

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 OR 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 29, 2025**

**TMC THE METALS COMPANY INC.**

(Exact name of registrant as specified in its charter)

**British Columbia, Canada**  
(State or other jurisdiction of  
incorporation)

**001-39281**  
(Commission File Number)

**Not Applicable**  
(IRS Employer  
Identification No.)

**1111 West Hastings Street, 15th Floor**  
**Vancouver, British Columbia**  
(Address of principal executive  
offices)

**V6E 2J3**  
(Zip Code)

Registrant's telephone number, including area code: **(888) 458-3420**

**Not applicable**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
TMC Common Shares without par value	TMC	The Nasdaq Stock Market LLC
Redeemable warrants, each whole warrant exercisable for one TMC Common Share, each at an exercise price of \$11.50 per share	TMCWW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Item 1.01. Entry into a Material Definitive Agreement.**

### **Sponsorship Agreement**

On May 29, 2025, Nauru Ocean Resources Inc. (“NORI”), a wholly owned subsidiary of TMC the metals company Inc. (the “Company”), entered into a revised sponsorship agreement (the “Sponsorship Agreement”) with the Government of the Republic of Nauru (“Nauru”) and the Nauru Seabed Minerals Authority, updating and replacing the prior sponsorship agreement dated June 5, 2017. The Sponsorship Agreement formalizes the continued support of Nauru for NORI’s exploration activities under its exploration contract with the International Seabed Authority (“ISA”) within the NORI contract area of the Clarion Clipperton Zone and sets out revised terms governing the relationship between the parties, including certain benefit entitlements to Nauru in connection with potential future commercial production by NORI or other Company subsidiaries.

Under the Sponsorship Agreement, NORI will continue to be obligated to pay Nauru a seabed mineral recovery payment based on the polymetallic nodules recovered from the ISA contract area upon revised commercial criteria within the ISA contract until the parties agree to terminate the Sponsorship Agreement or otherwise pursuant to its terms, including upon certain uncured breaches by the other party.

In connection with the Sponsorship Agreement, the Company also executed a Deed of Guarantee and Indemnity (the “Deed”) in favor of Nauru, under which the Company guarantees certain financial obligations of NORI under Nauruan law and the Sponsorship Agreement and provides limited indemnification.

As further described in the Sponsorship Agreement and the Deed, on May 30, 2025, the Company issued to Nauru a warrant to purchase 9,146,268 common shares of the Company (“Warrant”). The Warrant has an initial exercise price of \$4.72 per share, is exercisable upon the achievement of certain conditions related to U.S. regulatory approvals and the Company’s commercial recovery efforts as set forth in the Warrant, and will expire five years from the date of issuance.

The foregoing description of the Sponsorship Agreement, Deed, and Warrant does not purport to be complete and is qualified in its entirety by reference to the full text of each, copies of which are filed as Exhibits 10.1, 10.2, and 4.1, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

### **Services Agreement**

On June 4, 2025, the Company entered into a services agreement with Michael B. Hess (“Services Agreement”) under which Mr. Hess will provide strategic advisory services to the Company and, as compensation for such services, is eligible to receive the following restricted stock units (“RSUs”), each RSU representing one common share of the Company (“RSUs”), and stock option awards to purchase common shares of the Company (“Stock Options” and, together with RSUs, “Equity Awards”): (i) base RSUs valued at \$1 million; (ii) share price or market capitalization milestone-based RSUs up to an aggregate of 7.5 million RSUs (iii) Stock Options with an exercise price equal to \$4.66, a 10% premium to the closing price on June 4, 2025 for up to an aggregate of 7.5 million common shares and (iv) at the recommendation of the Company’s Chief Executive Officer and subject to further approval of the Company’s Board of Directors, additional Stock Options on the first anniversary of entering into the Services Agreement for up to 2.5 million common shares. Under the Services Agreement, the Company also agreed that Mr. Hess may participate in the Company’s next public capital raise on the same terms as other investors, up to an aggregate investment cap of \$25 million. The term of the Services Agreement is four years, subject to earlier termination in accordance with its terms.

The Equity Awards under the Services Agreement are subject to shareholder approval of an increase in the number of common shares reserved for issuance under the Company’s 2021 Incentive Equity Plan, continued service and various vesting conditions.

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Mr. Hess is a participant in the Company's recently announced \$37 million registered direct offering of common shares and accompanying Class C warrants.

The foregoing description of the Services Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Service Agreement, a copy of which is filed as Exhibit 10.3 to this Current Report on Form 8-K and incorporated herein by reference.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant**

The information set forth in Item 1.01 is incorporated into this Item 2.03 by reference.

**Item 5.03. Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On May 29, 2025, the Company adopted an amendment to the Articles of the Company ("Articles") which removed from Article 15.8 of the Articles the outdated address of the registered office of the Company in Vancouver, British Columbia, Canada, which recently changed from 595 Howe Street, 10th Floor, Vancouver, British Columbia, V6C 2T5 Canada to 1111 West Hastings Street, 15th Floor, Vancouver, British Columbia, V6E 2J3 Canada (the "Amendment"). The Amendment removed the reference to a specific address in the Articles to avoid needing to amend the Articles in the future if the registered address changes again. The Amendment was approved by the Company's shareholders at the 2025 Annual and Special Meeting of Shareholders held at 10:00 a.m. EDT (the "Annual Meeting").

A copy of the Amendment is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 5.07. Submission of Matters to a Vote of Security Holders.**

The Company's Annual Meeting was held on May 29, 2025 at 10:00 a.m. EDT. The actions set forth below were taken. Of the Company's 358,705,212 common shares outstanding and eligible to vote as of the record date of April 3, 2025, a quorum of more than two shareholders representing 228,993,760 shares, or 63.8% of the eligible shares, was present or represented by proxy at the Annual Meeting. Each of the matters set forth below is described in detail in the Company's Proxy Statement filed with the Securities and Exchange Commission (the "SEC") on April 18, 2025, as supplemented by Supplement No. 1 to Proxy Statement filed with the SEC on May 21, 2025.

1. Set the number of directors at eight (8).

Votes For	Votes Against	Votes Abstained
227,901,694	981,344	110,722

2. Election of the following directors of the Company, to serve until the Company's 2026 annual meeting of shareholders and until their respective successors have been elected and qualified.

	Votes For	Votes Withheld	Broker Non-Votes
Gerard Barron	159,464,400	207,420	69,321,940
Andrew Hall	155,477,456	4,194,364	69,321,940
Andrew Greig	159,473,104	198,716	69,321,940
Andrei Karkar	159,401,444	270,376	69,321,940
Sheila Khama	154,922,124	4,749,696	69,321,940
Christian Madsbjerg	155,444,606	4,227,214	69,321,940
Stephen Jurvetson	159,285,120	386,700	69,321,940
Brendan May	159,264,239	407,581	69,321,940

3. Appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the 2025 fiscal year.

Votes For	Votes Withheld
228,511,528	482,232

4. Adopt an amendment to the Company's articles to update the advance notice provisions with respect to the address of our registered and records office.

Votes For	Votes Against	Votes Abstained
227,728,277	589,223	676,260

**Item 7.01. Regulation FD Disclosure.**

On June 4, 2025, the Company issued a press release announcing entering into the Sponsorship Agreement which is furnished with this Current Report on Form 8-K as Exhibit 99.1 and incorporated into this Item 7.01 by reference.

The information in this Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.1) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

*Cautionary Note Regarding Forward-Looking Statements.* Except for historical information contained in this Current Report on Form 8-K (including Exhibit 99.1), this Current Report on Form 8-K (including Exhibit 99.1) contains forward-looking statements which involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. Please refer to the cautionary note in the press release furnished as Exhibit 99.1 to this Current Report on Form 8-K regarding these forward-looking statements.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit No.	Description
<a href="#">3.1</a>	<a href="#">Amendment to Company's Articles adopted May 29, 2025</a>
<a href="#">4.1</a>	<a href="#">Common Share Purchase Warrant, dated May 29, 2025, issued to the Government of the Republic of Nauru</a>
<a href="#">10.1†</a>	<a href="#">Sponsorship Agreement, dated May 29, 2025, among the Government of the Republic of Nauru, the Nauru Seabed Minerals Authority, and Nauru Ocean Resources Inc.</a>
<a href="#">10.2†</a>	<a href="#">Deed of Guarantee and Indemnity, dated May 29, 2025, by TMC the metals company Inc. in favor of the Government of the Republic of Nauru</a>
<a href="#">10.3††</a>	<a href="#">Services Agreement, dated June 2, 2025, by and between the Company and Michael B. Hess</a>
<a href="#">99.1</a>	<a href="#">Press Release dated June 4, 2025</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

† Certain confidential portions of this Exhibit were omitted by means of marking such portions with brackets ("[\*\*\*]") because the identified confidential portions (i) are not material and (ii) is the type of information that the Company treats as private or confidential.

†† Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**TMC THE METALS COMPANY INC.**

Date: June 4, 2025

By: /s/ Craig Shesky

Name: Craig Shesky

Title: Chief Financial Officer

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TMC THE METALS COMPANY INC.  
(the "Company")

AMENDMENT TO ARTICLES OF THE COMPANY

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

The existing Articles of the Company be amended by deleting the existing Article 15.8 in its entirety and replacing it with the following Article 15.8:

**“15.8 Delivery of Notice.** Notwithstanding any other provision in this Part 15, notice given to the Corporate Secretary of the Company pursuant to this Part 15 may only be given by personal delivery, facsimile transmission or email (provided that the Corporate Secretary has stipulated an e-mail address for purposes of this Part 15), and shall be deemed to have been given and received only at the time it is served by personal delivery or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) or by e-mail (at the address as aforesaid) to the Corporate Secretary at the registered office of the Company, or if by facsimile at +1 604 687-8772, provided that if such delivery or electronic transmission is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic transmission shall be deemed to have been made on the subsequent day that is a business day.””

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NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS WARRANT NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY (AS DEFINED BELOW)), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. THE NUMBER OF COMMON SHARES ISSUABLE UPON EXERCISE OF THIS WARRANT MAY BE LESS THAN THE AMOUNTS SET FORTH ON THE FACE HEREOF PURSUANT TO SECTION 2(a) OF THIS WARRANT.

