Linden (collectively, the "Mining Assets");

WHEREAS, over the past years, Linmine's exploitation of bauxite has experienced various problems which mainly translated into declining production and sales as well as a challenging financial condition;

WHEREAS the Government is desirous of privatizing the whole or certain of the Mining Rights and the Mining Assets, and of improving the management of Linmine's activities with a view to remediating the aforesaid problems until Linmine's privatization is completed;

[Handwritten signatures]

- 14.6 No modification or amendment to this Agreement shall be valid unless made in writing and duly executed by the Parties.
- 14.7 There are no implied covenants contained in this Agreement other than those of good faith and fair dealing.
- 14.8 This Agreement may be executed in one or more original counterparts, all of which shall constitute one and the same instrument.

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

THE REPUBLIC OF GUYANA

LINDEN MINING ENTERPRISES, LTD.

Per. 

Per. 

Dr. Samuel Hinds
Honourable Prime Minister &
Minister Responsible for the
Bauxite Industry

Mr. Horace James
Chief Executive Officer

OMAI GOLD MINES LIMITED

Per. 

Mr. Rejean Gourde
Senior Vice President

SCHEDULE "A"

**TEMPLATE OF CONTRACT OF EMPLOYMENT
FOR THE DESIGNATED EMPLOYEES**

See the next two pages

LINDEN MINING ENTERPRISE LIMITED

CONDITIONS OF EMPLOYMENT TEMPORARY/ CONTRACT EMPLOYEE

The following shall form the conditions of employment for persons being hired on a temporary or contracted period with Linden Mining Enterprise Limited.

1. It is understood that any Temporary/Contract Employee employed by Linmine during the period effective 1st August to 31st December, 2003 is hired for a period of five months ending 31st December or shorter period.
2. Linden Mining Enterprise Limited is entitled to terminate the contract of employment of any Temporary/Contract Employee with two weeks notice.
3. That you shall be hired for such Temporary period and shall perform such duties and hours of work as agreed upon.
4. That you shall adhere to the Rules, Regulations, Policies and Procedures of Linden Mining Enterprise Limited or its delegated Contract Management Team/Company in an effort to continuously improve on the efficiency of the operations.
5. At the end of the Temporary Contract, the employee will be paid Terminal Benefit of 8% of his/her Gross Earnings for the period worked (such payment shall be in lieu of vacation and any other benefit due to the employee.
6. It is understood that this contract of employment with Linden Mining Enterprise Limited does not entitle you to any benefits and conditions previously enjoyed or accrued prior to July 31, 2003.
7. At its sole discretion of Linmine offers to extend the Temporary/Contract Employee's contract of employment.

San

[Handwritten initials]

I, MR/MS _____ of _____
NAME ADDRESS

Date of Birth: Day ____ Month ____ Year ____

hereby agree to be employed as a Casual/Temporary Employee under the
above-mentioned Terms and Conditions of Employment and to perform the
under mentioned job in keeping with the agreed rate/salary per hour/month.

Department: _____
Nature of Job (Duties to be performed): _____
Classification: _____
Rate/salary per hour/month: \$ _____
Date of employment: _____
Duration of this request: _____
In case of Accident/Death notify: _____

I have read the above information and I am satisfied and understand the Terms and
Conditions of this Casual/Temporary Employment.

Signature: _____
Temporary/Contract Employee

Date: _____

Department Head

**Personnel Officer
Linmine Mining Enterprise Limited**



OMAI GOLD MINES LIMITED

Mining With The Environment in Mind



September 20, 2004

Honorable Samuel Hinds
Prime Minister and Minister Responsible
For the Bauxite Industry
The Republic of Guyana
Office of the Prime Minister
Wight's Lane
Georgetown

Conrad Plummer
Chairman of the Board of Directors
Linden Mining Enterprise, Ltd.
Washer Pond Road
Mackenzie, Linden, Guyana

RE: MANAGEMENT AGREEMENT

Gentlemen:

Reference is made to the Management Agreement made the 24th of July 2003 between The Republic of Guyana, Linden Mining Enterprises, Ltd., and Omai Gold Mines Ltd. whereby the Government and Linden Mining Enterprises, Ltd. (Linmine) retain Omai Gold Mines, Ltd (OGML) to manage operations at Linmine.


Whereas, this agreement is effective until September 30, 2004 or for such further period as may be agreed between the Parties having been once extended by a document dated December 11, 2003, having been further extended by a document dated March 25, 2004, and having been further extended by a document dated June 21, 2004.

OGML proposes that each party once again agree to extend the duration of the agreement for three months. This extension would make the agreement effective through December 31, 2004. All other provisions of the agreement shall remain in full force and effect.

The above, having satisfactorily reflected the expression of our mutual understanding, is confirmed by the signatures of the parties' representatives below. There are three original copies of this document, one for each party.

Sincerely,

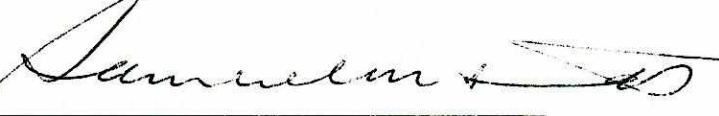
OMAI GOLD MINES, Ltd

Per 
Rejean Gourde
Senior Vice President, Guyana Shield

Acknowledged and agreed this 23 day of SEPTEMBER, 2004

The other Parties signify their agreement with the above by signing below.

