

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

-----X		
SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
	:	
Plaintiff,	:	
	:	
-v-	:	
	:	
PLATINUM MANAGEMENT (NY) LLC;	:	No. 16-cv-6848 (BMC)
PLATINUM CREDIT MANAGEMENT, L.P.;	:	
MARK NORDLICHT;	:	
DAVID LEVY;	:	
DANIEL SMALL;	:	
URI LANDESMAN;	:	
JOSEPH MANN;	:	
JOSEPH SANFILIPPO; and	:	
JEFFREY SHULSE,	:	
	:	
	:	
Defendants.	:	
-----X		

**REPLY DECLARATION OF MELANIE L. CYGANOWSKI,
AS RECEIVER, IN FURTHER SUPPORT OF MOTION TO APPROVE SALE
OF ABDALA AND TO PAY BRAZILIAN COUNSEL FROM THE SALE PROCEEDS**

I, Melanie L. Cyganowski, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true to the best of my knowledge, information and belief:

1. I make this reply declaration in further support of my motion for entry of an order (a) approving the sale of the Receivership’s rights in and to a gold tailings pond in central Brazil known as “*Abdala*” and (b) authorizing me to pay the fees and expenses of Platinum’s Brazilian counsel, from the proceeds of the sale, Dkt. No. 357 (the “*Sale Motion*”)¹ and in response to the oppositions which I filed with this Court on August 6, 2018 (the “*Oppositions*”).

¹ All capitalized terms not defined herein shall have the meanings ascribed by the Sale Motion, which I filed in my capacity as in my capacity as the duly appointed Receiver of Platinum Credit Management, L.P., Platinum Partners Credit Opportunities Master Fund LP, Platinum Partners Credit Opportunities Fund (TE) LLC, Platinum Partners Credit Opportunities Fund LLC, Platinum Partners Credit Opportunities Fund (BL) LLC, Platinum Liquid Opportunity Management (NY) LLC, Platinum Partners Liquid Opportunity Fund (USA) L.P., Platinum Partners Liquid Opportunity Master Fund L.P., Platinum Partners Credit Opportunities Fund International Ltd and Platinum Partners Credit Opportunities Fund International (A) Ltd.

2. As set forth in the accompanying Reply Memorandum of Law, I do not believe that any of the objections filed in response to the Sale Motion raise a material question of fact that necessitates a factual response. Nevertheless, I would like to correct or supplement a few points.

3. The “*Independent Investors Opp.*” [Dkt. No. 364-2] is premised on a misconception of what is actually being sold. Attached as Exhibit A is a copy of the Purchase, Sale and Royalty Agreement between Platinum Partners Credit Opportunities Master Fund LP, West Ventures LLC, CB Midas Holdings, LLC and CB Midas Brazil Participações Ltda. dated as of July 24, 2018 (the “*PSRA*”). As the PSRA reflects, the Receivership is proposing to sell all issued and outstanding *equity* interests in Sul Real XXXII Participações Ltda. (“*Sul Real*”), not any real estate or other assets.

4. In addition, the premise of the Independent Investors Opp. that the Receivership holds rights to mine minerals in the ground (*i.e.*, in real property) is not accurate. Sul Real’s primary asset is a pile of slurry which has already been extracted from an adjacent mine, and is sitting above ground pile while it awaits transport to a processing plant.

5. To the extent the Independent Investors are advocating for an appraisal of the value of the land on which a processing site is planned, I have concluded that such an appraisal (of barren land in the middle of Brazil, which has no value other than its proximity to the Abdala tailings pond) would be of little or no value to the estate. The lease is for land located in a remote location in a foreign country, making any appraisal uneconomical and impractical in my business judgment. Moreover, other than strategic importance to any buyer of Abdala, the land has little or no independent value.

6. To the extent the Independent Investors are advocating an appraisal of the value of gold contents of the tailings, it has been my understanding, as I mentioned in my moving declaration, that such an appraisal would require full National Instrument 43-101-complaint testing. Testing of this nature, I have been informed by my advisors, would take 6 to 12 months and cost up to \$1,000,000. While that testing took place, the Receivership would continue to incur monthly maintenance costs of approximately \$50,000 per month. Furthermore, I am concerned by the risk that any test results showing lower gold concentration than market expectations will irreversibly lower Abdala's sale price. In my business judgment, I have concluded that such resource validation by the Receivership would be unsound.

7. It also is noteworthy that I and my professionals have had ongoing contacts with the Independent Investors and their counsel since the time of my appointment. Not until they filed the Independent Investors Opp. did they ever raise any concern that the Abdala sale process led by Houlihan, which they have known about since its start, needed to comply with the mandates of 28 U.S.C. §2001.

8. The "*Zanhav Opp.*" [Dkt. No. 364-5] has been filed by a bidder who participated in the sales process essentially from start to finish and whose purportedly last and best offer prior to the Sale Motion I determined not to accept in favor of the Centerbridge bid.

9. Upon receipt of the August 2 bid that is attached as Exhibit 2 to the Zanhav Opp. (the "*Zanhav Bid*"), I and my professionals – legal, financial and transactional – immediately began to analyze it. For the reasons set forth in the accompanying Reply Memorandum of Law, we concluded that the Zanhav Bid is non-binding and, therefore, does not qualify, under any circumstance, as a superior offer to the winning Centerbridge bid.

10. Nevertheless, my financial and transactional professionals continued to analyze the Zanhav Bid as if it were binding. Based on their modeling, they found that, when factoring in the break-up fee that would be due to Centerbridge in the event the Zanhav Bid were accepted, the Zanhav Bid is marginally worse than or equal to Centerbridge's offer if Abdala's gold concentration is at the low-range of reasonableness, marginally better than Centerbridge's offer if Abdala's gold concentration is at the mid-range of reasonableness, and clearly inferior to Centerbridge's offer if Abdala's gold concentration is at the high end of reasonableness:

Average Gold Concentration	Centerbridge	Zanhav (After Break Up Fee)
4 grams per ton	\$27.5 million	\$27 million
6 grams per ton	\$27.5 million	\$27.8 million
9 grams per ton	32.2 million	\$33.2 million
12 grams per ton	39.8 million	\$38.8 million
15 grams per ton	47.2 million	\$44.4 million

11. I also have considered that (a) the Zanhav Bid is not a binding offer because it is conditioned on a condition precedent (invalidating Centerbridge's break-up fee) that that I do not believe is capable of being satisfied, (b) Zanhav has twice ignored a written bid deadline, (c) Zanhav is now litigating with the Receivership Zanhav is not, in the Receiver's judgment, and (d) thus, Zanhav is not a suitable partner moving forward.

12. Based on all of these considerations and others, and after due deliberations with my legal, financial and transactional professionals, I have determined, in my business judgment, that the Zanhav Bid is not superior to the winning Centerbridge bid.

13. With regard to Zanhav's complaints about the sale process, it is notable that Zanhav elected to and continued to participate in the sale process essentially from start to finish. Furthermore, Zanhav's ongoing participation, moreover, was subject to a clear set of ground rules, to which Zanhav subscribed, including that: "[t]he Receivership Entities reserve the right

to negotiate with one or more prospective buyers at any time or to enter into a definitive agreement without prior notice to any of the interested parties”; “[t]his process does not create any legal rights of any nature whatsoever in favor of any prospective buyer”; “[y]our Proposal should include your highest and best bid and should be submitted by the Submission Time”; “[y]ou should not assume that you will be given the opportunity to rebid or increase the amount of your Proposal”; and “[a]ny Proposal, whether or not it represents the highest proposed consideration, may be rejected in the sole and absolute discretion of the Seller.” Zanhav’s complaints about the process now are not only belied by its continued participation in it but also seek to rewrite the rules under which Zanhav agreed to participate.

CONCLUSION

14. It is my business judgment that the PSRA represents the best disposition of the Abdala asset for the benefit of the Receivership. Therefore, for the reasons set forth herein, as well as in the accompanying Reply Memorandum of Law and all prior filings in support of the Sale Motion, I respectfully ask the Court to an order: (a) approving the sale of Abdala gold; (b) authorizing me to pay the fees and expenses of Chediak Advogados from the proceeds of the Abdala sale; and (c) granting me such other and further relief as the Court deems appropriate.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 10th day of August, 2018, at New York, New York.

/s/ Melanie L. Cyganowski
Melanie L. Cyganowski

EXHIBIT 1

PURCHASE, SALE AND ROYALTY AGREEMENT

between

PLATINUM PARTNERS CREDIT OPPORTUNITIES MASTER FUND LP,

WEST VENTURES LLC,

CB MIDAS HOLDINGS, LLC

CB MIDAS BRAZIL PARTICIPAÇÕES LTDA.

dated as of

July 24, 2018

TABLE OF CONTENTS

ARTICLE I DEFINITIONS 6

ARTICLE II PURCHASE AND SALE..... 13

Section 2.01 Purchase and Sale. 13

Section 2.02 Purchase Price. 14

Section 2.03 Escrow. 14

Section 2.04 Transactions to be Effected at the Closing...... 14

Section 2.05 Closing. 15

Section 2.06 Royalty Consideration. 15

Section 2.07 As-Is Where-Is Sale...... 15

Section 2.08 RESERVED. 16

Section 2.09 Further Conveyances and Assumptions...... 16

Section 2.10 Purchase Price Allocation...... 16

Section 2.11 Characterization for Tax Purposes of the Royalty Consideration and the Sul Real Equity Interests Buyer. 16