## COMMON SHARE PURCHASE WARRANT

### TMC THE METALS COMPANY INC.

Warrant Shares: 9,146,268

Issue Date: May 30, 2025

THIS COMMON SHARE PURCHASE WARRANT (the "Warrant") certifies that, for value received, **the Republic of Nauru** or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the issue date set forth above (the "Issue Date") and on or prior to 5:00 p.m. (New York City time) on May 30, 2030 (the "Termination Date") but not thereafter, to subscribe for and purchase from **TMC the metals company Inc.**, a corporation incorporated under the laws of the Province of British Columbia (the "Company"), up to 9,146,268 common shares (as subject to adjustment hereunder, the "Warrant Shares") of the Company, no par value per share (the "Common Shares"). The purchase price of one Common Share under this Warrant shall be equal to the Exercise Price (as defined below).

Section 1. Definitions. All capitalized terms used herein shall have the meaning ascribed thereto as set forth herein. As used herein:

"Continuity Conditions" shall have the meaning ascribed thereto in the Sponsorship Agreement.

"Exercise Price" means US\$4.72 per Common Share, subject to adjustment as set forth in this Warrant.

"Securities Act" means the Securities Act of 1933, as amended.

"Sponsorship Agreement" means that certain Sponsorship Agreement by and among the Holder, the Nauru Seabed Minerals Authority and Nauru Ocean Resources Inc., dated on or about the Issue Date, as the same may be amended and/or restated from time to time.

"Trading Day" means a day on which the Common Shares is traded on a Trading Market.

"Trading Market" means any of the following markets or exchanges on which the Common Shares are listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, the OTCQB or the OTCQX (or any successors to any of the foregoing).

"Transfer Agent" means Continental Stock Transfer & Trust Company, and any successor transfer agent of the Company.

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Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Issue Date, provided that the Continuity Conditions have occurred, and on or before the Termination Date by delivery to the Company of a duly executed PDF copy submitted by e-mail (or e-mail attachment) of the Notice of Exercise in the form annexed hereto (the "Notice of Exercise"). Within one (1) Trading Day following the date of exercise as aforesaid, the Holder shall deliver the aggregate Exercise Price for the Warrant Shares specified in the applicable Notice of Exercise by wire transfer to the Company. No ink-original Notice of Exercise shall be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date on which the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Trading Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledges and agrees that (i) by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof, (ii) this Warrant may not be exercised in whole or in part unless and until the Continuity Conditions have occurred and (iii) this Warrant may not be "cashless" or "net" exercised.**

b) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. The Company shall cause the Warrant Shares purchased hereunder to be issued by the Transfer Agent to the Holder in global form through a book-entry account maintained by the Transfer Agent (including by providing the Holder a copy of the irrevocable instructions delivered by the Company to the Transfer Agent instructing the Transfer Agent to issue the Warrant Shares to the Holder by crediting the Warrant Shares to the respective account of the Holder on the Transfer Agent's book-entry system and confirmation from the Transfer Agent that such Warrant Shares were so issued), which Warrant Shares shall be appropriately legended in accordance with Section 4(e), in each case for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is two (2) Trading Days after receipt of the aggregate Exercise Price by the Company (such date, the "Warrant Share Delivery Date").

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(b)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(b)(i) above pursuant to an exercise on or before the Warrant Share Delivery Date (other than a failure caused by incorrect or incomplete information provided by the Holder to the Company or the Holder's failure to establish and maintain an account at the Transfer Agent to which the Warrant Shares may be delivered in accordance with Section 2(b)(i)), and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, Common Shares to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the Common Shares so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed, and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of Common Shares that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Shares having a total purchase price of US\$11,000 to cover a Buy-In with respect to an attempted exercise of Common Shares with an aggregate sale price giving rise to such purchase obligation of US\$10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder US\$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Common Shares upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall round down the number of Warrant Shares issuable under this Warrant to the next whole share.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that, in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise.

vii. Closing of Books. The Company will not close its shareholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

c) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates (as defined below), and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of Common Shares beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of Common Shares issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of Common Shares which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Shares, including, without limitation, any debt, preferred share, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Shares ("Common Share Equivalents")) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(c), beneficial ownership shall be calculated in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(c) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation, except to the extent the Holder relies on the number of outstanding Common Shares that was provided by the Company. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, and the Company shall have no obligation to verify or confirm the accuracy of such determination and shall have no liability for exercises of the Warrant that are not in compliance with the Beneficial Ownership Limitation, except to the extent the Holder relies on the number of outstanding Common Shares that was provided by the Company. For purposes of this Section 2(c), in determining the number of outstanding Common Shares, a Holder may rely on the number of outstanding Common Shares as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of Common Shares outstanding. Upon the written or oral request of a Holder, the Company shall within one Trading Day confirm orally and in writing to the Holder the number of Common Shares then outstanding. In any case, the number of outstanding Common Shares shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding Common Shares was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of Common Shares outstanding immediately after giving effect to the issuance of Common Shares issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(c), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of Common Shares outstanding immediately after giving effect to the issuance of Common Shares upon exercise of this Warrant held by the Holder and the provisions of this Section 2(c) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(c) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant. If the Warrant is unexercisable as a result of the Holder's Beneficial Ownership Limitation, no alternate consideration is owing to the Holder. As used herein, "Affiliate" means any Person (as defined below) that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person, as such terms are used in and construed under Rule 405 under the Securities Act. As used herein, "Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

### Section 3. Certain Adjustments.

a) Share Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a share dividend or otherwise makes a distribution or distributions on Common Shares or any other equity or equity equivalent securities payable in Common Shares (which, for avoidance of doubt, shall not include any Common Shares issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding Common Shares into a larger number of shares, (iii) combines (including by way of reverse share split) outstanding Common Shares into a smaller number of shares, or (iv) issues by reclassification of the Common Shares of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of Common Shares (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of Common Shares outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any Common Share Equivalents or rights to purchase shares, warrants, securities or other property pro rata to the record holders of any class of Common Shares (the "Purchase Rights"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of Common Shares acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Shares are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, that, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such Common Shares as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

c) Pro Rata Distributions. Subject to compliance with applicable securities and corporate law, including the constituting documents of the Company, during such time as this Warrant is outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of Common Shares, by way of return of capital or otherwise (including, without limitation, any distribution of cash, shares or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction, other than such dividends or distributions that result in an adjustment under Section 3(a) or (b)) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to receive an equivalent distribution to such Distribution, in the same form and to the equivalent extent that the Holder would have participated therein if the Holder had held the number of Common Shares acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of Common Shares are to be determined for the participation in such Distribution (provided, however, that, to the extent that the Holder's right to receive such equivalent distribution to such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to such equivalent distribution to such Distribution to such extent (or in the beneficial ownership of any Common Shares as a result of such Distribution to such extent) and the portion of such equivalent distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

d) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of Common Shares deemed to be issued and outstanding as of a given date shall be the sum of the number of Common Shares (excluding treasury shares, if any) issued and outstanding.

e) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Exercise by Holder. If, while this Warrant is exercisable following the occurrence of the Continuity Conditions (A) the Company shall declare a dividend (or any other distribution on Common Shares in whatever form) on the Common Shares, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Shares, (C) the Company shall authorize the granting to all holders of the Common Shares rights or warrants to subscribe for or purchase any shares of any class or of any rights, (D) the approval of any shareholders of the Company shall be required in connection with any reclassification of the Common Shares, any consolidation or merger to which the Company (and all of its Subsidiaries, taken as a whole) is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Shares are converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by email to the Holder at its last email address as it shall appear upon the Warrant Register (as defined below) of the Company, at least 5 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Shares of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Shares of record shall be entitled to exchange their Common Shares for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. Notwithstanding the foregoing, to the extent that any notice to be provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company may delay such notice until such time as the Company would otherwise make a public announcement of such notice or information, whether by a Current Report on Form 8-K or otherwise. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

#### Section 4. Transfer of Warrant.

a) Transferability. Subject to compliance with applicable laws and the restrictive legend set forth at the beginning of this Warrant, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, which may be accepted via email, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer, subject to compliance with applicable securities laws. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date on which the Holder delivers an assignment form to the Company assigning this Warrant in full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued. Notwithstanding the foregoing, each Holder hereby covenants and agrees in favour of the Company that it will not sell, transfer or assign any Warrants or any Warrant Shares to any Canadian resident or any person for subsequent resale to a Canadian resident for a period of four months and a day after the Issue Date.

b) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company or the Transfer Agent for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

c) Transfer Restrictions. If, at the time of the surrender of this Warrant in connection with any transfer of this Warrant, the transfer of this Warrant shall not be either (i) registered pursuant to an effective registration statement under the Securities Act and under applicable state securities or blue sky laws or (ii) eligible for resale without volume or manner-of-sale restrictions or current public information requirements pursuant to Rule 144, the Company may require, as a condition of allowing such transfer, that the Holder or transferee of this Warrant, as the case may be, comply with the provisions of restrictive legend set forth at the beginning of this Warrant and Section 4(e) below.

e) Representations by the Holder. The Holder, by the acceptance hereof, represents and warrants that it is acquiring this Warrant and, upon any exercise hereof, will acquire the Warrant Shares issuable upon such exercise, for its own account and not with a view to or for distributing or reselling such Warrant Shares or any part thereof in violation of the Securities Act or any applicable state securities law, except pursuant to sales registered or exempted under the Securities Act. The Holder, by the acceptance hereof, (i) acknowledges that any resale of the Warrant or the Warrant Shares in or into Canada must be exempt from, or not subject to, the requirement in Canadian securities legislation that prohibits a person or company from distributing a security without a prospectus that qualifies that distribution, and, where applicable, in compliance with or exempt from dealer registration requirements under Canadian securities legislation, and (ii) covenants that, unless permitted under applicable Canadian securities legislation, the Holder will not trade the Warrant or the Warrant Shares in Canada before the date that is four (4) months and a day after the date of this Warrant. The Holder acknowledges and agrees that, until such time as this Warrant and the Warrant Shares issuable upon exercise of this Warrant may be sold pursuant to Rule 144 without restriction, this Warrant and any such Warrant Shares, whether maintained in a book-entry system or otherwise, will bear one or more legends in substantially the form and substance as the restrictive legend set forth at the beginning of this Warrant.