THE REPUBLIC OF GUYANA

Per  2004-09-23
Honorable Samuel Hinds
Prime Minister and Minister Responsible for the Bauxite Industry

Acknowledged and agreed this ____ day of _____, 2004

LNN DEN MINING ENTERPRISE, Ltd.

Per 
Linden Mining Enterprise, Ltd.
Duly Authorized Representative

Acknowledged and agreed this 23rd day of September, 2004

cc: Winston Brassington, Privatization Unit



OMAI GOLD MINES LIMITED

Mining With The Environment in Mind



June 21, 2004

Honorable Samuel Hinds
Prime Minister and Minister Responsible
For the Bauxite Industry
The Republic of Guyana
Office of the Prime Minister
Wight's Lane
Georgetown

Conrad Plummer
Chairman of the Board of Directors
Linden Mining Enterprise, Ltd.
Washer Pond Road
Mackenzie, Linden, Guyana

RE: MANAGEMENT AGREEMENT

Gentleman:

Reference is made to the Management Agreement made the 24th of July 2003 between The Republic of Guyana, Linden Mining Enterprises, Ltd., and Omai Gold Mines Ltd. whereby the Government and Linden Mining Enterprises, Ltd. (Linmine) retain Omai Gold Mines, Ltd (OMGL) to manage operations at Linmine.

Whereas, this agreement is effective until June 30, 2004 or for such further period as may be agreed between the Parties having been once extended by a document dated December 11, 2003 and having been further extended by a document dated March 25, 2004.

OMGL proposes that each party once again agree to extend the duration of the agreement for three months. This extension would make the agreement effective through September 30, 2004. All other provisions of the agreement shall remain in full force and effect.

WHEREAS Linmine has concluded an agreement (the "Mining Agreement") dated December 10, 2002 whereby OMAI Bauxite Company Inc. ("OBC"), an Affiliate (as defined herein) of OGML, provides mining, operational and technical services for the overburden stripping and mining operations on the Property;

WHEREAS OGML owns and, since 1993, has commercially exploited the Omai gold mine in Guyana in a manner which was publicly commended by Guyana's Prime Minister who publicly declared, on June 27, 2003, that the Government found OGML "to be a responsible corporate citizen which has successfully developed in Guyana in recent times effective and efficient large mine operations";

WHEREAS, in light of the foregoing, the Government wishes to assign, on a contractual basis, the overall management of Linmine as described herein to OGML and OGML is prepared to assume such management in accordance with the provisions hereof, and subject to the terms and conditions set forth hereinafter;

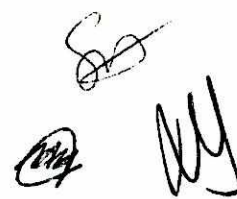
NOW, THEREFORE, THIS AGREEMENT WITNESSES that, in consideration of the premises and mutual covenants herein contained, and with a view to ensuring the efficient, effective and orderly management of Linmine's operations other than overburden stripping and mining, the parties hereto hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Throughout this Agreement, unless something in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

"Administration" means, collectively, all activities, tasks and work relating to:

- (i) accounting and clerical work such as, without restricting the generality of the foregoing, the maintenance of books of account, the preparation of periodic financial statements, managing the relationship with outside accountants and auditors, and the preparation, computation and filing of tax returns;
- (ii) the payment of all general office expenses such as office stationary, light, telephone, telecopier, letter paper and the like;
- (iii) human resources management and pay; and
- (iv) all ancillary activities relating to the foregoing.



"Affiliate" means any Person who or, as applicable, which directly or indirectly controls, is controlled by, or is under common control with, a Party. For the purposes of the preceding sentence, **"control"** means possession, directly or indirectly, of the power to direct or cause direction of management and policies through ownership of voting securities, contract voting trust or otherwise and ownership of more than 50% of the voting securities of a corporate entity will constitute control.

"Agreement" means this Management Agreement, including all amendments and modifications thereof, and all Schedules, which are incorporated herein by this reference; **"hereof"**, **"herein"**, **"hereto"**, **"hereunder"** and similar expressions mean and refer to this Agreement as a whole and not to any particular part, and include any agreement or instrument supplementary or ancillary hereto.

"Applicable Law" means, collectively, any and all laws, statutes, regulations, ordinances, rules, guidelines, policies, notices, orders and directions or other requirements of any Government Authority applicable to the Parties, this Agreement, the Operations, the Property, the Mining Rights and the Mining Assets.

"Board" means the current board of directors of Linmine and as may constituted from time to time.

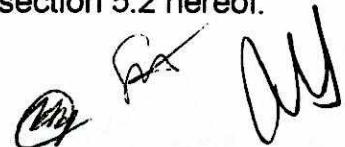
"Effective Date" means August 1st, 2003.

"Government Authority" means any government or governmental, quasi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity and any other authority delegated by the Government under this Agreement.

"LIBOR", in respect of any day, means the annual rate of interest commonly referred to as the London Interbank Offered Rate and published from time to time in the Financial Times of London (or, failing such publication, in any other publication of general circulation) as the reference rate of interest for U.S. Dollar loans between or among banks which are due in 30 days and, in respect of any month or part thereof, means the LIBOR on the first business day of such month.