Section 2.12 Withholding Taxes. 16

Section 2.13 Conditional Payment...... 16

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLERS 17

Section 3.01 Organization and Authority of Platinum...... 17

Section 3.02 Organization and Authority of West Ventures. 17

Section 3.03 Capitalization...... 17

Section 3.04 Sul Real. 18

Section 3.05 Litigation...... 18

Section 3.06 Permits. 18

Section 3.07 No Conflicts; Consents...... 18

Section 3.08 Brokers...... 19

Section 3.09 Title to Assets...... 19

Section 3.10 Financial Statements..... 19

Section 3.11 Tax Representations and Warranties..... 19

Section 3.12 No Other Representations and Warranties..... 20

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYERS..... 21

Section 4.01 Organization and Authority of Buyers..... 21

Section 4.02 No Conflicts; Consents..... 21

Section 4.03 Investment Purpose..... 21

Section 4.04 Brokers..... 22

Section 4.05 Sufficiency of Funds..... 22

Section 4.06 USA PATRIOT Act..... 22

Section 4.07 Independent Investigation..... 22

ARTICLE V COVENANTS..... 22

Section 5.01 Conduct of Business Prior to the Closing..... 22

Section 5.02 Access to Information..... 23

Section 5.03 Resignations..... 23

Section 5.04 Confidentiality..... 23

Section 5.05 Closing Conditions..... 23

Section 5.06 Further Assurances..... 23

Section 5.07 Timing of Royalty Consideration Payments..... 24

Section 5.08 Financial Reports; Audit Right..... 24

Section 5.09 Assignments and Transfers..... 25

Section 5.10 Transfer Taxes..... 25

Section 5.11 Continuing Assistance..... 25

Section 5.12 Resource Validation..... 26

ARTICLE VI CONDITIONS TO CLOSING 26

Section 6.01 Conditions to Obligations of All Parties..... 26

Section 6.02 Conditions to Obligations of Buyers..... 26

Section 6.03 Conditions to Obligations of Sellers. 27

ARTICLE VII INDEMNIFICATION 28

Section 7.01 Survival. 28

Section 7.02 Indemnification By Sellers..... 28

Section 7.03 Indemnification By Buyers..... 28

Section 7.04 Certain Limitations..... 29

Section 7.05 Indemnification Procedures. 30

Section 7.06 Tax Treatment of Indemnification Payments..... 32

Section 7.07 Exclusive Remedies..... 32

ARTICLE VIII TERMINATION 32

Section 8.01 Termination. 32

Section 8.02 Effect of Termination..... 33

ARTICLE IX MISCELLANEOUS 34

Section 9.01 Expenses..... 34

Section 9.02 Notices. 34

Section 9.03 Interpretation. 35

Section 9.04 Headings..... 35

Section 9.05 Severability. 35

Section 9.06 Entire Agreement..... 35

Section 9.07 Successors and Assigns. 35

Section 9.08 No Third-party Beneficiaries. 36

Section 9.09 Amendment and Modification; Waiver. 36

Section 9.10 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial..... 36

Section 9.11 Specific Performance. 37

Section 9.12 Exclusivity; Superior Offer. 37

Section 9.13 Counterparts..... 37
Section 9.14 Non-recourse..... 38

PURCHASE, SALE AND ROYALTY AGREEMENT

This Purchase, Sale and Royalty Agreement (this “**Agreement**”), dated as of July 24, 2018 (the “**Execution Date**”), is entered into between PLATINUM PARTNERS CREDIT OPPORTUNITIES MASTER FUND LP, a Delaware limited partnership (“**Platinum**”), WEST VENTURES LLC, a Delaware limited liability company (the “**West Ventures**”, and together with Platinum, “**Sellers**”), and CB MIDAS HOLDINGS, LLC, a Delaware limited liability company (the “**Loan and Settlement Buyer**”) and CB MIDAS BRAZIL PARTICIPAÇÕES LTDA. (the “**Sul Real Equity Interests Buyer**”, and together with the Loan and Settlement Buyer, “**Buyers**”).

Recitals

WHEREAS, Platinum owns all of the issued and outstanding membership interests (the “**West Ventures Membership Interests**”) in West Ventures;

WHEREAS, West Ventures owns all of the issued and outstanding equity interests (the “**Sul Real Equity Interests**”) in Sul Real XXXII Participações Ltda., a Brazilian limited liability company registered with the Brazilian Corporate Taxpayers’ Registry of the Ministry of Finance (*Cadastro Nacional da Pessoa Jurídica do Ministério da Fazenda* – “**CNPJ/MF**”) under no 23.807.553/0001-56, with headquarters in the City of São Paulo, State of São Paulo, at rua Eduardo Pereira, no. 227, Bairro Vila Guarani (Z Sul), CEP 04312-010 (“**Sul Real**”) and certain other assets;

WHEREAS, Sellers wish to sell to Buyers, and Buyers wish to purchase from Sellers, the Acquired Assets, subject to the terms and conditions set forth herein;

WHEREAS, subject to the terms and conditions contained herein, Sellers shall sell, transfer, and assign to Buyers, and Buyers shall acquire from Sellers, the Acquired Assets; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DEFINITIONS

The following terms have the meanings specified or referred to in this **ARTICLE I**:

“**Acquired Assets**” mean all of Sellers’ rights, titles, and interests in, to and under the Sul Real Equity Interests, the Settlement Agreement, and the Loan Agreement.

“**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the

management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“**Agreement**” has the meaning set forth in the preamble.

“**Allocation**” has the meaning set forth in Section 2.10.

“**Approval Order**” means an Order of the Court in the Receivership Action in form and substance reasonably satisfactory to Buyers, approving and/or consenting to the transactions set forth in this Agreement.

“**Business Day**” means any day except Saturday, Sunday or any other day on which commercial banks located in the State of New York are authorized or required by Law to be closed for business.

“**Buyers**” has the meaning set forth in the preamble.

“**Capital Contribution Amount**” means the sum of all capital contributions made to the Owner at any time on or after the Closing Date; *provided that*, for avoidance of confusion, no Conditional Payment shall be included in the Capital Contribution Amount.

“**Closing**” has the meaning set forth in Section 2.05.

“**Closing Date**” has the meaning set forth in Section 2.05.

“**Closing Purchase Consideration**” has the meaning set forth in Section 2.02.

“**Code**” means the United States Internal Revenue Code of 1986, as amended.

“**Commercial Production**” shall be deemed to have commenced the first day following any period during which Mineral Products have been processed from the Tailings Dam for the purpose of earning revenues.

“**Conditional Payment**” has the meaning set forth in Section 2.13.

“**Confidentiality Agreement**” means the Confidentiality Agreement, dated as of December 8, 2017, between CCP Credit Acquisition Holdings, L.L.C., the Receiver and Houlihan Lokey Capital.

“**Court**” means the United States District Court for the Eastern District of New York.

“**Data Room**” means the electronic documentation site titled “Project Midas” relating to the Company established by Intralinks, Inc. on behalf of Platinum, to which Buyers and their Representatives have been provided access.

“**Deposit**” has the meaning set forth in Section 2.03(a).

“**Direct Claim**” has the meaning set forth in Section 7.05(c).

“**DNPM**” means the *Departamento Nacional de Produção Mineral* in Brazil, as succeeded or replaced by the *Agência Nacional de Mineração – ANM*.

“**Dollars or \$**” means the lawful currency of the United States.

“**Drop Dead Date**” means the date that is one hundred twenty (120) calendar days after the Execution Date, unless extended by mutual written agreement of the Parties.

“**Elenice**” means Ms. Elenice Thiemann, Brazilian citizen, single, business administrator, bearer of identity card RG No. 5.474.586-9 (SESP/PR) and enrolled with CPF/MF under No. 535.205.801-87, resident and domiciled at Avenida Itália, no. 355, Bairro Jardim Itália, City of Cuiabá, State of Mato Grosso.

“**Employee Obligations**” means all accrued wages, salaries, commissions, vacation pay, overtime pay, incentive compensation, expenses, sick leave benefits, obligations under stock option plans, other employee benefits and all premiums for employment insurance, employer health tax, worker’s compensation, and pension obligation.

“**Encumbrance**” means any lien, encumbrance, right, demand, option, pledge, mortgage, fiduciary transfer (*alienação fiduciária*), fiduciary assignment (*cessão fiduciária*), attachment (*penhora*), arrest (*arresto*), deed of trust, security interest or similar interest, charge, claim, easement, encroachment, title defect, hypothecation, right of way, right of setoff, restrictive covenant, right of first refusal, preemptive right, judgment, real property license, lease, conditional sale or other title retention agreement and other imposition, imperfection, or defect of title or restriction on transfer or use of any nature or other similar encumbrance of any nature whatsoever.

“**Environmental Laws**” means all applicable Laws concerning public health and safety, worker health and safety, natural resources, or pollution or protection of the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, Release, Threat of Release, control, or cleanup of any Hazardous Substances.

“**Environmental Liability**” means Liabilities related to or with respect to (a) any treatment, possession, storage, disposition, transport, handling, disposal, discharge, emission, arrangement for disposal, treatment or storage, or Release or Threat of Release of any Hazardous Substance; (b) any exposure of any employee, contractor, advisor or other person to any Hazardous Substance; or (c) any legal or contractual obligation to investigate, mitigate, remediate, clean up, or take any corrective action with respect to, any Hazardous Substance.

“**Escrow Account**”, “**Escrow Agent**” and “**Escrow Agreement**” have the respective meanings set forth in Section 2.03(a).

“**Execution Date**” has the meaning set forth in the preamble.

“**GAAP**” means generally accepted accounting principles in the United States as in effect as of January 1, 2018, as set forth in the opinions and pronouncements of the Accounting

Principles Board of the American Institute of Certified Public Accountants and the statements and pronouncements of the Financial Accounting Standards Board.

“Governmental Authority” means any federal, state, municipal, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

“Governmental Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Hazardous Substances” means (a) any material, substance, pollutant, toxic substance, hazardous substance, hazardous waste, or hazardous material as currently or hereafter regulated by or addressed pursuant to any Environmental Law, including, any of the foregoing specifically defined as “hazardous waste,” “industrial waste,” “hazardous substance,” “solid waste,” “hazardous material,” “pollutant,” “contaminant,” or “source material” under any Environmental Laws; (b) any substance, the presence of which on, under or in the Property, the Locations, or the Mining Products is prohibited or regulated by Environmental Law or which requires investigation or remediation under any Environmental Law; and/or (c) any material or substance that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise hazardous to human health or the environment.

“Indemnification Deductible” has the meaning set forth in 7.04(a).

“Indemnified Party” has the meaning set forth in [Section 7.04](#).

“Indemnifying Party” has the meaning set forth in [Section 7.04](#).