#### Section 5. Miscellaneous.

a) No Rights as Shareholder Until Exercise; No Settlement in Cash. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a shareholder of the Company prior to the exercise hereof as set forth in Section 2(b)(i), except as expressly set forth in Section 3. In no event shall the Company be required to net cash settle an exercise of this Warrant.

b) Loss, Theft, Destruction or Mutilation of Warrant. Subject to the Articles of the Company, the Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any share certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or share certificate, if mutilated, the Company will make and deliver a new Warrant or share certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or share certificate.

c) Trading Days (Saturdays, Sundays, Holidays, etc.). If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Trading Day, then such action may be taken or such right may be exercised on the next succeeding Trading Day.

d) Authorized Shares.

The Company covenants that, during the period the Warrant is outstanding, it will reserve from its authorized and unissued Common Shares a sufficient number of Common Shares to provide for the issuance of the Warrant Shares upon the exercise of any purchase rights under this Warrant. The Company further covenants that its issuance of this Warrant shall constitute full authority to its officers who are charged with the duty of issuing the necessary Warrant Shares upon the exercise of the purchase rights under this Warrant. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Shares may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue).

Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant.

Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

e) Jurisdiction/Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Warrant (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, Borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of this Warrant), and hereby irrevocably waives, and agrees not to assert in any action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered, will have restrictions upon resale imposed by state, provincial and federal securities laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limiting any other provision of this Warrant, each party shall pay their own expenses incurred with respect to collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any notices, consents, waivers or other document or communications required or permitted to be given or delivered under the terms of this Warrant must be in writing and will be deemed to have been delivered: (i) upon receipt, if delivered personally; (ii) when sent, if sent by e-mail (provided that such sent e-mail is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's e-mail server that such e-mail could not be delivered to such recipient) and (iii) if sent by overnight courier service, one (1) Trading Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. If notice is given by email, a copy of such notice shall be dispatched no later than the next business day by first class mail, postage prepaid. The addresses and e-mail addresses for such communications shall be:

If to the Company:

c/o DuMoulin Black LLP  
TMC the metals company Inc.  
1111 West Hastings Street, 15<sup>th</sup> Floor  
Vancouver, British Columbia, V6E 2J3  
Attention: Chief Financial Officer  
Email: craig@metals.co

With a copy (for informational purposes only) to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.  
One Financial Center  
Boston, MA 02111  
E-mail: dtkajunski@mintz.com  
Attention: Daniel Kajunski, Esq.

If to a Holder, to its address or e-mail address set forth herein or on the books and records of the Company.

Or, in each of the above instances, to such other address or e-mail address and/or to the attention of such other person as the recipient party has specified by written notice given to each other party at least five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication or (B) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt from an overnight courier service in accordance with clause (i) or (iii) above, respectively. A copy of the e-mail transmission containing the time, date and recipient e-mail address shall be rebuttable evidence of receipt by e-mail in accordance with clause (ii) above.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Shares or as a shareholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

\*\*\*\*\*

*(Signature Page Follows)*

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

**TMC THE METALS COMPANY INC.**

By: /s/Gerard Barron  
Name: Gerard Barron  
Title: Chief Executive Officer

Agreed to and accepted by:

**THE REPUBLIC OF NAURU**

By: /s/David Adeang  
Name: David Adeang  
Title: President

[Signature page to Common Share Purchase Warrant]

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**NOTICE OF EXERCISE**

TO: TMC the metals company Inc.

(1) The undersigned hereby elects to purchase \_\_\_\_\_ Warrant Shares of the Company pursuant to the terms of the attached Warrant (to be delivered only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) The undersigned shall pay the aggregate Exercise Price of US\$\_\_\_\_\_ for the applicable Warrant Shares to the Company in United States dollars as set forth in the attached Warrant.

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below (in the account at the Transfer Agent as specified below):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[SIGNATURE OF HOLDER]

Name of Investing Entity: \_\_\_\_\_

*Signature of Authorized Signatory of Investing Entity:* \_\_\_\_\_

Name of Authorized Signatory: \_\_\_\_\_

Title of Authorized Signatory: \_\_\_\_\_

Date: \_\_\_\_\_

  

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**ASSIGNMENT FORM**

*(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)*

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to (with the Holder representing and warranting that the assignment complied with all applicable laws and the restrictive legend set forth at the beginning of the foregoing Warrant):

Name: \_\_\_\_\_  
(Please Print)

Address: \_\_\_\_\_  
(Please Print)

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Dated: \_\_\_\_\_

Holder's Signature: \_\_\_\_\_

Holder's Address: \_\_\_\_\_

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**CERTAIN IDENTIFIED INFORMATION HAS BEEN OMITTED FROM THIS EXHIBIT BECAUSE IT IS NOT MATERIAL AND OF THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. [\*\*\*] INDICATES THAT INFORMATION HAS BEEN OMITTED.**

**SPONSORSHIP AGREEMENT, REVISED 29 MAY 2025**

The Republic of Nauru  
Nauru Ocean Resources Inc.

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**DATE: 29 MAY 2025**

**PARTIES**

The Republic of Nauru (the “**Republic**”)

**AND**

The Nauru Seabed Minerals Authority (the “**Authority**”) established under the *Nauru Seabed Minerals Authority Act 2024* (“**the Act**”)

**AND**

Nauru Ocean Resources Inc. (T/2028) a Nauruan company having its registered office at 1<sup>st</sup> Level, Civic Centre, Aiwo District, Republic of Nauru, South Pacific (“**NORI**”)

**WHEREAS**

- A. The Parties entered into a Sponsorship Agreement dated 5 June 2017.
  - B. The Parties wish to vary the terms and conditions of the Sponsorship Agreement on the terms and conditions set out in this Agreement.
  - C. NORI has the exclusive right to explore for Polymetallic nodules in the ISA Contract Area pursuant to its ISA Exploration Contract.
  - D. The Republic sponsors NORI’s Seabed Mineral Activities in the Area pursuant to the Sponsorship Certificate dated 11 April 2011, and agrees to continue Sponsorship on the terms of this Agreement.
  - E. In exchange for the Republic’s Sponsorship, NORI will make certain payments to the Republic in accordance with this Agreement and the Act.
  - F. During Exploitation, the Seabed Minerals Recovery Payment will be paid to the Seabed Minerals Fund, in accordance with the Act to provide benefits to Nauru’s current and future generations in a transparent manner.
  - G. NORI currently provides capacity building initiatives for Nauruan nationals and proposes to continue to provide such initiatives during the Exploration and Exploitation phases consistent with its obligations under Section 8 of the ISA Exploration Contract and Section 26(e) of the Act for the full duration of this Agreement, including any amendments thereto.
  - H. ISA Contracts are administered by the ISA and NORI will be required to make payments to the ISA if it were to recover minerals during Exploitation.
  - I. It is acknowledged that significant investment will be required before any commercial exploitation of the Polymetallic Nodules in the ISA Contract Area. The Republic is not making any monetary investment toward the Seabed Mineral Activities in the ISA Contract Area, and accordingly is not exposed to the risk of loss associated with such investment but may be exposed to reputational risk and international responsibility and liability in sponsoring such activities under UNCLOS.
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- J. With regard to the respective obligations and commitments under this Agreement, each of the Parties covenant that it shall act in good faith and deal fairly with the other party.

For good and valuable consideration, the Parties hereto agree to be bound by the following terms and conditions:

**1. Agreement subject to Act**

- 1.1 This Agreement is issued under and subject at all times to the Act and the Regulations issued under the Act as at the date of this Agreement. If and to the extent any term and condition of this Agreement is in conflict with or inconsistent with the Act as at the date of this Agreement, the latter prevails.
- 1.2 Notwithstanding Clause 1.1, the Republic acknowledges that the payments, contributions and benefits set out in this Agreement are done in satisfaction of any and all payments that may otherwise be payable by NORI under the Act and waives any liability of NORI to make additional payments to the Republic other than those set out in this Agreement;
- 1.3 Unless a contrary intention appears, terms used in this Agreement that are defined in UNCLOS, the relevant Rules of the ISA, the Act or the Regulations have the same meaning as those in UNCLOS, the relevant Rules of the ISA, the Act or the Regulations.

**2. Term**

- 2.1 This Agreement will remain in force until:
- (a) the Parties agree to terminate the Agreement;
  - (b) this Agreement is terminated pursuant to Clauses 10.6, 11, 20, 21 or 22 of this Agreement.
- 2.2 During the Term, and only if NORI holds ISA Contracts, NORI shall, within [\*\*\*] days of the end of each calendar year, submit a report to the Nauru Seabed Minerals Authority, containing information on its programme of activities for the previous year. Within [\*\*\*] days of submitting the report, the Parties shall meet to discuss the report, as well as the performance of each of the Parties under this Agreement, to ensure the Agreement is being fulfilled as originally intended.

**3. Sponsorship**

- 3.1 The Republic agrees to:
- (a) provide and maintain Sponsorship of NORI and NORI's Seabed Mineral Activities in the Area (including, subject to NORI's satisfaction of the Qualification Criteria under the Act, providing Sponsorship of NORI's Exploitation application to the ISA) for the Term of this Agreement;
  - (b) do all things reasonably necessary to give effect to NORI having the full benefit of the Sponsorship, including renewing NORI's Sponsorship Certificate where applicable, supporting any application made by NORI to the ISA for an extension to its Exploration Contract, undertaking communications with, and providing documentation, certificates and undertakings to, the ISA or other regulatory body required in respect of the Sponsorship; and

(c) fulfil its responsibilities under Section 30 of the Act.

3.2 For clarity, the Republic acknowledges that the Sponsorship is provided by the Republic, as a signatory to UNCLOS, for the purposes of UNCLOS and the Rules of the ISA and that neither this Agreement nor Sponsorship confers on the Republic any rights to or in connection with:

(a) the ISA Contract Area;

(b) the Polymetallic Nodules contained within the ISA Contract Area or recovered therefrom; or

(c) any product produced from the processing of the Polymetallic Nodules.