"Lien" means any mortgage, deed of trust, pledge, security interest, encumbrance, lien, charge of any kind or any other preferential arrangement in the nature of an encumbrance or security interest, including, without limitation, any agreement to give any of the foregoing, any conditional sale or title retention agreement and any lease in the nature thereof.

"Marketing" means those activities which are described in section 5.2 hereof.



"Operations" means all activities carried out under this Agreement or any act ancillary thereto and including, for greater certainty but without limitation, Administration, Marketing and Processing.

"Parties" or **"Party"** means, respectively, the parties or a party to this Agreement.

"Person" means any individual, corporate entity, voluntary association, partnership, joint venture, trust or unincorporated organization.

"Processing" means all activities or work that may reasonably be required for the production of Products from any mineral resources extracted from any mineral deposit located on the Property, including but not limited to, the operation of the delivery system, wash plant, kilns, dryers, shops, loading facilities and the ancillary equipment, machinery and buildings, and excluding, for greater certainty, all activities and work covered by the Mining Agreement and performed by OBC thereunder.

"Products" means all ores, minerals, metals and concentrates and any other mineral resources produced from the Property.

"Property" means, collectively, all parcels of land covered by the Mining Rights.

"Remuneration Costs" means, as regards OGML, the aggregate of:

- (i) the salaries and wages of its employees assigned to Operations on a part-time or full-time basis, including any and all incentive/bonus payments;
- (ii) its costs of holiday, vacation, sickness, and disability benefits and other customary allowances paid to its employees assigned to Operations, and in the case of those employees only a *pro rata* portion of their working hours are dedicated to Operations, not more than the same *pro rata* portion of the benefits and allowances as herein provided for shall be charged to and payable by Linmine;
- (iii) expenditures or contributions made pursuant to assessments imposed by any Government Authority which are applicable in respect of employees assigned to Operations;
- (iv) reasonable personal expenses of those employees assigned to Operations, and for which expenses such employees are reimbursed under OGML's usual policies and practices; for greater certainty, such

expenses include transportation and travel costs as well as costs of lodging; and

- (v) the cost of established plans for the relevant employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, and other benefit plans of a like nature, if any.

1.2 Terms defined in the preamble shall carry the same meanings in this Agreement. Any words or expressions otherwise defined herein shall have the meanings respectively ascribed to them notwithstanding that such definitions do not appear in section 1.1.

1.3 In this Agreement:

- (a) unless something in the subject matter or context is inconsistent therewith, words and expressions importing the singular number shall include the plural and *vice versa*, and words and expressions importing the use or any gender shall include the masculine, feminine and neuter genders;
- (b) reference to "articles" refer to articles of this Agreement; references to "sections" and "subsections" refer to sections and subsections of this Agreement; references to "paragraphs" and "subparagraphs" refer to paragraphs and subparagraphs of this Agreement; and
- (c) the division of this Agreement into articles, sections, subsections, paragraphs, subparagraphs and other portions and the insertion of headings are for convenience only and shall not affect or be taken into account in construing or interpreting this Agreement.

1.4 The following Schedule is annexed hereto and form part hereof:

Schedule "A" - Template of Contract of Employment for the Designated Employees.

2. PRIOR ACTIONS AND COVENANTS

2.1 The Government and Linmine hereby declare that they have terminated the employment of all employees of Linmine at the latest on July 31, 2003.

2.2 OGML hereby declares its intention to cause Linmine to:



- (a) hire back certain of the Terminated Employees it will select (the "Designated Employees"), in its sole discretion acting reasonably, as per a list to be communicated to Linmine prior to the Effective Date; and
- (b) sign with each Designated Employee, promptly as and from the Effective Date, a temporary employment contract in the form and substance set forth in Schedule "A".

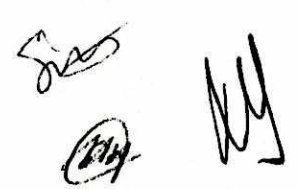
3. REPRESENTATIONS AND WARRANTIES

3.1 Each Party represents and warrants to the others that:

- (a) save and except for Guyana, it is a body corporate duly incorporated and in good standing in its jurisdiction of incorporation and it is qualified to do business and is in good standing in those jurisdictions where necessary in order to carry out the purposes of this Agreement;
- (b) it has the capacity and authority to enter into and perform this Agreement and all transactions contemplated herein and all corporate and other actions required to authorize it to enter into and perform this Agreement have been properly taken;
- (c) it will not breach any other agreement, or any undertaking, security or arrangement by entering into or performing this Agreement; and
- (d) this Agreement has been duly executed and delivered by it and is valid and binding upon it in accordance with its terms and the person executing this Agreement on its behalf is duly authorized to do so.

3.2 Guyana and Linmine hereby declare and confirm to OGML that all representations and warranties made to Cambior Inc., OGML's parent company, pursuant to sections 2.1 and 2.2 of that certain Restructuring Agreement made and effective as of June 6, 2002, as amended are in full force and effect, as at the Effective Date and shall extend to, and apply in favor of OGML throughout the duration of this Agreement. For greater certainty, this Agreement shall be construed as containing the provisions of sections 2.1 and 2.2, with all such provisions being included in favour of OGML, *mutatis mutandis*.