“Law” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

“Lease” means the rural lease agreement entered into by and among Sul Real, as lessee, and Joe Moacir Witzak, Joe Moacir Witzak Junior and Josiane Maria Witzak Soares, as lessor, dated as of June 5, 2018, creating a fully valid and effective leasehold over an area where Sul Real will develop its plant for processing Mineral Products from the Property.

“Liability” means, as to any Person, any debt, adverse claim, liability, duty, responsibility, obligation, commitment, assessment, cost, expense, loss, expenditure, Tax, charge, fee, penalty, fine, contribution or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, accrued or unaccrued, liquidated or unliquidated, on or off-balance sheet, or due or to become due, and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed, including all costs and expenses relating thereto.

“**Loan Agreement**” means the loan agreement dated as of November 9, 2012, as may be amended, supplemented, or otherwise modified from time to time, signed by and between Rico Abdala, as borrower, and Resources Holdings, Inc., as original lender, and assigned by Resources Holdings, Inc. to West Ventures on March 14, 2013, pursuant to the Assignment and Assumption Agreement executed by and between Resources Holdings, Inc. and West Ventures.

“**Locations**” means (i) the area which is subject to the Lease; and (ii) any other location at which Owner will be engaged in the processing of Mineral Products from the Property.

“**Losses**” means losses, damages, liabilities, costs or expenses, including reasonable attorneys’ fees.

“**Mineral Products**” means any and all ores, concentrates, metals and other products extracted, derived or produced from the Tailings Dam, in accordance with the Mining Rights, under the terms of the Settlement Agreement and in the area subject to the Usufruct, directly or indirectly, whose value is principally dependent upon precious, base or industrial minerals, including without limitation gold.

“**Mining Rights**” means the rights, under the Brazilian applicable legislation and regulation, required to exploit and/or explore Mineral Products located in the Tailings Dam, including, but not limited to, the DNPM’s mining rights No. 866.592/2007; 866.359/2011; 866.361/2011; and 867.205/2013.

“**Mining Rights Holder**” means the registered holder of the Mining Rights with DNPM, which currently is Rico Abdala.

“**MOIC Condition**” means that a multiple on the Total Investment Amount of at least 3.0X (calculated on a cash-in, cash-out basis) has been realized by the Buyers.

“**Order**” means an order that has not been reversed, vacated or stayed.

“**Owner**” means, at any point in time, the entity that directly or indirectly conducts the business related to the purchase of tailings, mining, milling and/or other treatment of ores or concentrates and/or marketing of any Mineral Products resulting from operations upon the Property, whether it be West Ventures, the Loan and Settlement Buyer, the Sul Real Equity Interests Buyer, their respective Affiliates or the successors and/or assigns of the foregoing entities.

“**Party**” or “**Parties**” means Buyers and Sellers.

“**Permits**” means all federal, state, municipal and local licenses, permits (including regulatory, environmental, construction and operation permits), approvals, consents, resolutions, certificates, rights, exemptions, Orders or similar authorizations or waivers of the foregoing, issued by any Governmental Authority and necessary for carrying on the business related to the purchase of tailings, mining, milling, and/or other treatment of ores or concentrates and/or marketing any Mineral Products as it is now being conducted and as it is contemplated by Sellers to be conducted or material to the ownership of the Acquired Assets.

“**Person**” means an individual, corporation, partnership, joint venture, limited liability company, individual limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

“**Platinum**” has the meaning set forth in the preamble.

“**Property**” means the tailings dam of the Abdala gold mine located in Mato Grosso, Brazil, as more particularly described in the Lease. “Property” shall include all forms of Mineral Products, mineral title into which the Tailings Dam may be converted by process of Law or otherwise, including mining arrangements and leases.

“**Purchase Price**” has the meaning set forth in Section 2.02.

“**Receiver**” means Melanie L. Cyganowski, solely in her capacity as Court-appointed receiver in the Receivership Action.

“**Receivership Action**” means the case *Securities and Exchange Commission v. Platinum Management (NY) LLC et al* (16-cv-6848) pending in the Court.

“**Release**” means any releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping into the environment.

“**Remaining Conditional Payment Credit**” means, at any date, an amount equal to the portion of the Conditional Payment that has not been applied prior to such date to reduce a payment of Royalty Consideration as permitted hereunder.

“**Representative**” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

“**Resource Validation**” has the meaning set forth in Section 5.12.

“**Revenues**” means, for any calendar quarter, the sum of the following:

(A) cash revenue received by Owner (prior to deduction of any revenue-based royalties) from the sale, deemed sale or other disposal of Mineral Products from the Property in the calendar quarter; and

(B) cash proceeds received by Owner from the sale, lease, rental or disposal of plant, buildings, machinery, equipment and lands comprising the Property (less the costs of such sale, lease, rent or disposal except income taxes under federal, provincial or territorial income tax acts) and insurance proceeds from the loss, damage or destruction thereof, but only to the extent depreciation has been calculated as an operating cost; and

(C) cash refunds received by Owner from reclamation bonds, deposits and taxes directly related to and in respect of the Property or the sale or other disposal of Mineral Products from the Property; and

(D) any business interruption insurance proceeds received by Owner directly related to and in respect of the Property or the sale or other disposal of Mineral Products.

“**Rico Abdala**” or “**Rico**” means (i) Reginaldo Luiz de Almeida Ferreira, Brazilian citizen, divorced, businessman, bearer of identity card RG No. 1307142-4 (SSP/MT) and enrolled with CPF/MF under No. 441.955.911-04, resident and domiciled in the City of Várzea Grande, State of Mato Grosso, at Rua Miguel Leite, no. 253, Centro; and (ii) Reginaldo Luiz de Almeida Ferreira – ME, private legal entity, registered with the CNPJ/MF under no 08.838.089/0001-71, with headquarters in the City of Nossa Senhora do Livramento, State of Mato Grosso, at Rodovia BR 070, KM20, Fazenda Bom Jardim, Zona Rural, CEP 78.170-000.

“**Royalty Consideration**” has the meaning set forth in Section 2.06.

“**Sellers**” has the meaning set forth in the preamble.

“**Settlement Agreement**” means settlement agreement dated as of January 19, 2016, as may be amended, supplemented, or otherwise modified from time to time, executed by and between West Ventures, Rico Abdala and Elenice, in the context of the judicial records of the Enforcement Proceeding no. 0047340-77.2013.8.11

“**Subsidiary**” has the meaning set forth in Section 3.04.

“**Sul Real**” has the meaning set forth in the recitals.

“**Sul Real Equity Interests**” has the meaning set forth in the recitals.

“**Superior Offer**” means a bona fide binding written acquisition offer that the Receiver determines in good faith (after consultation with Receiver’s counsel and financial advisor), taking into account all legal, financial, timing and other aspects of such proposal and the identity of the competing offeror making the offer (a) is reasonably likely to be consummated on the terms proposed, (b) is more favorable from a financial point of view to Sellers than the terms of the transaction contemplated herein and (c) is otherwise on terms that the Receiver has determined to be superior to the transaction contemplated hereby.

“**Superior Offer Termination Fee**” means ten percent (10%) of the gross value of all cash, securities and other property payable by an acquirer and/or its Affiliates in connection with an acquisition transaction, or in the case the acquisition transaction involves a joint venture or partnership, the gross value of all cash, securities and assets contributed by the parties to such joint venture or partnership.

“**Tailings Dam**” means the tailings dam of the Abdala gold mine located in Mato Grosso, Brazil, more particularly described in the Lease. “**Tailings Dam**” shall include all forms of Mineral Products, mineral title into which the Tailings Dam may be converted by process of Law or otherwise.

“**Tax Returns**” mean all returns, statements, forms and reports (including, elections, declarations, disclosures, schedules, estimates and informational tax returns) for Taxes.

“**Taxes**” shall mean all present or future taxes, assessments, charges, duties, fees, levies or other governmental charges imposed by any governmental authority including all United States and Brazilian federal, state, local, foreign and other income, franchise, profits, gross receipts, capital gains, capital stock, transfer, sales, use, value-added, occupation, property, excise, severance, windfall profits, stamp, license, payroll, social security, withholding and other taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind whatsoever (whether payable directly or by withholding and whether or not requiring the filing of a Tax Return), all estimated taxes, deficiency assessments, additions to tax, penalties and interest and shall include any liability for such amounts as a result of (i) being a transferee or successor or member of a combined, consolidated, unitary or affiliated group, or (ii) a contractual obligation to indemnify any person or other entity.

“**Third-Party Claim**” has the meaning set forth in [Section 7.05\(a\)](#).

“**Threat of Release**” means a substantial likelihood of a Release that requires action to prevent or mitigate damage to the environment that may result from such Release.

“**Total Investment Amount**” means the sum of (a) Closing Purchase Consideration and (b) the Capital Contribution Amount.

“**Transaction Documents**” means, collectively, this Agreement dated as of the Execution Date and each instrument of transfer of any Acquired Asset dated as of the Closing Date.

“**Transferee Owner**” has the meaning set forth in Section 5.09.

“**Usufruct**” means the right to explore under usufruct the area of 5.95553 hectares of the property owned by Elenice located in the city of Nossa Senhora do Livramento, State of Mato Grosso, Brazil, enrolled before the Registry Office of Varzea Grande under No. 31.377, created in favor of Sul Real, by means of the Public Deed of Usufruct and Other Covenants entered into between Rico Abdala and Elenice and Sul Real, dated as of April 20, 2016.

“**West Ventures**” has the meaning set forth in the preamble.

“**West Ventures Membership Interests**” has the meaning set forth in the recitals.

ARTICLE II PURCHASE AND SALE

Section 2.01 Purchase and Sale. Subject to the terms and conditions set forth herein, at the Closing, and for the consideration specified in [Section 2.02](#), Sellers shall sell, transfer, assign, convey and deliver (a) to the Loan and Settlement Buyer, and the Loan and Settlement Buyer shall purchase, acquire and accept from Sellers, all of Sellers’ rights, titles, and interests in, to and under the Loan Agreement and the Settlement Agreement and (b) to the Sul Real Equity Interests Buyer, and the Sul Real Equity Interests Buyer shall purchase, acquire and accept from Sellers, all of Sellers’ rights, titles, and interests in, to and under the Sul Real Equity Interests, in each case, free and clear of all Encumbrances. For the avoidance of doubt, neither

Buyer shall assume, or become liable for the payment or performance of, any Liabilities of Sellers; *provided that* Buyers shall be responsible for the Liabilities of Sul Real accruing or arising from and after the Closing Date.