3.3 Under its ISA Contract, NORI will have the exclusive enjoyment and right to carry out the Exploration and Exploitation in the ISA Contract Area, and NORI may at its sole discretion, subject to the ISA Contract, deal with the title and ownership of the ISA Contract Area and Polymetallic Nodules in any way.

3.4 The Republic recognizes that the Exploration and Exploitation within the ISA Contract Area will require significant international financing, and the Republic agrees to use its best efforts to assist the NORI Group to obtain financing, including entering into agreements and providing formal documents that the lenders, investors and other third parties may reasonably require in relation to Sponsorship and the provision of a stable and predictable regulatory framework; however nothing herein will require or be deemed that the Republic has provided or guaranteed any such financing.

3.5 For the avoidance of doubt, the Republic is only sponsoring NORI, and is not sponsoring or responsible for the activities of any other entity in the NORI Group.

#### 4. Seabed Mineral Recovery Payment

4.1 In exchange for the Republic providing Sponsorship pursuant to the terms set out in the Agreement, NORI shall pay to the Republic, during the Payment Years, a Seabed Mineral Recovery Payment (“**SMRP**”) in accordance with this Clause 4.

4.2 The SMRP will be [\*\*\*] per Tonne of Polymetallic Nodules Recovered from the ISA Contract Area.

4.3 The SMRP shall be paid in arrears on or before the date that NORI’s royalty payment is due for payment in respect of each royalty return period in accordance with the Exploitation Regulations. However, until the ISA adopts the Exploitation Regulations, the SMRP shall be paid in arrears on or before:

(a) the last day of [\*\*\*], in respect of the period [\*\*\*] to [\*\*\*] each year; and

(b) the last day of [\*\*\*], in respect of the period [\*\*\*] to [\*\*\*] each year.

- 4.4 The SMRP shall be adjusted (on a compounding basis on the first day of January in each following year by the relevant factor in each following year that represents official inflation in the United States of America (“US”) using the All Items Consumer Price Index for All Urban Consumers (CPI-U) for the US City Average published from time to time by the United States Department of Labour, Bureau of Labour Statistics. For example, if official inflation in the US is 3%, the SMRP will be increased by 3%.
- 4.5 No SMRP or other amounts or payments will be payable by NORI to the Republic (except for the Administration Fee under Clause 18 of this Agreement) until [\*\*\*].
- 4.6 The Republic hereby agrees that NORI will not be subject to or required to pay any taxes, payments or fees, other than those set out in this Agreement or the Act (as at the date of this Agreement), including the SMRP and the taxes, payments and fees listed in Clause 9.1.
- 4.7 NORI must pay, on demand by the Authority, interest on the SMRP amounts which are due and payable and remain unpaid at an annual rate calculated by adding 2 per cent to the SDR Interest Rate prevailing on the date the amount became due and payable.
- 4.8 The Republic hereby undertakes and affirms that at no time will the rights (and the full and peaceful enjoyment thereof) granted by it under this Agreement be discriminately derogated from or otherwise prejudiced by any Nauruan Law or the action or inaction of the Republic, or any official thereof, or any other person whose actions or inactions are subject to the control of the Government. To the extent there is inconsistency between any future Nauruan Law related to taxation or the financial terms between the Republic and the NORI Group, then this Agreement will prevail.
5. **Audit**
- 5.1 During the term of the ISA Contract, the Republic through the Authority may, not more than once each calendar year, request in writing an independent audit of the amount of Polymetallic Nodules Recovered in the preceding calendar year (“**Production Audit**”). If the Republic requests a Production Audit, NORI and the Republic shall seek to agree on a suitably qualified and independent auditor to conduct the Production Audit.
- 5.2 NORI will provide the auditor with reasonable access to its records for the purpose of undertaking the Production Audit, and facilitate reasonable access by the auditor to the records of its Associates and Affiliates conducting all or any material part of the Seabed Mineral Activities.
- 5.3 The Parties will require the auditor to provide a written report to the Parties on the findings of the Production Audit within [\*\*\*] days of completion of the Production Audit. In the absence of manifest error, the findings of the auditor will be binding on the Parties.
- 5.4 If the auditor determines that a materially larger or smaller (i.e. more than 5%) amount of Polymetallic Nodules were Recovered from the ISA Contract Area in the preceding year than reflected in the SMRP calculated by NORI for the year pursuant to Clause 4, then within [\*\*\*] days of receipt of the auditor's report, NORI must recalculate in accordance with the accurate and revised figures determined by the auditor for that year the SMRP under Clause 4, and pay to (or deduct from future payments to) the Republic the difference between the SMRP already paid and the SMRP due under Clause 4 on the basis of the revised figures.

5.5 The cost of an audit under this Clause will be borne equally between the Republic and NORI.

**6. Undertaking to Comply with ISA Contract Terms**

6.1 NORI undertakes and warrants that the Seabed Mineral Activities it carries out in the Area will be in compliance with:

- (a) the terms and conditions of the applicable ISA Contract that is in existence at the time and that pertains to the Seabed Mineral Activities in the Area, including the environmental terms and conditions contained in the applicable ISA Contract and Rules of the ISA; and
- (b) NORI's ISA Obligations that pertain to the Seabed Mineral Activities in the Area.

6.2 NORI will not commit any actions, or make any omissions that would cause the Republic to materially breach its Sponsorship Obligations.

6.3 The Republic will not commit any actions or make any omissions that would cause NORI to materially breach its obligations under Clause 6.1.

6.4 NORI will comply with its obligation under Section 29 of the Act.

**7. Subcontractors**

7.1 The Republic acknowledges and agrees that the NORI Group may, in accordance with the Act, delegate to and contract with Subcontractors, Associates and Affiliates, to undertake all or part of the Exploration and Exploitation.

**8. Training and Capacity Building**

NORI will fund and implement training and capacity building initiatives for Nauruan nationals in accordance with a program to be developed by NORI, including programs of scientific, educational and technical assistance and Section 26(e) of the Act.

**9. Taxes and Payments**

9.1 Notwithstanding anything contained in this Agreement, NORI agrees to be subject to the following payments and conditions, where applicable:

- (a) [\*\*\*];
- (b) [\*\*\*];
- (c) [\*\*\*];
- (d) [\*\*\*];
- (e) [\*\*\*];
- (f) [\*\*\*];

- (g) [\*\*\*];
- (h) [\*\*\*];
- (i) [\*\*\*]; and
- (j) [\*\*\*].

provided that such payments and conditions are applied on a fair and reasonable basis and are imposed on a non-discriminatory basis to all Nauruan entities and nationals.

**9.2** The Republic also agrees that the payments NORI makes pursuant to this Agreement satisfy, fulfil and extinguish any obligation or liability to make any payments whatsoever under the Act. The Republic further indemnifies NORI against [\*\*\*].

**9.3** For the avoidance of doubt, the NORI Group will not be subject to or required to pay any other Taxes for the Term, including without limitation [\*\*\*].

**10. Nauruan Laws, Expropriation and Corporate Existence**

**10.1** The Republic agrees and warrants that:

- (a) any Nauruan Laws and regulations brought into effect after the Commencement Date will not interfere with or diminish NORI's rights with respect to any ISA Contract Area, the Business or the rights arising under this Agreement and must not be a Discriminatory Change in Nauruan Law, except to the extent the Republic has an obligation at International Law to enact or comply with such laws in order to fulfil the Republic's Sponsorship Obligations;
- (b) to the extent that NORI or the NORI Group's rights and obligations under this Agreement conflict with their rights and obligations under any Nauruan Law, this Agreement will take precedence, and NORI and the NORI Group will be relieved of any obligations under Nauruan Law to the extent that their rights and obligations conflict with Nauruan Law;
- (c) the Republic will take such actions necessary to give effect to the exemptions from applicable law and tax law expressly provided in this Agreement.

**10.2** Prior to bringing in any laws or regulations that are required by International Law to fulfil the Republic's Sponsorship Obligations the Republic will provide NORI with reasonable and meaningful consultation.

**10.3** The Republic must also notify NORI from time to time as to any applicable Nauruan Law that may be brought in to effect to fulfil the Republic's Sponsorship Obligations and shall provide NORI sufficient time to ensure that it is able to comply with those laws or otherwise seek dispute resolution between the Parties with regards to the application of such Nauruan Law. In the event any such change comes into force and materially impacts on the financial obligations of NORI, then the parties agree to negotiate in good faith appropriate amendments to the payments contemplated to the Republic under this Agreement in order to maintain the same level of financial burden on NORI as of the date of execution of this Agreement.

- 10.4** The Republic shall not impose, nor shall it permit or authorise any of its agencies or instrumentalities or any local or other authority of the Republic to impose any Taxes, impositions, rates or charges of any nature whatsoever on or in respect of the titles, property, or other assets, products, materials, or services used or produced by or through the Activities or by any or all of the NORI Group otherwise in the conduct of its business pursuant to the NORI Rights nor will the Republic take or permit to be taken by any such Republic authority any other discriminatory action which would deprive the NORI Group of full enjoyment of the rights granted and intended to be granted by the NORI Rights or otherwise under this Agreement.
- 10.5** In enacting and implementing Nauruan Laws and regulations the Republic shall at all times accord NORI fair and equitable treatment, and will provide a stable and predictable legal framework and make decisions consistently and transparently and in accordance with the legitimate expectations of NORI and the NORI Group.
- 10.6** In the event there occurs any change in Nauruan Laws (including without limitation provisions relating to imposts, duties, fees, charges, penalties, and Tax related legislation) after the date of this Agreement, and if upon NORI's representation it appears that on a reasonable interpretation and application of the law it would have the effect of divesting, decreasing, or in any way limiting, reducing or withholding any rights or benefits accruing to NORI or the NORI Group under this Agreement or under current legislation, then the Parties shall, in good faith, negotiate to modify this Agreement so as to restore the economic rights and benefits of the NORI Group to a level equivalent to or as close as possible to what they would have been if such change had not occurred. If the economic rights and benefits of the NORI Group are not restored then NORI may at its election terminate this agreement.
- 10.7** The Republic will permit all bona fide monetary conversions and transfers related to the NORI Rights or the Business (including currency conversions, transfers to, by or on behalf of NORI, or any member of the NORI Group) to be made freely and without delay into and out of the Republic provided the procedural laws applicable to the transfer of funds out of jurisdiction applicable to all persons are complied with.
- 10.8** The Republic acting in good faith shall not do or cause to be done or permit any act, thing or omission whether legislative, executive or administrative which discriminates adversely and unfairly against NORI, any member of the NORI Group, the NORI Rights or the Business if it results, upon its application, in a deprivation of the full enjoyment of the rights granted or intended to be granted under this Agreement.
- 10.9** The Republic shall accord NORI treatment no less favourable than the treatment it accords, in like situations, to other investors.
- 10.10** The Republic shall accord NORI full security and protection, including complete and unconditional legal protection.