3.3 Guyana and Linmine hereby jointly and severally represent and warrant to OGML that, as of the date hereof:



- (a) neither the Government nor Linmine has entered into any agreement or arrangement, or has made any material commitment, which may materially adversely affect the rights of OGML as manager hereunder and/or the performance of its duties in such capacity;
- (b) Linmine is not in default under any agreement, arrangement or commitment, which default might affect the rights of OGML as manager hereunder and/or the performance of its duties in such capacity;
- (c) the business and operations relating to the Mining Rights and the Mining Assets have been and are being carried in substantial compliance with Applicable Law, save and except for any event, circumstances or situation where an exemption or a discharge from compliance was provided or consented to by the Government;
- (d) in addition to the Mining Rights themselves, Linmine has all necessary licenses, permits and other governmental approvals, authorizations and consents in order to carry on its current activities, save and except for any situation where the Government has exempted Linmine from obtaining such permits, licenses, approvals, authorizations or consents; and all such additional licenses, permits, approvals, authorizations and consents are sufficient, current and in full force and effect and shall allow and entitle OGML to exercise its rights and perform its duties as manager hereunder; and
- (e) save and except as communicated to OGML in writing, there is no judgment, decree, injunction, ruling or order of any court, governmental department, commission, agency, instrumentality or arbitrator and no claim, suit, action, litigation, arbitration or governmental proceeding in progress, pending or threatened against or relating to, which may affect the rights of OGML as manager hereunder and/or the performance of its duties in such capacity.

For greater certainty, Linmine's management and operating practices and standards prior to the Effective Date are hereby deemed to have received from the Government all appropriate and relevant exemptions from compliance with Applicable Law, and Linmine is hereby deemed to have received from the Government all appropriate and relevant discharges in that respect.

- 3.4 Guyana and Linmine hereby jointly and severally represent and warrant to OGML that Linmine has fully complied with all of its statutory, contractual and, if applicable, other obligations and liabilities as regard the termination of employment with Linmine of all Terminated Employees.



- 3.5 All representations and warranties made in this Agreement and the liabilities of the Parties with respect thereto, shall survive Effective Date and shall expire and terminate upon the second anniversary of this Agreement's termination, it being hereby agreed that (i) any action thereafter to enforce or recover any amounts with respect to the breach of any representation and warranty shall be barred, and (ii) the Party making such representation and warranty shall be released from all obligations and liabilities hereunder in respect of such representations and warranties, except with respect to any claims made by any other Party in writing prior to the expiration of such period. Notwithstanding the foregoing, the liability of a Party in any case where a breach of any representation and warranty made hereunder arises from a situation involving fraud, shall not be subject to any time limitation.

4. MANAGEMENT OF OPERATIONS

- 4.1 The Government and Linmine hereby retain OGML to manage Operations and OGML hereby agrees to manage Operations in accordance with the provisions hereof and subject to the terms and conditions set forth herein.
- 4.2 For greater certainty:
- (a) Linmine retains (i) all right, title and interest in and to the Mining Assets as well as the Mining Rights, (ii) possession of the Property, and (iii) all liabilities, obligations and responsibilities ensuing therefrom including, for greater certainty but without limitation, all environmental, occupational health and safety and social liabilities, obligations and responsibilities; and
 - (b) all overburden stripping and mining activities are performed pursuant to the Mining Agreement and OGML's powers and duties set forth in sections 5.1 and 5.2 shall not extend to such activities which shall be under the authority, supervision and monitoring of the Board.

5. SCOPE AND EXTENT OF MANAGEMENT

- 5.1 OGML, as manager of Administration and Processing, shall have the following powers and duties:
- (a) upon request by the Government or, as applicable, the Board, it shall prepare all budgets, plans, programs, schedules and timetables relating to Processing, shall determine goals, methods, objectives and targets in

respect thereof, and shall submit all of the foregoing to the Board for approval;

- (b) it shall have full authority and discretion for the day-to-day implementation of the aforesaid plans, programs, schedules, timetables, goals, methods and objectives;
- (c) provided that all of Linmine's bank accounts remain under Linmine's name and subject to subsection 5.1(j), it shall have control over cashing operations in general, and disbursements; in that respect, it shall cause Linmine to incur and pay for all costs and expenditures necessary to perform Operations;
- (d) it shall cause Linmine to (i) purchase or otherwise acquire all material, supplies, equipment, water, utility and transportation services required for Operations; (ii) obtain such customary warranties and guarantees as are available in connection with such purchases and acquisitions; and (iii) keep all Mining Assets and Mining Rights free and clear of any Lien subsequent to the Effective Date;
- (e) it may conduct such title examinations and cause Linmine to cure such title defects as may be advisable in its reasonable judgment;
- (f) it shall cause Linmine to (i) make all payments and work required by the Mining Rights and, if applicable, other licenses, permits, contracts and other agreements relating to the Property and the Mining Assets; (ii) pay all taxes, assessments and like charges on Operations, the Property and the Mining Assets; it may cause Linmine, if applicable, to contest in the courts or otherwise, the validity or amount of any taxes, assessments or charges if it deems them to be unlawful, unjust, unequal or excessive, or cause Linmine to undertake such other steps or proceedings as it may deem reasonably necessary to secure a cancellation, reduction, readjustment or equalization thereof; it shall see that Linmine is not allowed to let Mining Rights lapse without the approval of the Board; and it shall see that Linmine performs all other acts reasonably necessary to maintain the Mining Rights in good standing and maintain the Mining Assets in good working condition except for normal wear and tear;
- (g) it shall cause Linmine to apply for all material permits, licenses and approvals other than Mining Rights and which are required for Operations under Applicable Law;