Section 2.02 Purchase Price. The aggregate purchase price (collectively, the “**Purchase Price**”) for the Acquired Assets shall be the sum of (a) Twenty Seven Million and Five Hundred Thousand Dollars (\$27,500,000) (the “**Closing Purchase Consideration**”), (b) the Conditional Payment (if any), and (c) the Royalty Consideration.

Section 2.03 Escrow.

(a) Within five (5) Business Days of the Execution Date, Loan and Settlement Buyer and West Ventures shall enter into an escrow agreement (as amended, supplemented or otherwise modified from time to time, the “**Escrow Agreement**”) in form and substance satisfactory to Loan and Settlement Buyer and West Ventures with a mutually agreed escrow agent (the “**Escrow Agent**”). Concurrently with the execution and delivery of the Escrow Agreement by West Ventures, Loan and Settlement Buyer shall deposit ten percent (10%) of the Closing Purchase Consideration (the “**Deposit**”) with the Escrow Agent by wire transfer of immediately available funds. The Escrow Agent shall hold the Deposit in a segregated account (the “**Escrow Account**”) pursuant to the Escrow Agreement. All interest or other earnings on amounts held in the Escrow Account pursuant to the Escrow Agreement shall automatically become a part of the Deposit as such interest or earnings accrue.

(b) If this Agreement is validly terminated prior to the Closing, the Deposit in the Escrow Account shall be released and distributed to Loan and Settlement Buyer or West Ventures in accordance with Section 8.02.

Section 2.04 Transactions to be Effected at the Closing.

(a) At the Closing, Buyers shall deliver to Sellers:

(i) the Closing Purchase Consideration (less the amount of the Deposit) by wire transfer of immediately available funds to an account of West Ventures designated in writing by Platinum to Buyers no later than two (2) Business Days prior to the Closing Date;

(ii) written instructions to the Escrow Agent to immediately release the Deposit to West Ventures; and

(iii) any other documents, instruments, forms or certificates required to be delivered by Buyers at or prior to the Closing pursuant to **Section 6.03** of this Agreement.

(b) At the Closing, Sellers shall deliver to Buyers:

(i) duly executed bills of sale with respect to the Acquired Assets, in form and substance satisfactory to Buyers;

(ii) one or more amendments to the articles of association of Sul Real in order to formalize the (a) transfer of 100% (one-hundred percent) of the Sul Real Equity Interests, free and clear of all Encumbrances; and (b) appointment of new officers of Sul Real, which shall be appointed by the Sul Real Equity Interests Buyer, duly executed by Sul Real quotaholders, with signatures notarized by a notary public; and

(iii) any other documents, instruments, forms or certificates required to be delivered by Sellers at or prior to the Closing pursuant to **Section 6.02** of this Agreement.

Section 2.05 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the Acquisition Assets contemplated hereby shall take place at a closing (the “**Closing**”) to be held at 10:00 a.m., New York City time, no later than two (2) Business Days after the last of the conditions to Closing set forth in **ARTICLE VI** have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date), at the offices of Otterbourg P.C., 230 Park Avenue, New York, New York 10169, or at such other time or on such other date or at such other place as Sellers and Buyers may mutually agree upon in writing (the day on which the Closing takes place being the “**Closing Date**”).

Section 2.06 Royalty Consideration. In addition to the Closing Purchase Consideration and the Conditional Payment, if any, the Sul Real Equity Interests Buyer (including its successors and assigns, Owner and any Transferee Owner) hereby grants, transfers and conveys to West Ventures, and the Sul Real Equity Interests Buyer (including its successors and assigns) shall pay West Ventures, a royalty (the “**Royalty Consideration**”) in an amount equal to (a) seven and a half percent (7.5%) of Revenues resulting from mining and/or milling activities upon the Property after and only when the MOIC Condition has been satisfied less (b) an amount equal to the Remaining Conditional Payment Credit. The Royalty Consideration shall be calculated quarterly in arrears in good faith, and the portion of such Royalty Consideration that has accrued during a calendar quarter shall be remitted in accordance with Section 5.07. The covenant of this Section 2.06 shall survive the Closing for so long as Owner (or any Transferee Owner) shall continue to have any exploration rights with respect to the Property. For the avoidance of doubt, (x) if a capital contribution is made to the Owner after the MOIC Condition has been satisfied such that the MOIC Condition ceases to be satisfied, Royalty Consideration shall not accrue thereafter until the MOIC Condition becomes again satisfied and (y) the Remaining Conditional Payment Credit may be used to reduce the amount of Royalty Consideration payable to West Ventures on a dollar-for-dollar basis.

Section 2.07 As-Is Where-Is Sale. THE SALE BY SELLERS TO BUYERS OF THE ACQUIRED ASSETS HEREUNDER IS ON AN “AS IS” AND “WHERE IS” BASIS, WITH ALL FAULTS AND WITHOUT RECOURSE EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT. EXCEPT FOR THOSE REPRESENTATIONS EXPLICITLY SET FORTH HEREIN, SELLERS MAKE NO OTHER WARRANTY, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY AS TO CONDITION, VALUE, DESIGN, QUALITY, OPERATION, SUITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

Section 2.08 RESERVED.

Section 2.09 Further Conveyances and Assumptions. From time to time following the Closing, Sellers and Buyers shall, and Sellers and Buyers shall cause their respective Affiliates to, at Buyers' expense, execute, acknowledge and deliver all such further conveyances, notices, assumptions, releases, and acquaintances and such other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to assign and convey fully to Buyers and their respective successors or assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Buyers under this Agreement and to otherwise make effective the transactions contemplated hereby and by the Approval Order.

Section 2.10 Purchase Price Allocation. The consideration payable pursuant to this Agreement shall be allocated among the Acquired Assets as reasonably agreed to by the Parties ("**Allocation**"). The Allocation will be conclusive and binding upon Sellers and Buyers for all tax purposes and no party shall take a position on a Tax Return for U.S. federal income tax purposes that is inconsistent with the Allocation unless otherwise required by the IRS or any other applicable taxing authority or by a final "determination" as defined under Section 1313(a) of the Code.

Section 2.11 Characterization for Tax Purposes of the Royalty Consideration and the Sul Real Equity Interests Buyer. It is the intention of the parties hereto that (a) the Sul Real Equity Interests Buyer be treated as a partnership and (b) the Royalty Consideration be treated as profits interest in such partnership, in each case, for U.S. federal income tax purposes (the "**Intended Characterization**") and the parties agree not to take a position for U.S. federal, state and local tax purposes that is inconsistent with the Intended Characterization. The tax allocation and related tax provisions of such partnership are set forth in Schedule 2.10.

Section 2.12 Withholding Taxes. Notwithstanding anything herein to the contrary, the Sul Real Equity Interests Buyer shall be entitled to deduct and withhold from the consideration otherwise payable to any Person pursuant to this Agreement, such amounts as it is required to deduct and withhold with respect to the making of such payment under any provision of federal, state, local or foreign Tax law. If the Sul Real Equity Interests Buyer so withholds amounts and remits them to the appropriate taxing authority on behalf of Sellers or such other Person, such amounts shall be treated for all purposes of this Agreement as having been paid to Sellers or such other Person in respect of which the Sul Real Equity Interests Buyer made such deduction and withholding.

Section 2.13 Conditional Payment. In addition to the Closing Purchase Consideration and the Royalty Consideration, if the Resource Validation indicates an average grade of commercially recoverable gold equal to or greater than nine (9) grams per ton, the Sul Real Equity Interests Buyer shall promptly pay to West Ventures Three Million Dollars (\$3,000,000) (the "**Conditional Payment**"). At the option of the Sul Real Equity Interests Buyer, all or a portion of the Conditional Payment may be used to reduce the amount of Royalty Consideration payable to West Ventures in accordance with Section 2.06.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLERS

Sellers represent and warrant to Buyers that the statements contained in this **ARTICLE III** are true and correct in all material respects as of the Execution Date (except as otherwise expressly set forth).

Section 3.01 Organization and Authority of Sellers. Platinum is a limited partnership duly organized, validly existing, and in good standing under the Laws of the state of Delaware. Platinum has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder. Upon and after the issuance of the Approval Order by the Court, the consummation by Platinum of the transactions contemplated hereby shall have been duly authorized by all requisite action on the part of Platinum. This Agreement has been duly executed and delivered by Platinum, and (assuming due authorization, execution and delivery by Buyers) this Agreement constitutes a legal, valid and binding obligation of Platinum, enforceable against Platinum in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 3.02 Organization and Authority of West Ventures. West Ventures is a limited liability company duly organized, validly existing, and in good standing under the Laws of the state of Delaware. West Ventures has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder. West Ventures is treated for U.S. federal income tax purposes as an entity that is disregarded as separate from its single owner, Platinum. The consummation by West Ventures of the transactions contemplated hereby shall have been duly authorized by all requisite action on the part of West Ventures. This Agreement has been duly executed and delivered by West Ventures, and (assuming due authorization, execution and delivery by Buyers) this Agreement constitutes a legal, valid and binding obligation of West Ventures, enforceable against West Ventures in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity). West Ventures owns, operates or leases the properties and assets now owned, operated or leased by it and to carry on its business as it is currently conducted.

Section 3.03 Capitalization.

(a) Platinum is the owner of and has good and valid title to 100% of the West Ventures Membership Interests, free and clear of all Encumbrances.

(b) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the capital stock or membership interests of West Ventures or Sul Real or obligating Platinum, West Ventures, Sul Real or any other person to to issue or sell any capital stock of, or membership interests or any other interest in Sul Real (except that as of the Execution Date, one (1) quota of Sul Real is not held by West Ventures, but is

subject to a call option that will be exercised prior to the Closing Date). Sul Real does not have any outstanding or authorized any stock appreciation, phantom stock, profits interest, profit participation or similar rights.