- 10.11** The Republic shall not Expropriate, nationalize, confiscate, condemn or wrongfully possess, nor, to the extent possible, destroy, disrupt or interfere with NORI, NORI's title to possession, NORI's peaceful enjoyment of the NORI Rights and all property of NORI and any member of the NORI Group except against prompt, adequate and effective compensation. Such compensation shall amount to the genuine value of NORI's investment expropriated immediately before the expropriation or before the impending expropriation became public knowledge, whichever is the earlier, shall include interest at a normal commercial rate until the date of payment, shall be made without delay, be effectively realizable and be freely transferable.
- 10.12** In the event of any inconsistency between the provisions contained within this Agreement, the Parties agree that an interpretation of this Agreement will be preferred which gives NORI and the NORI Group the benefit of this Agreement without nationalisation or expropriation.
- 10.13** Provided NORI is in material compliance with this Agreement and the *Corporations Act 1972*, the Republic will take all necessary actions for the Term to ensure that the corporate existence of NORI (as well as any other Nauruan incorporated member of the NORI Group) as bodies corporate duly organized and validly existing and in good standing under the laws of the Republic of Nauru is maintained, including ensuring that all such authorisations, approvals, consents and licences are issued as may be required to enable NORI (and such other members of the NORI Group) to maintain its good standing, including ensuring that certificates evidencing annual renewal of registration of incorporation are issued in a timely manner in accordance with the *Corporations Act 1972*. Unless NORI (or such other members of the NORI Group incorporated in the Republic) are in material breach of this Agreement and/or the *Corporations Act 1972*, the Republic shall ensure that no action is taken (either by the government or by any government entity or instrumentality to interfere with the continued corporate existence and registration of NORI and such other members of the NORI Group incorporated in the Republic.
- 10.14** The Republic guarantees the conversion and transfer overseas of NORI earnings and savings or earnings of expatriate personnel, their Affiliates and Associates, resulting from the Seabed Mineral Activities.
- 10.15** With respect to earnings of NORI servants or agents, and expatriate personnel, whilst the Republic will not place unnecessary restriction of transfer of funds legitimately earned by NORI servants or agents, and expatriate personnel, such transfers will comply with the procedural laws applicable to transfer of funds out of jurisdiction applicable to all persons.
- 11. Access to NORI Rights and Intellectual Property**
- 11.1** In accordance with the Act, the Republic agrees that any or all members of the NORI Group may have access by way of sharing, use, Assignment or any other manner of access to the NORI Rights and Intellectual Property or any part thereof at any time (“**Access to NORI Rights and Intellectual Property**”), at their sole discretion, without reason and without prior consultation, upon providing notification to the Republic.

- 11.2** The Parties agree that Access to NORI Rights and Intellectual Property in accordance with Clause 11.1 will not cause NORI or any member of the NORI Group to be regarded as conducting business for the purposes of the Business Tax Act 2016.
- 11.3** The Parties agree that for the term of this Agreement the market value in the case of Assignment or granting of Access to the NORI Rights and Intellectual Property shall not exceed the total cumulative spend on exploration, research and development by NORI from the earliest date of NORI's incorporation or incorporation of any member of the NORI Group.
- 11.4** NORI or any member of the NORI Group will supply the Republic with a schedule of its total cumulative spend on exploration, reaseach and development referred to in clause 11.3.
- 11.5** In the event that a member of the NORI Group notifies the Republic that Access to NORI Rights and Intellectual Property, including any Assignment of the NORI Rights and Intellectual Property, is to be granted or Assigned, or is proposed to be granted or Assigned, the Republic shall sign all documents, do all things and take all measures reasonably requested by the NORI Group to facilitate that Access to NORI Rights and Intellectual Property, including any Assignment of the NORI Rights, and will not act in any way to prevent or delay Access to NORI Rights and Intellectual Property, including any Assignment of the NORI Rights.
- 11.6** Upon the later of:
- (a) an Assignment being completed in favour of an assignee; or
  - (b) a certificate of sponsorship being signed by a new country pursuant to the ISA Regulations under which that country sponsors the assignee under the Assignment (or the assignees nominee) as the new holder of the NORI Rights,
- this Agreement will terminate effective immediately thereafter and:
- (c) NORI will no longer have any obligations to pay an Administration Fee or SMRP to the Republic except:
    - (i) to cover the calendar year's Administration Fee during which the Agreement is terminated; and
    - (ii) to cover any SMRP owing in respect of any seabed mineral production that has occurred up to the day before completion of an Assignment.
  - (d) No Party shall be liable to any other Party, whether arising under contract, tort, strict liability or otherwise, for any consequential or indirect loss or damage, of any nature arising at any time from any cause whatsoever.
- 11.7** For avoidance of any doubt, and subject to Clause 9.1, the Republic will not impose any Tax (including without limitation capital gains tax, stamp duty, sales tax, transfer tax, Business Profits Tax or withholding tax) on Access to NORI Rights and Intellectual Property or any transfer or Assignment of shares in NORI.
- 11.8** This Clause 11 survives the termination or expiry of this Agreement.

**12. Notification to NORI**

Should the Republic or the Nauru Seabed Minerals Authority receive material information, correspondence or notices from the ISA or other regulatory body relating to:

- (a) NORI;
- (b) NORI's ISA Obligations;
- (c) the Republic's Sponsorship Obligations;
- (d) any Subcontractor;
- (e) the Activities; or
- (f) the ISA Contracts,

it shall promptly inform NORI and provide a copy of such material information, correspondence or notice

**13. Exploration and Exploitation Applications**

**13.1** The Republic will take all necessary measures to cooperate with NORI to facilitate the preparation, submission and support of:

- (a) Applications to extend the ISA Exploration Contract; and
- (b) Applications to the ISA for Exploitation and to extend any ISA Exploitation Contract.

**13.2** The costs of presenting the applications to the ISA referred to in Clause 13.1 shall be borne by NORI, including any costs reasonably incurred by the Republic in taking actions either requested by NORI or deemed necessary by the Republic under the Rules of the ISA, to support the application before the ISA ("*ISA Application Costs*").

**14. Environmental and Safety Performance Monitoring Program**

**14.1** Subject to Clause 14.4, NORI acknowledges that the Republic has the right to carry out an environmental and safety performance monitoring program ("*Environmental and Safety Performance Monitoring Program*" or "*ESPMP*") to, inter alia:

- (a) Assist the Republic satisfy its Sponsorship Obligations;
- (b) Verify whether the Seabed Mineral Activities, Associates and Affiliates, Vessels and Installations are in compliance with NORI's ISA Obligations; and
- (c) Verify whether any Seabed Mineral Activities or Associates or Affiliates are causing or have caused Pollution Incidents or Serious Harm to the Marine Environment.

**14.2** NORI acknowledges that it must permit, and must ensure that all relevant Affiliates and Associates permit, the Republic, the Republic's nominees, including observers appointed by the Authority, any suitably qualified person authorized by the Republic, or any independent qualified environmental or safety officers engaged by the Republic or acting on the Republic's behalf (collectively referred to as "*ESPMP Officers*"), to conduct an ESPMP in accordance with this Clause 14.

**14.3** NORI acknowledges that it must give, and must ensure that all relevant Affiliates and Associates give, the ESPMP Officers access to any Vessel or Installation being used in the Seabed Mineral Activities that is relevant to the ESPMP, and provide the ESPMP Officers with:

- (a) reasonable assistance requested by the ESPMP Officers to allow them to access, inspect, assess, audit and/or monitor the relevant Seabed Mineral Activities, including:
  - (i) safe boarding of Vessels and Installations;
  - (ii) cooperation and assistance with the ESPMP on Vessels and Installations;
  - (iii) reasonable access to relevant log books, records, documents, equipment, facilities and personnel on Vessels and Installations at reasonable times;
  - (iv) provision of reasonable accommodation and facilities, including, where appropriate, food and means of adequate subsistence while on any Vessel or Installation; and
  - (v) safe disembarkation from Vessels and Installations; and
- (b) Copies of any documents requested by the ESPMP Officers that are in the possession of NORI or a relevant Affiliate or Associate and are strictly necessary to carry out the ESPMP (subject to confidentiality constraints).

**14.4** The Republic shall, and shall ensure that all ESPMP Officers engaged in the ESPMP shall, keep confidential all information provided to them by or on behalf of NORI or any Affiliates or Associates or otherwise obtained by the Republic or ESPMP Officers in connection with any ESPMP and which relates to NORI, the Seabed Mineral Activities or any Associate or Affiliate. NORI reserves the right to require any ESPMP Officer before receiving such information to first sign a confidentiality agreement in person that strictly limits the approved purpose of disclosure to that of carrying out the ESPMP and reporting to the Republic.

**14.5** The Republic shall, prior to finalising any report prepared under an ESPMP regarding NORI, share such report with NORI and provide NORI with the opportunity to comment on and provide input into such report.