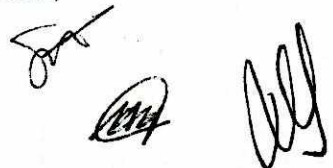


- (h) it shall cause Linmine to comply, in all material respects, with Applicable Law in conducting Operations and in using all Mining Assets, save and except for any event, circumstances or situation where an exemption or a discharge from compliance was provided or consented to by the Government; it shall notify the Board of any allegations of substantial violation thereof within a reasonable delay of becoming aware of such allegations; OGML shall not be in breach of this provision if a violation has occurred in spite of OGML's good faith efforts to comply, and if OGML has caused Linmine to timely cure, commence to cure (and diligently pursues) or dispose of such violation through performance, or payment of fines and penalties;
- (i) it shall see that Linmine prosecutes and defends all litigation or administrative proceedings arising out of Operations;
- (j) it may cause Linmine to dispose of Mining Assets or Mining Rights, whether by abandonment, surrender or transfer in the ordinary course of business; however, without prior authorization from the Board, Linmine shall not dispose of any of the Mining Assets or Mining Rights;
- (k) it shall have the right to carry out its responsibilities hereunder through agents, Affiliates and independent contractors, provided that OGML shall not, without the prior approval of the Board, engages any Affiliate or make arrangements so that any Affiliate provides services required hereunder to Linmine, in which case, it shall do so on terms no less favourable than would be the case with unrelated persons in arm's-length transactions;
- (l) it shall see that adequate data, information and records of the management are properly kept and that all required accounting and financial records are maintained in accordance with Applicable Law;
- (m) it shall cause Linmine to keep the Government advised of all Operations by submitting in writing to it, monthly reports in form and substance satisfactory to the Government, acting reasonably;
- (n) to the extent such coverage is available at a reasonable cost, it may elect, in its discretion, to cause Linmine to obtain and maintain such types and levels of property and liability insurance coverage with respect to the Property and Mining Assets it shall consider necessary from time to time;
- (o) it shall promptly advise the Government of (1°) any material accident or occurrence resulting in a serious damage to, or the destruction of any property, or (2°) of any serious harm or injury to any Person;

- (p) it shall undertake all other activities reasonably necessary to fulfill the foregoing; and
- (q) at all reasonable times, it shall see that Linmine provides duly authorized representatives of the Government or any member of the Board, (i) with access to, and the right to inspect and copy reports, records and other information relating to Operations, and (ii) with the right, at the relevant Persons' sole risk and expense, during normal business hours and subject to reasonable safety regulations, to inspect the Mining Assets, the Property and the conduct of Operations, so long as such inspection does not unreasonably interfere with Operations.

5.2 OGML, as manager of Marketing hereunder, shall have the following powers and duties:

- (a) upon request by the Government or, as applicable, the Board, it shall prepare all budgets, plans, programs, schedules and timetables relating to Marketing, shall determine goals, methods, objectives and targets in respect thereof, and shall submit all of the foregoing to the Board for approval;
- (b) it shall have full authority and discretion for the day-to-day implementation of the aforesaid plans, programs, schedules, timetables, goals, methods and objectives;
- (c) provided that all of Linmine's bank accounts remain under Linmine's name, it shall have control over the receipt of proceeds from sales of Products and, subject to subsection 5.1(j), cashing operations in general, and disbursements; in that respect, it shall cause Linmine to incur and pay for all costs and expenditures necessary to perform Marketing;
- (d) it shall cause Linmine to enter into transportation and sales contracts (collectively, "Marketing Contracts"), and shall manage and administer the Marketing Contracts as it sees fit; as regards Marketing Contracts entered into by Linmine prior to the Effective Date (the "Current Marketing Contracts"), OGML shall not be bound by management decisions made prior to the Effective Date by Linmine in that respect and, for greater certainty, it shall have sole discretion to determine, over time, which Current Marketing Contracts should be maintained without changes, amended, extended (with or without changes), supplemented or terminated, subject only to Applicable Law and to the terms, conditions and restrictions set forth in the Current Marketing Contracts;



- (e) it shall ascertain that the marketing, sale and transportation of Products comply with Applicable Law;
- (f) it shall cause Linmine to perform all of its obligations pursuant to Current Marketing Contracts and, if applicable, Marketing Contracts to be entered into during the term of this Agreement;
- (g) it shall keep good relations with customers, by providing them with information and notifications relating to Products and, upon request, by delivering certificates of origin;
- (h) it shall keep and maintain books of accounts and such other records pertaining to the transportation and other marketing activities; duly authorized representatives of the Government or any member of the Board shall be given reasonable access, at their own expense and during normal business hours, to all such books of accounts and records;
- (i) to the extent such coverage is available at a reasonable cost, it may elect, in its discretion, to cause Linmine to keep and maintain sufficient insurance coverage with respect to activities carried out pursuant to this section 5.2;
- (j) it shall cause Linmine to rent, purchase, or acquire such machinery, equipment, material, supplies and other facilities and retain services of experts and consultants as OGML may deem advisable or necessary; and
- (k) it may engage Affiliates to carry out any or all of obligations hereunder provided that it shall do so on terms no less favourable to it than would be the case with unrelated persons in arm's-length transactions.