Section 3.04 Sul Real.

(a) Upon the Closing Date, West Ventures will be the owner of and will have good and valid title to 100% of the Sul Real Equity Interests, free and clear of all Encumbrances. The Sul Real Equity Interests constitute 100% of the total issued and outstanding membership interests in Sul Real.

(b) The Sul Real Equity Interests have been duly authorized and validly issued, and are fully-paid and non-assessable. Upon consummation of the transactions contemplated by this Agreement, the Sul Real Equity Interests Buyer shall own 100% of the Sul Real Equity Interests, free and clear of all Encumbrances.

(c) Sul Real is a limited liability company duly organized, validly existing, and in good standing under the Laws of Brazil.

(d) Sul Real has entered into the Lease.

(e) Sul Real owns, operates, or holds the Usufruct.

(f) Sul Real is qualified and in good standing in each jurisdiction where the properties, owned, leased or operated or the conduct of its business requires such qualification.

Section 3.05 Litigation. Except as set forth on Schedule 3.05, there is no material litigation, action, claim, suit, proceeding, investigation, examination, hearing, arbitration, inquiry or subpoena by or before any Governmental Authority, pending or, to the knowledge of Sellers, threatened against or in respect of any of the Acquired Assets. Except as set forth on Schedule 3.05, none of the Acquired Assets is subject to any Government Order.

Section 3.06 Permits.

(a) West Ventures and/or Sul Real, as applicable, are in compliance in all material respects with its obligations under each of its Permits and the rules and regulations of the Governmental Authority issuing such Permits, and, to the knowledge of Sellers, no condition exists that without notice or lapse of time or both would reasonably be expected to constitute a default under, or a violation of, any Permit.

(b) There is no proceeding, notice of violation, order of forfeiture or complaint or investigation against any Seller or Sul Real relating to any of the Permits pending or to the knowledge of Sellers, threatened, before any Governmental Authority.

Section 3.07 No Conflicts; Consents. The execution, delivery and performance by Sellers of this Agreement, and upon and after the issuance of the Approval Order by the Court, the consummation of the transactions contemplated hereby, do not and will not: (a) result in a

violation of any provision of the organizational documents of Sellers or Sul Real; (b) result in a material violation of any provision of any Law or Governmental Order applicable to Sellers or Sul Real, or of any contract, agreement, Authorization or deed to which each or any of them is a party; or (c) other than the Approval Order, require the consent by any Government Authority.

Section 3.08 Brokers. Neither Platinum nor any Affiliate of Platinum has paid or become obligated to pay any fee or commission to any broker, finder, investment banker or intermediary for or on account of the transactions contemplated by this Agreement for which Buyers could be liable.

Section 3.09 Title to Assets. (a) West Ventures is the owner of and has good and valid title to 100% of the credits under the Loan Agreement and (b) West Ventures and Sul Real are the owners of and have good and valid title to the rights and interests granted to West Ventures under the Settlement Agreement free and clear of all Encumbrances and have not sold, transferred, or assigned such rights. At Closing, subject to entry of the Approval Order, Sellers will have (and shall convey to Buyers at the time of the transfer of the Acquired Assets to Buyers) good and marketable title in and to each of the Acquired Assets free and clear of all Encumbrances.

Section 3.10 Financial Statements. Sellers have delivered to Buyers on the Execution Date an unaudited balance sheet and financial statement of Sul Real prepared by RSM (the “**Sul Real Financial Statement**”). Sul Real does not have any Liabilities, including any Environmental Liabilities, Tax Liabilities or Employee Obligations, other than as set forth on the Sul Real Financial Statement. West Ventures has no Liabilities, including any Environmental Liabilities, Tax Liabilities or Employee Obligations, which may affect the Acquired Assets or the Property.

Section 3.11 Tax Representations and Warranties.

(a) Absence of Certain Changes. From the date of the most recently filed Tax Return to the date of this Agreement, with respect to the Acquired Assets, no Seller and no subsidiary of any Seller (including Sul Real) has: (i) made any Tax election or settled and/or compromised any material Tax Liability; (ii) prepared any Tax Returns in a manner which is inconsistent with the past practices of such Person, as applicable, with respect to the treatment of items on such Tax Returns; (iii) incurred any material liability for Taxes other than in the ordinary course of business; or (iv) except as set forth on Schedule 3.11, filed an amended Tax Return or claim for refund of Taxes with respect to its income, operations or property.

(b) Tax Returns. Except as set forth on Schedule 3.11, Sellers and their subsidiaries (including Sul Real) have (i) timely filed or caused to be timely filed with the appropriate taxing authorities, all Tax Returns that are required to be filed by, or with respect to, any of the Acquired Assets, and (ii) timely paid all Taxes and Tax Liabilities (including with respect to any withholding obligations) due and payable by or with respect to the income, assets or operations of the Sellers and/or their subsidiaries with respect to Acquired Assets. The Tax Returns are true, correct and complete in all

material respect, and accurately reflect all material liabilities for Taxes for the periods covered thereby.

(c) Other Tax Matters.

(i) Except as set forth on Schedule 3.11, neither the Sellers nor Sul Real has been within the past 6 years or is currently the subject of an audit or other examination of Taxes of, or with respect to, the Acquired Assets, by the tax authorities of any nation, state or locality (and no such audit is pending or contemplated) nor has the Sellers or Sul Real received any written notices within the past 6 years from any taxing authority relating to any issue which could reasonably be expected to affect the Tax Liability of the Sul Real or Buyers (or any of their affiliates) after the Closing Date.

(ii) Neither the Sellers nor Sul Real (A) has entered into an agreement or waiver (that has not expired) or has been requested to enter into an agreement or waiver extending any statute of limitations relating to the payment or collection of Taxes of or with respect to the Acquired Assets or (B) is presently contesting the Tax Liability of or with respect to the Acquired Assets before any court, tribunal or agency.

(iii) Sul Real (A) has not been included in any “consolidated,” “unitary” or “combined” Tax Return provided for under the law of the jurisdiction or any state, province, prefect, or locality with respect to Taxes for any taxable period for which the statute of limitations has not expired, and (B) is not a party to any Tax sharing, allocation, indemnification or similar agreements in effect as between Sul Real or any predecessor or Affiliate thereof and any other party (including Platinum or West Venture).

(iv) No written claim has been made by any taxing authority in a jurisdiction where the Sellers, or Sul Real, as the case may be, do not file Tax Returns that either of the Sellers or Sul Real, as the case may be, is or may be subject to taxation by that jurisdiction with respect to the Acquired Assets.

Section 3.12 No Other Representations and Warranties. Except for the representations and warranties contained in this **ARTICLE III**, none of Sellers or any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of any Seller, including any representation or warranty as to the accuracy or completeness of any information regarding West Ventures or Sul Real furnished or made available to Buyers and their Representatives (including the Confidential Information Memorandum dated December 2017 and any information, documents or material made available to Buyers in the Data Room, management presentations or in any other form in expectation of the transactions contemplated hereby) or as to the future revenue, profitability or success of West Ventures or Sul Real, or any representation or warranty arising from statute or otherwise in law.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYERS

With respect to the statements contained in this **ARTICLE IV** pertaining to the Loan and Settlement Buyer, Buyers represent and warrant that such statements are true and correct in all material respects as of the Execution Date (except as otherwise expressly set forth). With respect to the statements contained in this **ARTICLE IV** pertaining to the Sul Real Equity Interests Buyer, Buyers represent and warrant that such statements are true and correct in all material respects as of the Closing Date (except as otherwise expressly set forth).

Section 4.01 Organization and Authority of Buyers. The Loan and Settlement Buyer is a limited liability company duly organized and validly existing under the Laws of the state of Delaware. The Sul Real Equity Interests Buyer is a limited liability company duly organized and validly existing under the Laws of the Federative Republic of Brazil. As of the Execution Date for the Loan and Settlement Buyer and as of the Closing Date for the Sul Real Equity Interests Buyer, Buyers have all necessary power and authority to enter into this Agreement, to carry out their obligations hereunder and to consummate the transactions contemplated hereby. As of the Execution Date for the Loan and Settlement Buyer and as of the Closing Date for the Sul Real Equity Interests Buyer, the execution and delivery by Buyers of this Agreement, the performance by Buyers of their obligations hereunder and the consummation by Buyers of the transactions contemplated hereby have been duly authorized by all requisite action on the part of Buyers. This Agreement has been duly executed and delivered by Buyers, and (assuming due authorization, execution and delivery by Seller) this Agreement constitutes a legal, valid and binding obligation of Buyers, enforceable against Buyers in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 4.02 No Conflicts; Consents. The execution, delivery and performance by Buyers of this Agreement, and the consummation of the transactions contemplated hereby, do not and will not: (a) result in a violation of any provision of the organizational documents of Buyers; (b) result in a violation of any provision of any Law or Governmental Order applicable to Buyers; or (c) require the consent, notice or other action by any Person.

Section 4.03 Investment Purpose. The Sul Real Equity Interests Buyer is acquiring the Sul Real Equity Interests solely for its own account for investment purposes and not with a view to distribution (as such term is used in Section 2(a)(11) of the Securities Act of 1933). The Sul Real Equity Interests Buyer acknowledges that the Sul Real Equity Interests are not registered under the Securities Act of 1933, as amended, or any state securities laws, and that the Sul Real Equity Interests may not be transferred or sold except pursuant to the registration provisions of the Securities Act of 1933, as amended or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable. The Sul Real Equity Interests Buyer is able to bear the economic risk of holding the Sul Real Equity Interests for an indefinite period (including total loss of its investment), and has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risk of its investment.

Section 4.04 Brokers. Neither Buyer nor any Affiliate of either Buyer has paid or become obligated to pay any fee or commission to any broker, finder, investment banker or intermediary for or on account of the transactions contemplated by this Agreement for which Sellers could be liable.

Section 4.05 Sufficiency of Funds. Buyers have sufficient cash on hand or other sources of immediately available funds to enable them to make payment of the Purchase Price and consummate the transactions contemplated by this Agreement.