**15. ESPMP Officers**

**15.1** Notwithstanding anything contained in this Agreement:

- (a) ESPMP Officers must follow all instructions and directions pertaining to Safety at Sea given to them from NORI, a relevant Affiliate or Associate, the captain, master or other relevant safety officers on board Vessels and Installations whether given in writing, verbally or via signage, and NORI is not liable (including under any indemnity in this Agreement) for injury, loss or damage caused by a failure of any ESPMP Officers to follow any instructions and directions or any negligence on the part of such ESPMP Officers; and
- (b) NORI has the right to:
  - (i) request and receive from any ESPMP Officer, prior to their involvement in any aspect of the Seabed Mineral Activities, all reasonable information necessary to assess the officer's suitability and qualifications for participation in the Seabed Mineral Activities, including without limitation relevant criminal records, medical information and certification of health including a test for contagious diseases and drugs (with NORI reserving the right to refuse participation in any aspect of the Seabed Mineral Activities should NORI deem an ESPMP Officer or candidate unsuitable or unsafe);
  - (ii) at NORI's sole discretion, deny any ESPMP Officer access to or remove any ESPMP Officer from any aspect of the Seabed Mineral Activities in the event that the Officer poses an unreasonable risk to Safety at Sea or the activities, or does not possess the necessary safety qualifications or training including survival training; and
  - (iii) require any ESPMP Officers to undergo, if necessary, offshore safety training before or while on board Vessels or Installations.

**16. Completion and Relinquishment Criteria**

NORI will comply with NORI's ISA Obligations pertaining to completion or relinquishment of the Exploration or Exploitation Contract, including safe removal of Installations from the ISA Contract Area.

**17. Confidentiality**

**17.1** Subject to Clause 17.2, the Republic must not disclose to a third party Confidential Information.

**17.2** The Republic may disclose information:

- (a) in enforcing this Agreement or in a proceeding arising out of or in connection with this Agreement;
- (b) if required under the Rules of the ISA;
- (c) if it is required or permitted to be disclosed by this Agreement;
- (d) to its legal advisers, consultants, directors, officers and employees provided that such parties undertake to keep the information confidential and provided the disclosure is reasonably necessary in connection with the Republic exercising its rights or performing its obligations under this Agreement or performing the Republic's Sponsorship Obligations; or
- (e) if NORI has given prior written consent.

**17.3** If the Republic becomes aware of a suspected or actual breach of this Clause 17, the Republic will immediately notify NORI and take all practicable steps to prevent or stop the suspected or actual breach.

**17.4** This Clause 17 survives termination or expiry of this Agreement.

**18. Administration Fee**

**18.1** Subject to Clause 23, NORI will pay an Administration Fee to the Republic, in accordance with the Act and this clause, to cover the costs associated with the Republic's administration of its Sponsorship in each calendar year. If NORI relinquishes or the ISA terminates its ISA Contract, the Administration Fee will cease to be payable or paid after the second year in which NORI relinquishes or the ISA terminates its ISA Contract.

**18.2** The amount of the Administration Fee will be set in accordance with the Act and shall be no greater than USD 500,000.00 in the first year of payment following the Parties' execution of the Agreement, and increase by no more than 5% in each subsequent year.

**18.3** The Administration Fee shall only be used by the Republic in accordance with the Act to fund the Authority's administration, monitoring and regulation of NORI's activities and the Republic's engagement with the ISA.

**18.4** Prior to the payment of each year's Administration Fee, the Authority shall provide NORI with an annual budget demonstrating what the Administration Fee will be used for that year and an accounting of how the previous year's Administration Fee had been used.

**19. NORI Default and Republic Default**

**19.1** A NORI default occurs if:

- (a) there is a material breach of an obligation under this Agreement by NORI; or
- (b) NORI is in material breach of NORI's ISA Obligations ("**NORI Default**"); or
- (c) NORI Fails to Act in Good Faith.

- 19.2** If a NORI Default occurs, the Republic may give NORI a Notice in writing (“**NORI Default Notice**”) stating that a NORI Default has occurred and requiring NORI to Remedy the NORI Default within a reasonable time from the date of such Notice.
- 19.3** Upon receipt of a NORI Default Notice, NORI shall promptly commence, and continue to pursue with diligence, the Remedy of the NORI Default within [\*\*\*] days, and must, whenever requested by the Republic, advise progress of the Remedy.
- 19.4** A Republic default (“**Republic Default**”) occurs if:
- (a) the Republic breaches this Agreement, its obligations under UNCLOS, Regulations or the Act; or
  - (b) the Republic Fails to Act in Good Faith or discriminates against NORI (including through a Discriminatory Change in Nauruan Law); or
  - (c) the Republic ceases to Sponsor NORI and the Seabed Mineral Activities, fails to confirm Sponsorship of NORI and the Activities, takes any action towards ceasing its Sponsorship or purports to cease its Sponsorship of NORI and the Activities (unless such cessation, failure or action is taken by the Republic in good faith and pursuant to this Agreement); or
  - (d) the Republic directly or indirectly Expropriates the ownership, rights or assets of the NORI Group, or takes any action to directly or indirectly Expropriate the ownership, rights or assets of the NORI Group; or
  - (e) the Republic fails to comply with a final binding decision pertaining to its Sponsorship Obligations of a dispute settlement body applicable to it.
- 19.5** If a Republic Default occurs, NORI may give the Republic a Notice in writing (“**Republic Default Notice**”) stating that a Republic Default has occurred and the Republic shall promptly commence, and continue to pursue with diligence, the Remedy of the Republic Default within [\*\*\*] days, and must, whenever requested by NORI, advise progress of the Remedy.
- 20. Temporary Suspension of Seabed Mineral Activities**
- 20.1** In the event that:
- (a) an Emergency exists; or
  - (b) NORI or an Affiliate or Associate, in spite of one or more written warnings by the ISA or the Republic, has conducted its activities in such a way as to result in serious persistent and wilful violations of the fundamental terms of the Act, this Agreement, an ISA Contract or NORI's ISA Obligations and:
    - (i) the Republic has served a written Notice of its intention to order suspension under this clause (“**Republic Suspension Notice**”) on NORI; and

- (ii) the Republic Suspension Notice specifies in detail the reasons why the Republic Suspension Notice is given and that the Republic requires NORI to Remedy the breach within [\*\*\*] days of receipt of the Notice,

the Republic may by written Notice to NORI:

- (c) in the case of 20.1(a) above, demand the suspension of the portion of the Seabed Mineral Activities necessary to end or mitigate the Emergency for such period as is reasonably necessary;
- (d) in the case of 20.1(b) above, demand the suspension of the Seabed Mineral Activities (for such period as is reasonably necessary) on the day falling [\*\*\*] days after the date NORI receives the Republic Suspension Notice, unless:
  - (i) in the case that the breach can be Remedied and NORI has Remedied the breach in that period;
  - (ii) in the case that the breach cannot be Remedied (or cannot be Remedied within the time specified in Clause 20.1(d), NORI has adequately compensated the Republic for the demonstrable damages incurred by the Republic as a result of the breach; or
  - (iii) the Republic withdraws in writing the Republic Suspension Notice.

**20.2** If suspension is ordered in accordance with Clause 20.1:

- (a) NORI will take reasonable and appropriate measures to ensure that the relevant Associates and Affiliates comply with the suspension orders and carry out those orders in a way that does not cause or exacerbate a Safety Incident or Serious Harm to the Marine Environment;
- (b) the suspended Activities may be resumed when NORI is provided with written direction from the Republic to resume the Activities (always provided that the resumption is allowed under the ISA Contract), which the Republic must give immediately if:
  - (i) in the case of an Emergency, the Emergency has ceased;
  - (ii) in the case that the breach can be Remedied, NORI has Remedied the breach;
  - (iii) in the case that the breach cannot be Remedied (or cannot be Remedied within the time specified in Clause 20.1(d)), NORI has adequately compensated the Republic for the demonstrable damages incurred by the Republic as a result of the breach; and
- (c) NORI will not be relieved of its other responsibilities and obligations under this the Act or this Agreement, except to the extent that such responsibilities and obligations cannot be performed as a result of the suspension.

**20.3** NORI shall provide any necessary assistance to the Republic in the exercise of its rights under this Clause 20.

**20.4** In the event that NORI disputes the reasons why the Suspension Notice has been issued by the Republic or there is a dispute as to the demonstrable damages incurred by the Republic as a result of the breach, or whether or not the grounds for suspension have been Remedied by NORI, the matter will be referred as a dispute under Clause 24 and the suspension under this Clause 20 will either not take effect or cease to continue until such time as the dispute resolution has been completed in accordance with that Clause 24.

**20.5** In the spirit of good faith and co-operation the parties will endeavour to have any dispute referred to under Clause 20.4 finalised in no later than [\*\*\*] days.

## **21. Material NORI Breach Termination**

**21.1** In the event of a Material NORI Breach, and:

- (a) the Republic has served a written Notice of its intention to terminate Sponsorship under Section 36 of the Act (“**Republic Termination Notice**”) on NORI; and
- (b) the Republic Termination Notice specifies in detail the Material NORI Breach in respect of which the Republic Termination Notice is given and that the Republic requires NORI to remedy the breach within [\*\*\*] days of receipt of the Notice,

this Agreement will terminate, without penalty to the Republic, on the day falling [\*\*\*] days after the date NORI receives the Republic Termination Notice, unless:

- (c) in the case that the Material NORI Breach can be Remedied, NORI rectifies or overcomes the effect of the Material NORI Breach in that period, or can demonstrate that it has commenced and is diligently proceeding to remedy the breach;
- (d) in the case that the Material NORI Breach cannot be Remedied (or cannot be Remedied within the time specified in Clause 21.1(b)), NORI has adequately compensated the Republic for the demonstrable material damages incurred or to be incurred by the Republic as a result of the Material NORI Breach; or
- (e) the Republic withdraws in writing the Republic Termination Notice.

**21.2** For avoidance of doubt, this Agreement will not terminate if:

- (a) there are no demonstrable material damages to the Republic as a result of the Material NORI Breach; or
- (b) if NORI compensates the Republic for the demonstrable material damages incurred by the Republic as a result of the Material NORI Breach.

**21.3** Termination of this Agreement shall not in any way prejudice or affect the Republic's rights to Claim and recover damages under any indemnity.

**21.4** In the event that NORI disputes the reasons why the Republic Termination Notice has been issued by the Republic or there is a dispute as to the demonstrable damages incurred by the Republic as a result of the breach, or as to whether or not the grounds for termination have been Remedied by NORI, the matter will be referred as a dispute under Clause 24. Any termination will not take effect until the later of the time period specified under Clause 21.1 or such time as the dispute resolution has been completed in accordance with Clause 24.