6. PERFORMANCE OF MANAGEMENT AND ROLE OF THE BOARD

6.1 In order to exercise its powers and fulfil its duties as manager of Operations as per sections 5.1 and 5.2, OGML may:

- (a) provide itself, on a full-time as well as part-time basis, the services of its employees;
- (b) cause Linmine, as early as possible from the Effective Date, to offer employment to all Designated Employees, as per a temporary employment contract in the form and substance similar as that of



Schedule "A" and, more generally, on terms and conditions determined by OGML in its sole discretion; and

- (c) in addition to its own employees as per subsection 6.1(a) and the Designated Employees hired pursuant to subsection 6.1(b), cause Linmine to hire Persons to adequately respond to its needs at any time during this Agreement's term, for positions and on terms and conditions determined by OGML in its sole discretion.

6.2 For the orderly management of Linmine, OGML shall report to the Board in accordance with this Agreement. Specifically, the Board's approval shall be required for the following:

- (a) all budgets for the Operations and capital expenditure of Linmine and any changes thereto;
- (b) payments to OGML in excess of sums allowed under this Agreement or any amount previously approved under the budget by the Board;
- (c) any related party transaction, payments or contracts in excess of any sums allowed under this Agreement or budgeted by the Board;
- (d) any change in policy;
- (e) any transaction not in the normal course of business or of an unusual or extraordinary nature;
- (f) any legal settlements;
- (g) changes in the period of employment of any Designated Employee; and
- (h) any changes in the approved budget for OGML services.

7. STANDARD OF CARE AND INDEMNIFICATION

7.1 In exercising its rights and carrying out its duties and obligations hereunder, OGML hereby undertakes to act in a good workmanlike and efficient manner.

7.2 OGML will see that its employees involved in the management of Operations as well as the Designated Employees comply with the undertaking set forth section 7.1 hereof, diligently devote such time and efforts as are reasonably



required to the Operations and act conscientiously, efficiently and to the best of their abilities.

- 7.3 Notwithstanding the termination of this Agreement, the Government and Linmine hereby agree to jointly and severally indemnify and hold OGML, its Affiliates together with its own and its Affiliates' directors, officers and employees completely harmless from and against any action, suit, debt, claim, demand, loss, cost, expense, damage or liability (including, without limitation, reasonable attorneys' fees, and other expenses incurred in defending against litigation, either threatened or pending) arising out of or based upon:
- (a) any damages done to the Property or the Mining Assets during the term of this Agreement;
 - (b) damages caused to or incurred by third parties, resulting or ensuing directly or indirectly from OGML's performance or non-performance of its duties and obligations hereunder;
 - (c) the termination by Linmine of the employment of the Terminated Employees;
 - (d) any breach by the Government and/or Linmine of a representation and warranty made in article 3;
 - (e) the implementation by OGML, as manager, of any plan, program, schedule, timetable or method approved, authorized and/or directed by the Board;
 - (f) any event or circumstance caused by, or resulting from, directly or indirectly, the general condition of the Property and of the Mining Assets to the extent such general condition is attributable to any and all activities that occurred on the Property prior to the Effective Date; and
 - (g) as regards all environmental, occupational health and safety and social aspects of Linmine's activities, the continuing performance, subsequent to the Effective Date, of Operations in accordance with the rules, guidelines, standards and practices that were in force and effect prior to the Effective Date and were maintained in force and effect thereafter.



8. PAYMENT OF COSTS INCURRED

8.1 Subject to the terms of this Agreement, Linmine shall pay for all the costs and expenses incurred in relation to the performance of Operations as follows:

- (a) for the services of OGML employees as set forth in subsection 6.1(a), Linmine shall pay to OGML a sum being the equivalent of:
 - (i) the full amount of Remuneration Costs for its employees performing services hereunder on a full-time basis, or
 - (ii) such portion of Remuneration Costs for its employees performing services on a part-time basis, calculated on a pro rata basis, on the proportion of time devoted to perform services hereunder relative to the overall working time of such OGML employees;

the aggregate being within the preliminary budget of Linmine in the sum of forty-five thousand United States Dollars (U.S. \$45,000) per month, including a ten percent (10%) variance, provided that any positive variance greater than ten percent (10%) shall be subject to the Board's prior approval. The aforementioned figure excludes marketing costs which shall be subject to approval by the Linmine Board.

- (b) Linmine shall pay to OGML a sum corresponding to the full amount of expenses it incurred for services of Affiliates, consultants and contractors and, more generally, expenses it incurred in favour of third parties, if applicable; and
- (c) Linmine shall reimburse OGML for any additional insurance costs that OGML or, as applicable, Cambior Inc., its parent company, may incur as a result of OGML exercising its rights and performing its duties and obligations as manager hereunder.

8.2 Upon the effective date of this Agreement, OGML shall issue to Linmine a request for funds ("Cash Calls") to meet the estimated cash requirements for the first two months of OGML's service costs provided for under section 8.1 above. The following Cash Calls shall be issued prior to the last day of each month and shall include estimated cash requirements for the second following month. Promptly after receipt of each Cash Call, Linmine shall advance to OGML the estimated amount. Time is of the essence for payment of such Cash Calls.