Section 4.06 USA PATRIOT Act. No Person Affiliated with Buyers or, to their knowledge, that makes funds available to Buyers or any Affiliate of any Buyer in order to allow Buyers to fulfill their obligations under this Agreement or for the purpose of funding any purchase price hereunder is: (i) a Person listed in the annex to Executive Order No. 13224 (2001) issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), or a Person with whom a citizen of the United States is otherwise prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States; (ii) named on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Office of Foreign Assets Control or on any other similar list maintained by the U.S. Treasury Department, Office of Foreign Assets Control pursuant to any Law, including, without limitation, trade embargo, economic sanctions, or other prohibitions imposed by Executive Order of the President of the United States; (iii) a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank; (iv) a senior non-U.S. political figure or an immediate family member or close associate of such figure; or (v) otherwise prohibited from investing in any Buyer pursuant to applicable anti-money laundering, anti-terrorist and asset control Laws, regulations, rules or orders of any relevant jurisdiction.

Section 4.07 Independent Investigation. Buyers have conducted their own independent investigation, review and analysis of the Acquired Assets and the business, results of operations, prospects, condition (financial or otherwise) or assets of the Sellers, and acknowledge that they have been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of Sellers for such purpose. Buyers acknowledge and agree that: (a) in making their decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyers have relied solely upon their own investigation and the express representations and warranties of Sellers set forth in **ARTICLE III** of this Agreement; and (b) none of Sellers or any other Person has made any representation or warranty as to Sellers or this Agreement, except as expressly set forth in **ARTICLE III** of this Agreement.

ARTICLE V COVENANTS

Section 5.01 Conduct of Business Prior to the Closing. From the Execution Date until the Closing, except as otherwise provided in this Agreement or consented to in writing by Buyers (which consent shall not be unreasonably withheld or delayed), Sellers shall, and shall cause West Ventures and Sul Real to: (i) conduct their business in the ordinary course of

business; and (ii) use commercially reasonable efforts to maintain and preserve intact their current assets, properties, organization, business and franchise. From the Execution Date until the Closing Date, except as consented to in writing by Buyers (which consent shall not be unreasonably withheld or delayed), Sellers shall not cause or permit West Ventures or Sul Real to (i) take any action that would have a material adverse effect on them or their assets or (ii) make any Tax election or settle and/or compromise any Tax Liability, prepare any Tax Returns in a manner which is inconsistent with the past practices of the Sul Real, as the case may be, with respect to the treatment of items on such Tax Returns, incur any liability for Taxes other than in the ordinary course of business; or file an amended Tax Return or a claim for refund of Taxes with respect to the income, operations or property of Sul Real.

Section 5.02 Access to Information. From the Execution Date until the Closing, Sellers shall, and shall cause West Ventures and Sul Real to: (a) afford Buyers and their Representatives reasonable access to and the right to inspect all of the properties, assets, premises, books and records, contracts, agreements and other documents and data related to West Ventures and Sul Real; (b) furnish Buyers and their Representatives with such financial, operating and other data and information related to West Ventures and Sul Real as Buyers or any of their Representatives may reasonably request; and (c) instruct the Representatives of Sellers and Sul Real to cooperate with Buyers in the foregoing; *provided, however*, that any such activities shall be conducted during normal business hours upon reasonable advance notice to Sellers and Sul Real, under the supervision of Sellers' personnel and in such a manner as not to interfere with the normal operations of Sellers. Notwithstanding anything to the contrary in this Agreement, Sellers and Sul Real shall not be required to disclose any information to Buyers if such disclosure would: (x) jeopardize any attorney-client or other privilege; or (y) contravene any applicable Law, fiduciary duty or binding agreement entered into prior to the Execution Date.

Section 5.03 Resignations. Sellers shall deliver to Buyers written resignations, effective as of the Closing Date, of the officers and directors of Sul Real at least two (2) Business Days prior to the Closing.

Section 5.04 Confidentiality. The Parties acknowledge and agree that the Confidentiality Agreement remains in full force and effect and, in addition, covenant and agree to keep confidential, in accordance with the provisions of the Confidentiality Agreement, information provided to Buyers pursuant to this Agreement. If this Agreement is, for any reason, terminated prior to the Closing, the Confidentiality Agreement and the provisions of this Section 5.04 shall nonetheless continue in full force and effect.

Section 5.05 Closing Conditions. From the Execution Date until the Closing, each party hereto shall use commercially reasonable efforts to take such actions as are necessary or desirable to expeditiously satisfy the closing conditions set forth in ARTICLE VI hereof.

Section 5.06 Further Assurances. From and after the Execution Date and through and including the one hundred twentieth (120th) calendar day following the Closing Date, each of the Parties shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances, and take such further actions as may be

reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

Section 5.07 Timing of Royalty Consideration Payments. With respect to each calendar quarter after the commencement of Commercial Production, the Sul Real Equity Interests Buyer (or its successors and assigns, Owner or any Transferee Owner) covenants to cause to be promptly remitted to West Ventures (no later than forty-five (45) days after the end of such calendar quarter), the amount of Royalty Consideration calculated in accordance with Section 2.06 that is payable with respect to such calendar quarter, together with the Sul Real Equity Interests Buyer's detailed calculation thereof. The covenant of this Section 5.07 shall survive the Closing for so long as Owner (or any Transferee Owner) shall continue to have any mining or mineral rights with respect to the Property.

Section 5.08 Financial Reports; Audit Right.

(a) The Buyers shall furnish Platinum (or cause Owner to furnish Platinum) within one hundred and twenty (120) days after the end of each calendar year, financial statements of Owner on a consolidated basis including, but not limited to, statements of income and shareholders' equity and cash flow of Owner from the beginning of such year to the end of such year and the balance sheet as at the end of such year, all prepared in accordance with GAAP applied on a basis consistent with prior practices (except as disclosed therein and agreed to by such reporting accountants or officer, as applicable), and in reasonable detail and reported upon without qualification as to scope by an independent certified public accounting firm selected by Owner and reasonably satisfactory to Platinum (the "**Accountants**").

(b) The Buyers shall furnish Platinum (or cause Owner to furnish Platinum) within forty-five (45) days after the end of each of the first three (3) calendar quarters of the year, an unaudited balance sheet of Owner on a consolidated basis and unaudited statements of income and shareholders' equity and cash flow of Owner on a consolidated basis reflecting results of operations from the beginning to the end of such quarter and for such quarter, prepared on a basis consistent with prior practices and complete and correct in all material respects, subject to normal and recurring year-end adjustments that individually and in the aggregate are not material to Owner's business operations, and reviewed by the Accountants.

(c) Platinum and/or Platinum's agents shall have the right, during regular business hours upon reasonable notice, and no more frequently than once per calendar year, to have access to and inspect the books, records, and audits of the Owner and make abstracts and copies therefrom, for purposes of verifying the calculation of Royalty Consideration. Platinum and/or Platinum's agents shall have the right, during regular business hours upon reasonable notice, to enter upon any premises of the Owner for the purpose of inspecting the Property and any and all records pertaining thereto and the operation of Owner's business.

(d) The covenant of this Section 5.08 shall survive the Closing for so long as Owner (or any Transferee Owner) shall continue to have any mining or mineral rights with respect to the Property.

Section 5.09 Assignments and Transfers. Buyers shall not grant, transfer or convey the whole or any portion of its right, title and interest in and to Sul Real to a third party (“**Transferee Owner**”), unless Transferee Owner enters into a written agreement with Platinum and the Sul Real Equity Interests Buyer in advance of such transfer, reasonably acceptable to Platinum and Buyers, wherein Transferee Owner expressly agrees to assume all of the obligations of the Sul Real Equity Interests Buyer under this Agreement with respect to the Royalty Consideration (including, without limitation, Sellers’ and the Sul Real Equity Interests Buyer’s obligations under Sections 2.06, 5.07 and 5.08) and the Conditional Payment (including, without limitation, the Sul Real Equity Interests Buyer’s obligations under Section 2.13) (to the extent applicable) and the Sul Real Equity Interests Buyer shall cause a duly executed counterpart thereof to be delivered to Platinum. Upon and following any such transfer to a Transferee Owner, all references in this Agreement to “Owner” shall be deemed to include such Transferee Owner and Buyers shall be relieved of all of their obligations hereunder.

Section 5.10 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such taxes and fees (including any penalties and interest) incurred in connection with the sale, transfer, assignment, conveyance or delivery of an Acquired Asset by a Seller to a Buyer (including any real property transfer tax and any other similar tax) (but expressly excluding any such Tax attributable to Closing Purchase Consideration, the Conditional Payment, if any, and the Royalty Consideration) shall be paid by Buyers when due. Buyers shall, at their own expense, timely file any tax return or other document with respect to such taxes or fees (and Sellers shall cooperate with respect thereto as necessary, including, without limitation, by making any filings that are required by law).

Section 5.11 Continuing Assistance. Notwithstanding anything herein to the contrary:

(a) if requested by any of the Buyers, the Sellers shall provide reasonably requested assistance (with the costs, if any, of such assistance being borne by the Buyers) in obtaining (i) Rico Abdala’s consent to the assignment of the Loan Agreement and the credit rights arising thereunder to the Loan and Settlement Buyer, (ii) Rico Abdala’s and Elenice’s consent to the assignment of the rights, titles, and interests of Sellers in the Settlement Agreement to the Loan and Settlement Buyer, and (iii) Rico Abdala’s agreement to a sale and purchase agreement of the Tailings Dam;

(b) if requested by any of the Buyers, the Sellers shall assist the Buyers in connection with the enforcement of the Settlement Agreement and/or the Loan Agreement at the Buyers’ expense; and

(c) Platinum shall maintain the existence and good standing, and its ownership, of West Ventures, until the four (4) year anniversary of the Closing Date; *provided, however that* if the Receiver determines in good faith that there are compelling reasons to cease such maintenance or ownership, before taking any action in furtherance thereof, Platinum shall first offer, and shall use commercially reasonable efforts, to sell

Platinum's interests in West Ventures to the Buyers (or their designee) for \$1.00 (or such other nominal consideration specified by the Buyers).