- 21.5** The Republic acknowledges and agrees that termination of this Agreement by the Republic shall not cause the grant of or otherwise create any entitlement, rights or title to the Republic in the NORI Rights which will at all times remain the property of the NORI Group notwithstanding the termination of this Agreement, and the NORI Group will remain entitled to effect an Assignment and/or Access to NORI Rights and Intellectual Property or to otherwise take steps to preserve the operation of and NORI's entitlement to the NORI Rights without further notification to the Republic.
- 21.6** Notwithstanding anything contained in this Agreement, if the Republic terminates this Agreement it must not revoke the Certificate of Sponsorship except in accordance with the Act and not until at least [\*\*\*] months from the date of the Republic Termination Notice, and must, if requested by NORI, continue to do all things necessary to:
- (a) maintain sponsorship during this period; and
  - (b) assist NORI Assign the NORI Rights.
- 21.7** This Clause 21 survives termination or expiry of this Agreement.
- 22. Material Republic Breach**
- 22.1** In the event of a Material Republic Breach, and:
- (a) NORI has served a written Notice of its intention to terminate this Agreement under this Clause 22.1 (“**NORI Termination Notice**”) on the Republic; and
  - (b) the NORI Termination Notice specifies the Material Republic Breach in respect of which the NORI Termination Notice is given, and that NORI requires the Republic to remedy the breach within [\*\*\*] days of receipt of the Notice,
- a Material Republic Breach event will occur on the day falling [\*\*\*] days after the date the Republic received the NORI Termination Notice (“**Material Republic Breach Event**”), unless:
- (c) in the case that the Material Republic Breach can be remedied, the Republic Remedies the Material Republic Breach in that period;
  - (d) in the case that the Material Republic Breach cannot be remedied (or cannot be Remedied within the time specified in Clause 22.1(b)), the Republic adequately compensates NORI for the demonstrable damages incurred and/or to be incurred by it, its Affiliates or its Subcontractors as a result of the Material Republic Breach; or
  - (e) NORI withdraws in writing the NORI Termination Notice.
- 22.2** Without prejudice to any other rights NORI may have under this Agreement or at Law, if a Material Republic Breach Event occurs NORI may, at its discretion, terminate the Agreement and surrender Sponsorship.

- 22.3** Notwithstanding anything contained in this Agreement, in the case that the Material Republic Breach relates to an event contemplated in Clause 19.4(c) or (d), a Material Republic Breach Event will be immediately triggered upon the occurrence of the event without the requirement for a written Notice to be given by NORI.
- 22.4** Without prejudice to any other rights available at law to NORI, the Republic acknowledges the NORI Rights will at all times remain the property of the NORI Group notwithstanding the termination of this Agreement and the NORI Group will remain entitled to effect an Assignment and/or Access to NORI Rights and Intellectual Property or to otherwise take steps to preserve the operation of and its entitlement to the NORI Rights without further notification to the Republic.
- 22.5** This Clause 22 survives termination or expiry of this Agreement.
- 23. Payment of a Continuity Benefit**
- 23.1** The Parties agree that notwithstanding both Parties' long-standing commitment to conducting exploration and exploitation in the Area pursuant to the regime established under UNCLOS and the 1994 Agreement and the Rules of the ISA, the Parties recognize that the continuing and lengthy delay and on-going obstruction of the adoption of the Exploitation Regulations at the ISA is likely to frustrate NORI's planned submission of a Plan of Work for Exploitation and transition to commercial exploitation activities in NORI's ISA Contract Area.
- 23.2** In due consideration for the Republic's continued sponsorship of NORI and support for NORI's enjoyment of its rights in regard to its Contract Area, NORI agrees to provide an additional Continuity Benefit to the Republic for its continued sponsorship of NORI.
- 23.3** This clause applies if, and only if, all of the following conditions have been fulfilled:
- (a) a subsidiary of The Metals Company Inc. (**TMC**) other than NORI (**TMC Subsidiary**) obtains a permit, licence or other authorization from the US for the conduct of deep seabed mineral activities; and
  - (b) that TMC Subsidiary commences commercial recovery activities of deep seabed minerals pursuant to that permit, licence or other authorization,
- (together, the **Continuity Conditions**).
- 23.4** Upon signing of this Agreement, and in any event within [\*\*\*] business days thereafter, TMC will issue the Republic a warrant to purchase common shares of TMC representing [\*\*\*], in substantially the form of Exhibit A attached to this Agreement. The initial exercise price of the warrant will equal the closing price of TMC's common shares on the Nasdaq stock market on the trading day immediately preceding the date of signing. The warrants will have a five-year term from the date of issuance and will become exercisable only upon the occurrence of the Continuity Conditions. The obligations of TMC with respect to the issuance of these warrants are further set out in the Deed of Guarantee and Indemnity executed by TMC and the Republic in connection with this Agreement.

**23.5** Commencing 1 April of the year following the fulfilment of the Continuity Conditions, and annually after that date until this Agreement is terminated or the Republic terminates its Sponsorship of NORI for any reason other than NORI's consent to that termination, NORI will pay to the Republic an annual payment on the following terms:

(a) For the first five-year period, payments in accordance with the following schedule:

Year 1	USD1,000,000.00
Year 2	USD2,000,000.00
Year 3	USD4,000,000.00
Year 4	USD8,000,000.00
Year 5	USD10,000,000.00

(b) For each subsequent [\*\*\*]-year payment period, payments in accordance with a yearly payment instalment schedule that NORI and the Republic will negotiate in good faith prior to the end of the first [\*\*\*]-year payment period and each subsequent payment period.

- i. Such negotiations must commence at least [\*\*\*] months prior to the end of each payment period. Each yearly payment instalment schedule will include the number of years in the payment period and the amounts to be paid in each year.
- ii. The negotiation of each yearly payment instalment schedule will be guided by the overall intention of providing the Republic with reasonable payments that are no greater than the amounts that the Republic would have reasonably received from NORI pursuant to the Act and this Agreement at an equivalent stage of Exploitation activities, taking into account the differing operating context, if NORI had been able to proceed with such activities pursuant to an Exploitation Contract with the ISA.
- iii. The value of payments made after the first [\*\*\*]-year period may also be made subject to TMC achieving certain financial milestones.

(c) If the Parties are unable to agree on a yearly payment instalment schedule for the subsequent [\*\*\*]-year payment period prior to [\*\*\*] month before the end of the [\*\*\*] year of the existing payment schedule, either Party may use the dispute resolution mechanism of this Agreement *mutatis mutandis* to settle the yearly instalment schedule for the subsequent [\*\*\*] year period . Any findings or result of such a process will be binding upon the Parties.

(d) NORI shall ensure that the total amount of monetary payments made to the Republic equals a minimum of USD 265 million and may be up to a maximum of USD 515 million subject to TMC's market capitalization meeting thresholds agreed between the Parties. For the avoidance of doubt, monetary payments pursuant to this clause are exclusive of the value of the warrants, the Administration Fee and the annual investments NORI will make pursuant to Clause 23.8(b).

- 23.6** Notwithstanding anything else contained within this Agreement or the Act, the benefits specified in Clauses 25.3 and 25.4 (the **Continuity Benefits**) will replace all other fees, charges and amounts (except for the Taxes detailed in Clause 9.1 (a) to (j)) payable by NORI to the Republic under this Agreement or the Act. In the event that any tax becomes payable as a result of any Access to NORI Rights and Intellectual Property or Assignment of such Rights and Intellectual Property, such tax will be creditable against any Continuity Benefits payable, thereby reducing the amount of Continuity Benefits by the amount of tax payable or paid so that over the term of this Agreement full relief is provided for tax paid against all Continuity Benefits payments, such that the combined total of tax and Continuity Benefits payments does not exceed the thresholds specified in para 23.5 (a) or (d). The Republic agrees that to the extent an amount is owing by NORI under the Act, the Continuity Benefits will provide full satisfaction of that debt, liability or amount owing. The Parties shall structure the payment of the Continuity Benefits to ensure that no other payments or amounts are required to be paid by NORI to the Republic under the Act. If NORI is ever required to make an additional or separate payment other than the Continuity Benefits to the Republic, such amount may be deducted from any Continuity Benefit payable under this Agreement.
- 23.7** The Parties agree that the Continuity Benefits will be provided by NORI to the Intergenerational Fund. The Parties agree that the Continuity Benefits will only be provided to the Fund if a reasonable and appropriate governance framework for the Fund, that is consistent with best practice for similar funds such as the Intergenerational Fund, remains in place, is maintained and complied with by the Republic and the Fund.
- 23.8** In addition to the Continuity Benefits, throughout the time period that the Continuity Benefits are provided to the Republic:
- (a) NORI will maintain its office in the Republic, staffed at a level to be determined by NORI at its sole and absolute discretion; and
  - (b) NORI will make annual investments on its presence in the Republic, in-country social, community and Training and Capacity Building (under Clause 8 of this Agreement) in the Republic.
- 23.9** For the avoidance of doubt, if and when NORI ceases providing the Republic the Continuity Benefits, for whatever reason, NORI will not be obliged to continue to maintain its office and activities within the Republic.
- 23.10** For the avoidance of doubt, should NORI determine at its absolute and sole discretion, that: (i) it remains unviable to submit its Exploitation Application to the ISA; and (ii) proceeds to relinquish its Contract Area to the ISA (or the ISA terminates its contract), subject to the Continuity Conditions having been met, NORI will continue to provide the Continuity Benefits to the Republic.
- 23.11** Notwithstanding any other provisions in this Agreement:

- (a) if the Republic (including any agency or entity owned or controlled by the Republic) enters into an arrangement (whether a treaty, contract, memorandum of understanding, or other form of agreement, regardless of its legal status, number of parties, or whether it is governed by international or domestic law) with another State (including any fund, non-profit organization, or other entity established by that State) that entitles the Republic to receive benefits from that State in connection with, or associated with, seabed mining activities undertaken by entities of that other State, then from the date such arrangement enters into force, NORI shall be entitled to deduct from the Continuity Benefits an amount equal to any benefit received by the Republic pursuant to such arrangement; and
- (b) if, for whatever reason, the TMC Subsidiary temporarily or permanently suspends or ceases its commercial recovery activities of deep seabed minerals pursuant to a permit, licence or other authorization obtained from the US, NORI will not be obliged to provide the Continuity Benefits to the Republic from the date of such temporary or permanent suspension or cessation of the TMC Subsidiary's commercial recovery activities.
- (c) In the event the TMC Subsidiary resumes its commercial recovery activities following any temporary suspension under Clause 23.11(a), NORI will be obliged to provide the Continuity Benefits from the date NORI notifies the Republic in writing of such resumption of its commercial recovery activities. For the avoidance of doubt:
  - i. NORI shall provide any written notification to the Republic within 48 hours of such resumption of its commercial recovery activities; and
  - ii. NORI's payment of the Continuity Benefits shall resume from the date on which payment was paused pursuant to Clause 23.11(a); and
  - iii. NORI will not be obliged to provide the Republic with any retrospective payments of the Continuity Benefits corresponding to the duration of any temporary suspension in the TMC Subsidiary's commercial recovery activities.
- (d) For the purposes of this Clause 23.11, a "temporary suspension" in the TMC Subsidiary's commercial recovery activities will occur where the TMC Subsidiary does not or cannot conduct any commercial recovery activities for a continuous period longer than [\*\*\*] days.