9. INVOICING AND PAYMENT

- 9.1 OGML shall invoice Linmine on a monthly basis, the first day of the subsequent month, for all its costs and expenses hereunder. The amount of any Cash Call made during any given month, if applicable, pursuant to section 8.2, shall be deducted from the amount invoiced by OGML for the relevant month. Payment of each such invoice shall be made by Linmine no later than fifteen (15) days after the receipt thereof.
- 9.2 If Linmine defaults in making payments pursuant to section 9.1, OGML may advance the necessary sums to Linmine. Such advances shall be treated as a loan to be evidenced by a promissory note payable in favour of OGML on demand, and bearing interest at a rate equal to LIBOR plus 2%, calculated from the date of default.

10. DURATION OF THE AGREEMENT

- 10.1 This Agreement shall be effective as and from the Effective Date to the 31st of December, 2003 or for such further period as may be agreed between the Parties. For the purposes of this section 10.1, Linmine and the Government shall be considered as one and the same Party.
- 10.2 Notwithstanding section 10.1, OGML may terminate this Agreement:
- (a) at any time and in its sole discretion by means of a 90-day prior written notice; or
 - (b) immediately, without notice and in its sole discretion, under the following circumstances:
 - (i) Linmine and/or the Government are in default hereunder, provided that Linmine and/or the Government have been given notice by OGML of their breach and the opportunity to cure same within one week of receipt of the notice;
 - (ii) a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for a substantial part of Linmine's assets is appointed and such appointment is neither made ineffective nor discharged within 30 days after the making thereof, or such appointment is consented to, requested by, or acquiesced in by Linmine; or



- (iii) Linmine commences a voluntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect; or consents to the entry of an order for relief in an involuntary case under any such law or to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or other similar official of any substantial part of its assets; or makes a general assignment for the benefit of creditors or makes an arrangement with creditors; or fails generally to pay its debts as such debts become due; or takes corporate or other action in furtherance of any of the foregoing; or
- (iv) entry is made against Linmine of an order for relief affecting a substantial part of its assets by a court of competent jurisdiction in an involuntary case commenced under any applicable bankruptcy, insolvency or other similar Applicable Law of any jurisdiction now or hereafter in effect;

without incurring any cost, obligation or liability to the Government or Linmine by reason of such termination.

- 10.3 Linmine and/or the Government may terminate this Agreement if of the view that Linmine is not financially sustainable to justify its continued operation or OGML is in material or substantial breach of its duties and obligations hereunder, provided that Linmine and the Government shall, before exercising this right, seek OGML's opinion as to the financial sustainability of Linmine where same is the issue or notified OGML of its breach/s and afforded OGML reasonable time to cure same.

11. **CONFIDENTIALITY**

- 11.1 OGML hereby acknowledges that, in connection with managing Operations hereunder, it may receive access and may in the future continue to have access to certain proprietary and confidential information of Linmine or of third parties to whom Linmine owes or will owe an obligation of confidentiality ("Confidential Information").
- 11.2 OGML hereby recognizes the proprietary and sensitive nature of the Confidential Information and hereby agrees to preserve and maintain all the Confidential Information in strict confidence during the term of this Agreement.
- 11.3 OGML hereby undertakes to restrict disclosure of the Confidential Information only to those of its officers, employees, managers or agents, and

those of its Affiliates, as may reasonably need to know, and will advise such Persons of the strict obligations of confidentiality hereunder.

12. **FORCE MAJEURE**

- 12.1 OGML's obligations hereunder, including those of any of its Affiliates, shall be suspended to the extent and for the period that performance is prevented by any cause, whether foreseeable or unforeseeable, beyond its reasonable control, including, without limitation, labor disputes (however arising and whether or not employee demands are reasonable or within the power of OGML or the relevant Affiliate, as applicable, to grant); acts of God; laws, regulations, orders, proclamations, instructions or requests of any Government Authority, judgments or order of any court; inability to obtain on reasonably acceptable terms any public or private license, permits or other authorizations, curtailment or suspension of Operations to remedy or avoid an actual or alleged, present or prospective active violation of Guyana environmental standards; acts of war or conditions arising out of attributable to war, whether declared or undeclared, riot, civil strife, including threats (perceived or actual) to employees of OGML, of any of OGML's Affiliates or of Linmine, insurrection or rebellion; fire, explosion, earthquake, storm, flood, sink holes, drought or other adverse weather conditions; delay or failure by suppliers or transporters of materials, parts, supplies, services or equipment or by contractors' or sub-contractors' shortage of, or inability to obtain labor, transportation, materials, machinery, equipment, supplies, utilities or services; accidents; breakdown of equipment, machinery or facilities; or any other cause similar to the foregoing (collectively, a "Force Majeure Event").
- 12.2 OGML shall promptly give notice to Linmine and the Government of the Force Majeure Event stating therein the nature of the suspension, the reasons therefor, and the expected duration thereof. OGML shall see that performance is resumed as soon as reasonably possible.
- 12.3 OGML shall use all reasonable diligence to remedy the Force Majeure Event as quickly as practicable. However, this requirement of reasonable diligence shall not require the settlement of strikes, lock-outs or other labor difficulties by OGML or by any Affiliate of OGML, as applicable, on terms not acceptable to it. The manner of dealing with any such labor difficulty shall be entirely within the discretion of OGML or that of any of its Affiliates, as applicable.