The covenant of this Section 5.11 shall survive the Closing.

Section 5.12 Resource Validation. Buyers covenant to use commercially reasonable efforts to have an independent resource validation and report carried out with respect to the Tailings Dam in accordance with NI 43-101 standards, including independently examined and verified geological, engineering and volumetric survey assessments of the Tailings Dam, as well as sample collection and gold assays required to establish a high-confidence estimate of contained gold that meets the NI 43-101 standard (the "**Resource Validation**"), within six months of the Closing Date. The covenant of this Section 5.12 shall survive the Closing.

ARTICLE VI CONDITIONS TO CLOSING

Section 6.01 Conditions to Obligations of All Parties. The obligations of each Party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

- (a) The Court shall have issued the Approval Order.
- (b) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal or prohibiting consummation of such transactions.

Section 6.02 Conditions to Obligations of Buyers. The obligations of Buyers to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Buyers' waiver, at or prior to the Closing, of each of the following conditions:

- (a) The representations and warranties of Sellers contained in **ARTICLE III** shall be true and correct in all material respects as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all material respects as of that specified date).
- (b) Buyers shall have received a certificate, dated the Closing Date and signed by the Receiver, that the conditions set forth in Section 6.01(a) and **Section 6.02(a)** have been satisfied.
- (c) Sellers shall have delivered, or caused to be delivered, to Buyers the updated articles of association of Sul Real evidencing the transfer of the Sul Real Equity Interests, free and clear of Encumbrances.
- (d) RESERVED.

(e) Buyers shall have received a duly executed and effective Lease, duly registered with the competent Real Estate Registry.

(f) RESERVED.

(g) Buyers shall have received (i) a duly executed non-foreign person affidavit from each Seller (or if a Seller is disregarded for U.S. federal income tax purposes, the owner for federal income tax purposes of the Acquired Assets of such Seller) dated as of the Closing Date as required by Section 1445 of the Code; (ii) a fully executed IRS Form 2848 (Power of attorney) authorizing John Lough (or any other Person designated by the Sul Real Equity Interests Buyer) to act on behalf of Sul Real in order to (A) obtain an employer identification number for Sul Real by filing a Form SS-4 (Application for Employer Identification Number) with the IRS and (B) make an election for Sul Real to be classified as a partnership for U.S. federal income tax purposes on IRS Form 8832 (Entity Classification Election); (iii) a fully and validly executed IRS Form SS-4 (Application for Employer Identification Number) for Sul Real; (iv) a fully and validly executed election made on IRS Form 8832 (Entity Classification Election) for Sul Real to be classified as a partnership for U.S. federal income tax purposes effective as of the date prior to the Closing Date and signed by each owner of Sul Real and any other person necessary for the Form to be effective as of the date prior to the Closing Date; (v) a validly executed resolution by the board of Sul Real authorizing the elections and execution and filing of the IRS forms referred to above under this Section 6.02(f)(ii) through (iv); and (vi) an opinion of a nationally or internationally recognized and reputable law firm to the effect that the elections and execution of the IRS forms referred to above are duly authorized.

(h) RESERVED.

(i) Buyers shall have received full copies of the administrative proceedings related to the Mining Rights concerning the Tailings Dam, which reflect that (a) Rico Abadala is the owner of title to 100% (one hundred percent) of the Mineral Products arising out of the Tailings Dam and there are no Encumbrances thereon and (b) Rico Abadala is authorized to exploit the Tailings Dam and sell the resulting Mineral Products (including tailings).

Section 6.03 Conditions to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Sellers' waiver, at or prior to the Closing, of each of the following conditions:

(a) The representations and warranties of Buyers contained in **ARTICLE IV** shall be true and correct in all material respects as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all material respects as of that specified date).

(b) Buyers shall have delivered (or, in the case of the Deposit, shall cause to be delivered) to West Ventures cash in an amount equal to the Closing Purchase

Consideration by wire transfer in immediately available funds, to an account or accounts designated at least two (2) Business Days prior to the Closing Date by West Ventures in a written notice to Buyers.

ARTICLE VII INDEMNIFICATION

Section 7.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein shall survive the Closing and shall remain in full force and effect until the expiration of the applicable statute of limitations plus sixty (60) days (subject to the limitations set forth in Section 7.04). None of the covenants or other agreements contained in this Agreement shall survive the Closing Date other than Sul Real Equity Interests Buyer's obligations with respect to payment of Royalty Consideration, Sul Real Equity Interests Buyer's obligations with respect to payment of the Conditional Payment, and those other covenants which by their terms contemplate performance after the Closing Date, and each such surviving covenant and agreement shall survive the Closing for the period contemplated by its terms.

Section 7.02 Indemnification By Sellers. Subject to the other terms and conditions of this **ARTICLE VII**, Platinum and West Ventures shall indemnify Buyers against, and shall hold Buyers harmless from and against, any and all Losses incurred or sustained by, or imposed upon, Buyers based upon, arising out of, with respect to or by reason of:

- (a) any fraud or intentional misrepresentation committed by any Seller;
- (b) any material breach of any of the representations or warranties of any Seller contained in this Agreement; or
- (c) any material breach of any covenant, agreement or obligation to be performed by any Seller pursuant to this Agreement.

Section 7.03 Indemnification By Buyers. Subject to the other terms and conditions of this **ARTICLE VII**, Buyers shall indemnify Platinum and West Ventures against, and shall hold Platinum and West Ventures harmless from and against, any and all Losses incurred or sustained by, or imposed upon, Platinum or West Ventures based upon, arising out of, with respect to or by reason of:

- (a) any fraud or intentional misrepresentation committed by Buyers;
- (b) any material breach of any of the representations or warranties of Buyers contained in this Agreement; or
- (c) any material breach of any covenant, agreement or obligation to be performed by Buyers pursuant to this Agreement (including the failure of Sul Real Equity Interests Buyer to timely remit to West Ventures the Royalty Consideration or the failure of Sul Real Equity Interests Buyer to timely remit to West Ventures the Conditional Payment).

Section 7.04 Certain Limitations. The party making a claim under this **ARTICLE VII** is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this **ARTICLE VII** is referred to as the “**Indemnifying Party**”. The indemnification provided for in **Section 7.02** and **Section 7.03** shall be subject to the following limitations:

(a) The Indemnifying Party shall not be liable to the Indemnified Party for indemnification under Section 7.02(b) or Section 7.03(b), as the case may be, until the aggregate amount of all Losses in respect of indemnification under Section 7.02(b) or Section 7.03(b) exceeds three percent (3.0%) of the Closing Purchase Consideration (the “**Indemnification Deductible**”), in which event the Indemnifying Party shall only be required to pay or be liable for Losses in excess of the Deductible.

(b) The aggregate amount of all Losses for which an Indemnified Party can recover from an Indemnifying Party pursuant to Section 7.02(b) or Section 7.03(b) as the case may be, shall not exceed (i) thirty percent (30.0%) of the Closing Purchase Consideration for any claim for which the Indemnifying Party has received written notice of within six (6) months of the Closing Date and (ii) zero (0.0%) of the Closing Purchase Consideration for any claim for which the Indemnifying Party has received written notice more than six (6) months after the Closing Date. Notwithstanding the foregoing, if at any time a Buyer is an Indemnified Party pursuant to Section 7.02(b) or Section 7.03(b), such Buyer may also recover one hundred percent (100.0%) of its indemnified Losses from the Royalty Consideration or Conditional Payment then or in the future payable to West Ventures.

(c) Payments by an Indemnifying Party pursuant to **Section 7.02** or **Section 7.03** in respect of any Loss shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment received by the Indemnified Party in respect of any such claim.

(d) Payments by an Indemnifying Party pursuant to **Section 7.02** or **Section 7.03** in respect of any Loss shall be reduced by an amount equal to any tax benefit attributable to such Loss that is actually realized through a reduction in cash tax payments that otherwise would have been required to be made by the Indemnified Party on or before the end of the taxable year in which indemnification is sought.

(e) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple, other than to the extent such damages are awarded to an unaffiliated third party pursuant to a Third-Party Claim.

(f) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

Section 7.05 Indemnification Procedures.

(a) Third-Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding (other than with respect to Taxes, which shall be governed by Section 7.05(d)) made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a “**Third-Party Claim**”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that such failure shall have actually prejudiced the Indemnifying Party. Such notice by the Indemnified Party shall describe the Third-Party Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in the defense of any Third-Party Claim at the Indemnifying Party’s expense, and the Indemnified Party shall reasonably cooperate in good faith in such defense. The Indemnified Party may, subject to Section 7.05(b), pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. Sellers and Buyers shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available (subject to the provisions of Section 5.04) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim.

(b) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed), except as provided in this Section 7.05(b). If a firm, written settlement offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim, then the Indemnified Party shall give prompt written notice thereof. If the Indemnifying Party desires that the Indemnified Party accept and agree to such offer, the Indemnifying Party shall give prompt written notice to that effect to the Indemnified Party. If the Indemnified Party fails to timely consent to such firm offer within fifteen (15) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 7.05(a), it shall not agree to any

settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any claim by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (a “**Direct Claim**”) shall be asserted by the Indemnified Party giving the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that such failure shall have actually prejudiced the Indemnifying Party. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. During such thirty (30)-day period, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party’s investigation by giving such information and assistance (including access to the Company’s premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such thirty (30)-day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

(d) Tax Claims. Notwithstanding anything herein to the contrary, Buyers shall have the sole right to control any audit or examination by any tax authority, initiate any claim for refund, amend any Tax Return, and contest, resolve and defend against any assessment for additional Taxes, notice of Tax deficiency or other adjustment of Taxes of or relating to, the income, assets or operations of the Acquired Assets for all taxable periods (a “**Tax Matter**”); provided, however, that if such Tax Matter will result in the Sellers being obligated to provide indemnification under this Agreement, Buyers shall not settle or compromise such Tax Matter without Sellers’ written consent (such consent not to be unreasonably withheld, conditioned or delayed).