13. **DISPUTE RESOLUTION AND APPLICABLE LAW**



- 13.1 If any dispute or conflict, whether contractual or not in nature, arises in connection with this Agreement or the breach, termination, validity, performance or interpretation thereof, or in connection with the management of Operations (a "Dispute"), the Parties shall resolve the Dispute in accordance with the provisions of this article 13. For the purposes of this article 13, the Government and Linmine shall be considered as one and the same Party and, if the Dispute involves any of OGML's Affiliates, OGML and such Affiliate shall be considered as one and the same other Party.
- 13.2 A Party may commence proceedings under this article 13 by convening a meeting between or among OGML's general manager (or other high-ranking representatives of OGML or, if applicable, any relevant OGML Affiliate), and the Government's Minister responsible for Mining and/or the Chairman or Commissioner of the Guyana Geology and Mines Commission (or other Government high-ranking representatives). Such group shall meet within 30 days from the date of the notice convening the meeting and shall use their best efforts to achieve a negotiated settlement to the Dispute.
- 13.3 Any Dispute which is not resolved pursuant to section 13.2 or otherwise, shall be referred for determination to final and binding arbitration, to the exclusion of all courts of any State and other like forums, under the Rules of the London Court of Arbitration (the "Court") applicable as of the date hereof. Notwithstanding the foregoing, the arbitration shall be conducted in accordance with the following provisions:
- (a) each Party shall be entitled to appoint a qualified person to act as arbitrator and the Court shall appoint a third arbitrator to complete the tribunal, and the person so appointed by the Court shall act as chairman of the tribunal;
 - (b) the place of arbitration shall be Georgetown, Guyana or any other location agreed upon by the Parties; all arbitration proceedings shall be conducted in the English language; and
 - (c) each Party shall participate in any arbitration proceedings at its own expense, and expenses of arbitration shall be borne equally by the opposing Parties; in the case of an award of monetary damages, the tribunal shall be entitled to award interest thereon from the earlier of the date on which proceedings are instituted or the date on which the relevant obligation became exigible, at LIBOR.
- 13.4 The Parties may, but need not, refer a dispute to the Court for purposes of attempting a conciliation or mediation thereof, in which event the rules and

practices of the Court relating to conciliation or mediation shall apply. The failure to attempt or complete conciliation or mediation proceedings shall in no event prevent a Party from instituting arbitration proceedings in accordance with section 13.3 hereof.

- 13.5 The failure by a Party to participate in arbitral proceedings shall not constitute valid grounds for rejecting the jurisdiction of the tribunal or the validity and enforceability of any of its awards. Each Party hereby undertakes to execute any arbitral award rendered against it in accordance with its terms, in full, voluntarily and without delay and hereby waives any entitlement to invoke any ground of immunity in respect of the jurisdiction of the tribunal or in respect of any award made by it or its enforcement. Judgment on the award may be entered and enforced in any court of competent jurisdiction. The provisions of the *Arbitration Act* (Laws of Guyana, CAP. 7:03) or of any other written law of Guyana relating to arbitration shall not apply to this Agreement, and the Parties hereby exclude the application of same for all purposes hereunder.
- 13.6 Subject to section 13.5 *in fine*, this Agreement shall be governed by and construed in accordance with the laws of the Republic of Guyana.

14. MISCELLANEOUS AND FINAL PROVISIONS

- 14.1 In the event that a court of competent jurisdiction determines that any term, part or provision of this Agreement is unenforceable, illegal, or in conflict with any laws to which this Agreement is subject, the Parties intend that the court reform the term, part, or provision within the limits permissible under Applicable Law in such manner as to approximate most closely the intent of the Parties; provided that, if the court cannot make such reformation, then that term, part or provision shall be considered severed from this Agreement. The remaining portions of this Agreement shall not be affected, and this Agreement shall be construed and enforced as if it did not contain that term, part or provision.
- 14.2 Any notice, payment or other required communications hereunder shall be given in writing and delivered by hand, registered air mail, telefax or other electronic communication or by overnight courier. Any such notice shall be given to each of the Parties at their following addresses:



TO THE GOVERNMENT
AND LINMINE:

Dr. Samuel Hinds
Prime Minister and Minister
Responsible for the Bauxite Industry

Cc: Winston Brassington
Executive Director, National Industrial and
Commercial Investments Ltd.

(Information on Linmine's Representative
to be provided.)

TO OGML:

OMAI GOLD MINES LIMITED
176-D Middle Street
South Cummingsburg, Georgetown
Guyana
Tel: (592) 225-4588
Fax: (592) 226-6468

Attention: Senior Vice President

or to any other addresses that any Party may at any time designate by written notice to the other Parties.

All notices shall be effective and shall be deemed delivered (i) if by hand, or by overnight courier, on the date of delivery if delivered during normal business hours, and, if not delivered during normal business hours, on the next business day following delivery, (ii) if by telefax or other electronic communication, on the next business day following receipt of the electronic communication, and (iii) if by mail, on the next business day after actual receipt.

- 14.3 Each Party shall take from time to time such actions and execute such deeds and additional instruments as may be reasonably necessary or desirable to carry out the intent and purpose of this Agreement.
- 14.4 This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties.
- 14.5 The failure of a Party to insist on the strict performance of any provision of this Agreement or to exercise any right, power or remedy upon a breach hereof shall not constitute a waiver of any provision of this Agreement or limit the Party's right thereafter to enforce any provision or exercise any right.