(e) Royalty Consideration and Conditional Payment. Notwithstanding anything herein to the contrary, if Buyer, as Indemnified Party, gives written notice of a Third-Party Claim or Direct Claim to Sellers, as Indemnifying Party, in good faith, Sul Real Equity Interests Buyer shall escrow, and not pay to West Ventures, such payments thereafter owing to West Ventures on account of its rights to Royalty Consideration or the Conditional Payment up to the amount of such good faith claim pending resolution of such claim. Upon resolution of all or part of any such good faith claim, any amounts held in escrow in excess of any remaining unresolved good faith claims shall be released to West Ventures.

Section 7.06 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for tax purposes, unless otherwise required by Law.

Section 7.07 Exclusive Remedies. Subject to **Section 9.11**, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud or intentional misrepresentation on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this **ARTICLE VII**. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this **ARTICLE VII**. Nothing in this **Section 7.07** shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled pursuant to **Section 9.11** or to seek any remedy on account of fraud or intentional misrepresentation by any party hereto.

ARTICLE VIII TERMINATION

Section 8.01 Termination. This Agreement may be terminated at any time prior to the Closing:

- (a) by the mutual written consent of Sellers and Buyers;
- (b) by Buyers by written notice to Sellers if:
 - (i) Buyers are not then in breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Sellers pursuant to this Agreement that would give rise to the failure of any of the conditions specified in **ARTICLE VI** and such breach, inaccuracy or failure cannot be cured by Sellers by the Drop Dead Date; or
 - (ii) any of the conditions set forth in Section 6.01 or Section 6.02 shall not have been fulfilled by the Drop Dead Date, unless such failure shall be due to the failure of Buyers to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by them prior to the Closing;
- (c) by Sellers by written notice to Buyers if:
 - (i) Sellers are not then in breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any

representation, warranty, covenant or agreement made by Buyers pursuant to this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE VI and such breach, inaccuracy or failure cannot be cured by Buyers by the Drop Dead Date; or

(ii) any of the conditions set forth in Section 6.01 shall not have been fulfilled by the Drop Dead Date, unless such failure shall be due to the failure of Sellers to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing; or

(iii) any of the conditions set forth in Section 6.03 shall not have been fulfilled by the Drop Dead Date, unless such failure shall be due to the failure of Sellers to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing;

(d) by Buyers or Sellers in the event that:

(i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited under Law;

(ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable; or

(iii) one or more of the Sellers accepts a Superior Offer.

Section 8.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this Article VIII:

(a) this Agreement shall forthwith become void and there shall be no liability on the part of any Party other than as set forth in or pursuant to Section 5.04, this ARTICLE VIII and ARTICLE IX hereof;

(b) the Deposit shall be promptly refunded to Loan and Settlement Buyer if such termination is pursuant to Section 8.01(a), (b), (c)(ii) or (d);

(c) the Deposit shall be promptly paid to Sellers as liquidated damages if such termination is pursuant to Section 8.01(c)(i) or (c)(iii); and

(d) if this Agreement is terminated pursuant to Section 8.01(d)(iii), then Sellers shall promptly pay to Buyers (or their designee) the Superior Offer Termination Fee.

**ARTICLE IX
MISCELLANEOUS**

Section 9.01 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

Section 9.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third (3rd) Business Day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.02):

If to Sellers: c/o Platinum Partners
230 Park Avenue, 10th Floor, Suite 135
New York, NY 10169
Facsimile: (212) 582-2424
E-mail: bweisenberg@platinumlp.com
Attention: Brent Weisenberg, General Counsel

with a copy to: Otterbourg P.C.
230 Park Avenue
New York, NY 10169
Facsimile: (212) 682-6104
E-mail: pberg@otterbourg.com
Attention: Philip C. Berg, Esq.

If to Buyers: Centerbridge Partners, L.P.
375 Park Avenue
New York, New York 10152
Facsimile: (212) 672-5001
E-mail: ehoffman@centerbridge.com
bgerding@centerbridge.com
sbowling@centerbridge.com
Attention: Eric Hoffman
Bill Gerding
Scott Bowling

with a copy to:

White & Case LLP
1221 Avenue of the Americas
New York, New York 10020
Facsimile: (212) 354-8113
E-mail: bpfeiffer@whitecase.com
isilverbrand@whitecase.com
Attention: Brian Pfeiffer, Esq.
Ian Silverbrand, Esq.

Section 9.03 Interpretation. For purposes of this Agreement: (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. Any Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 9.04 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 9.05 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 9.06 Entire Agreement. This Agreement (including the schedules and exhibits hereto) constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous representations, warranties, understandings and agreements, both written and oral, with respect to such subject matter.

Section 9.07 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 9.08 No Third-party Beneficiaries. Except as provided in **ARTICLE VII**, this Agreement is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.09 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 9.10 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction).

(b) ANY LEGAL SUIT, ACTION OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY SHALL BE BROUGHT IN THE UNITED STATES DISTRICT COURT OF THE EASTERN DISTRICT OF NEW YORK (OR IF JURISDICTION IS NOT AVAILABLE IN SUCH COURT, THEN IN THE STATE COURT OF NEW YORK SITTING IN MANHATTAN), AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY

HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10(c).

Section 9.11 Specific Performance. The parties agree that damages at law may be an inadequate remedy for the breach of any of the covenants, promises and agreements contained in this Agreement and that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof. Accordingly, the parties shall be entitled to injunctive relief with respect to any such breach, including, without limitation, specific performance of the terms hereof. The rights set forth in this Section 9.11 shall be in addition to any other rights and remedies to which the parties may have at law or in equity or pursuant to this Agreement.

Section 9.12 Exclusivity; Superior Offer. From and after the Closing Date through and until valid termination of this Agreement pursuant to Section 8.01, Sellers shall not, and shall cause each of their Affiliates and Representatives not to, directly or indirectly, solicit, accept, review, discuss, or provide information in connection with any offer, inquiry, proposal, bid, or indication of interest, or respond to any inquiries, or engage in any negotiations regarding, or share any information regarding, any of the Acquired Assets or West Ventures. Notwithstanding the restrictions set forth in the foregoing sentence, in the event that a Seller receives or is made aware of, after the date of this Agreement and prior to obtaining the Approval Order, an acquisition proposal that the Receiver determines in good faith (after consultation with Receiver's counsel and financial advisor) to be, or to be reasonably expected to lead to, a Superior Offer, Receiver may engage in negotiations with, furnish any information with respect to the Sellers and the Acquired Assets, and afford access to the business, properties, assets, books or records relating to the Acquired Assets, to the bidder (and its representatives) submitting such Superior Offer; *provided that* Receiver and Sellers shall (i) prior to furnishing any such information, receive from such bidder an executed confidentiality agreement containing terms and restrictions that are customary for confidentiality agreements executed in similar circumstances and (ii) furnish all such information and afford all such access to Buyers (to the extent not previously provided or made available) substantially concurrently with it being provided or made available to such bidder.


Section 9.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 9.14 Non-recourse. This Agreement may only be enforced against, and any claim, action, suit or other legal proceeding based upon, arising out of, or related to this Agreement, or the negotiation, execution or performance of this Agreement, may only be brought against the entities that are expressly named as Parties hereto (including their respective successors and assigns, Owner and any Transferee Owner) and then only with respect to the specific obligations set forth herein with respect to such entity. Except as contemplated by this Agreement, no past, present or future director, officer, employee, incorporator, manager, member, partner, stockholder, Affiliate, agent, attorney or other Representative of any Party hereto or of any Affiliate of any Party hereto, or any of their successors or permitted assigns, shall have any liability for any obligations or liabilities of any party hereto under this Agreement or for any claim or Action based on, in respect of or by reason of the transactions contemplated hereby.

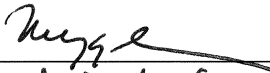
[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Purchase, Sale and Royalty Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**PLATINUM PARTNERS CREDIT
OPPORTUNITIES MASTER FUND LP**

By 
Name: Melanie L. Cyganowski
Title: Receiver

WEST VENTURES LLC

By 
Name: Melanie L. Cyganowski
Title: Receiver

CB MIDAS HOLDINGS, LLC

By _____
Name:
Title:

**CB MIDAS BRAZIL PARTICIPAÇÕES
LTDA.**

By _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have caused this Purchase, Sale and Royalty Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

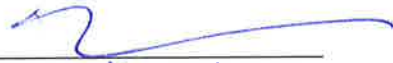
**PLATINUM PARTNERS CREDIT
OPPORTUNITIES MASTER FUND LP**

By _____
Name:
Title:

WEST VENTURES LLC

By _____
Name:
Title:

CB MIDAS HOLDINGS, LLC

By 
Name: Vivek Melwani
Title: Authorized Signatory

**CB MIDAS BRAZIL PARTICIPAÇÕES
LTDA.**

By _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have caused this Purchase, Sale and Royalty Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**PLATINUM PARTNERS CREDIT
OPPORTUNITIES MASTER FUND LP**

By _____
Name:
Title:

WEST VENTURES LLC

By _____
Name:
Title:

CB MIDAS HOLDINGS, LLC

By _____
Name:
Title:

**CB MIDAS BRAZIL PARTICIPAÇÕES
LTDA.**

By _____
Name: Paulo Pascho
Title: Attorney in Law

Schedule 3.05

Litigation

- 1) Execution Procedure, Case No. 0047340-77.2013.8.11.0041, State Court of Mato Grosso, Cuiabá, Brazil, filed by Seller against REGINALDO LUIZ FERREIRA DE ALMEIDA – ME.
- 2) Motion to Stay Execution, Case No. 0053039-49.2013.8.11.0041, State Court of Mato Grosso, Cuiabá, Brazil, filed by REGINALDO LUIZ FERREIRA DE ALMEIDA – ME against Seller.

Schedule 3.11

Tax Matters

West Ventures filed an amended return for tax year 2014.

Sul Real filed its returns since 2015 late.

Platinum filed its 2016 tax returns late due to the Receivership. All penalties have been abated by the IRS and other state and local tax authorities.

Platinum's 2014 tax returns are currently under examination by the NYC Department of Finance.

Platinum has agreed to extend the statute of limitations relating to the collection of taxes until December 31, 2018.