**23.12** In the event that NORI does not or cannot provide the Republic the Continuity Benefits, for whatever reason, for longer than [\*\*\*] months after [\*\*\*] of the year in which the Continuity Benefits are due in accordance with Clause 23.5, the Parties shall, acting in good faith, enter into negotiations to amend, vary, terminate or agree new terms to this Agreement.

**23.13** The Republic will do everything reasonably practicable to maintain its sponsorship of NORI under UNCLOS and in accordance with the ISA's requirements, including sponsorship of any contract extension, and will not terminate its sponsorship except in accordance with this Agreement and the Act.

- 23.14** Save to the extent that the Republic seeks to defend its rights or reputation, the Republic will not, and will not cause any natural or legal person under the Republic's effective control to take any action or make any statements, whether oral or in writing, in any international or domestic forum, which disputes, opposes, obstructs, interferes with or brings into disrepute:
- (a) any application made by TMC Subsidiary to the US for the issuance of an exploration license or commercial recovery permit from the US; or
  - (b) any exploration or commercial recovery activity undertaken by TMC Subsidiary pursuant to such a license or permit.
- 23.15** Save to the extent that NORI seeks to defend its rights or reputation, NORI Group will not, and will not cause any natural or legal person under NORI Group's effective control to take any action or make any statements, whether oral or in writing, in any international or domestic forum, which disputes, opposes, obstructs, interferes with or brings into disrepute the Republic's receipt of the Continuity Benefits.
- 23.16** Nothing in this Clause 23 shall be read to require the Republic to recognize or endorse any appropriation of resources from the Area nor any claim, acquisition or exercise of rights with respect to minerals recovered from the Area, except in accordance with UNCLOS.

**24. Dispute Resolution**

- 24.1** If a dispute between the Republic and NORI arises out of or in connection with Sponsorship under the Act or this Agreement, either the Republic or NORI may give to the other disputing Party a Notice of dispute in writing adequately identifying the matters and the subject of the dispute together with detailed particulars of the dispute. Notwithstanding anything in this Clause 24 the Parties may, by mutual agreement in writing, conduct dispute resolution in any other way or vary the following dispute resolution procedures as they see fit.
- 24.2** Within [\*\*\*] days after service of a Notice of dispute, the Parties must make best efforts to meet at least once, to attempt to resolve the dispute.
- 24.3** If, within [\*\*\*] days after service of a Notice of dispute, the dispute is not resolved, the chief executive officer of NORI and the Responsible Minister must make best efforts to meet within [\*\*\*] days of expiry of that [\*\*\*] day period and use their best efforts, acting in good faith, to resolve the dispute (in whole or in part). If the dispute is resolved at the meeting referred to in this clause then any such resolution will be reduced to writing and will be contractually binding on the Parties.
- 24.4** The Republic and NORI hereby consent to submit to arbitration in accordance with Clause 24.5 any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or validity thereof, that has not been resolved in accordance with Clause 24.3.
- 24.5** Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or validity thereof, that has not been resolved in accordance with Clause 24.3 shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force (unless the Parties otherwise agree on another procedure for arbitration). The appointing authority shall be the International Chamber of Commerce acting in accordance with the rules of the ICC for this purpose. The number of arbitrators shall be three. The seat of the arbitration shall be Singapore, Singapore. The language to be used in the arbitral proceeding shall be English.

**24.6** Notwithstanding anything in this Clause 24:

- (a) nothing will prejudice the right of a Party to seek urgent injunctive, interrogatory or declaratory relief from a court of competent jurisdiction; and
- (b) each Party must continue to perform its obligations under the Agreement.

**25. Authorisation to Enter Agreement**

The Republic warrants that it has done everything under the Act necessary to authorize it to enter into this Agreement, and the Agreement is enforceable in accordance with its terms.

**26. Governing Jurisdiction**

**26.1** The Governing law and the jurisdiction shall be that of Singapore and general principles of international law regarding the protection of foreign investors to the extent that such rules do not contradict the provisions of this Agreement or would reduce the rights of NORI under this Agreement, provided however that with respect to any arbitration, the governing procedural laws of the situs of the arbitration shall govern the arbitration. For the avoidance of doubt, all matters arising hereunder shall be resolved pursuant to the Dispute Resolution procedures set forth in Clause 24.

**26.2** The Republic shall recognize any arbitral award granted as a result of the dispute resolution procedures set forth in Clause 24 as binding and enforce any obligations imposed by that award within its territories as if it were a final judgment of the Republic's courts. Execution of the award shall be governed by Nauruan Law concerning the execution of judgments of Nauruan courts in force in the Republic. For the avoidance of doubt, the *Foreign Judgments (Reciprocal Enforcement) Act 1973* or other Nauruan Law related to the enforcement of foreign or domestic arbitral awards will not apply to any award rendered under Clause 24.

**27. International Law**

**27.1** To the extent that NORI's obligations under this Agreement conflict with NORI's ISA Obligations, the latter shall take precedence, and the Parties agree that NORI shall be relieved of its obligations under this Agreement to the extent and for the period that those obligations conflict with NORI's ISA Obligations or other obligations at International Law.

**27.2** Any relief provided to NORI under this Clause 27 does not invalidate the remaining provisions of this Agreement nor affect the validity of that provision at a future date if it ceases to cause NORI to be in breach of NORI's ISA Obligations.

**28. Notices**

**28.1** Any notice, demand, consent or other communication ("**Notice**") given or made under this Agreement:

- (a) must be in writing and signed by the Party or a person duly authorised by the Party;
- (b) must be addressed and delivered to the intended recipient at the address below or the address last Notified by the intended recipient to the sender after the date of this Agreement:

(i) to the Republic:

\*\*\*  
\*\*\*  
\*\*\*  
\*\*\*  
\*\*\*

(ii) to Nauru Ocean Resources Inc., Incorporated:

\*\*\*  
\*\*\*  
\*\*\*  
\*\*\*

- (c) will be taken to be duly given or made when left at the above address (or the address last Notified by the intended recipient to the sender) and signed for by the recipient. If delivery or receipt occurs on a day that is not a business day in the place to which the Notice is sent or is later than 4pm (local time) at that place, it will be taken to have been duly given or made at the commencement of business on the next business day in that place.

**29. Entire Agreement**

This Agreement constitutes the entire Agreement between the Parties hereto in respect of the matters referred to herein and there are no representations, warranties, covenants or agreements, express or implied, collateral hereto other than as expressly set forth or referred to herein. Any prior arrangements, agreements, representations or undertakings are superseded by the terms contained in this Agreement.

**30. Force Majeure**

**30.1** Subject to Clause 30.4, either Party shall be excused from performance and shall not be in default in respect of any obligation hereunder to the extent that the failure to perform such obligation is due to an Event of Force Majeure.

**30.2** For the purpose of this Agreement, an “Event of Force Majeure” means any of the circumstance detailed in Clause 30.3 that are not within the reasonable control of the Party or parties affected, but only if and to the extent that:

- (a) such circumstance, despite the exercise of reasonable diligence, cannot be, or be caused to be, prevented, avoided or removed by such Party;
- (b) such circumstance materially and adversely affects the ability of the Party to perform its obligations under this Agreement, and such Party has taken all reasonable precautions, due care and reasonable alternative measures in order to avoid the effect of such event on the Party's ability to perform its obligations under this Agreement and to mitigate the consequences thereof; and
- (c) the affected Party notifies the other Party of the Event of Force Majeure as soon as reasonably possible.

**30.3** The circumstances giving rise to an Event of Force Majeure include:

- (a) an act of God such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods;
- (b) war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilisation, requisition, or embargo;
- (c) rebellion, revolution, insurrection, or military or usurped power, or civil war;
- (d) contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly;
- (e) riot, commotion, strikes, go slows, lock outs or disorder, unless solely restricted to employees of the Parties;
- (f) a change (beyond the control of the Parties) to an international law that governs the Parties and relates to seabed exploration or exploitation; or
- (g) acts or threats of terrorism.

**30.4** Notwithstanding anything contained in this Clause 30, the parties will not be relieved of their rights and obligations contained in Clause 2 of this Agreement.

**31. Amendment**

This Agreement may only be amended by mutual agreement in writing by the Parties.

**32. Severability of Provisions**

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

**33. Further Assurances**

The Parties must do anything necessary or desirable (including executing agreements and documents and performing such acts that lie within their power) to give full effect to the Act and this Agreement and the transactions contemplated by it.

**34. No Limitation**

Without limiting the generality of any other provision of this Agreement, any waiver or delay in the exercise by a Party of any rights under this Agreement will not relieve the other Party of any of their obligations under this Agreement.

**35. Representations and Warranties**

- (a) The representations and warranties provided in this Agreement are continuing representations and warranties and will be repeated on each day while any obligation under this Agreement remains outstanding, with reference to the facts and circumstances then subsisting.
- (b) Each Party warrants to each other Party that at the date of this Agreement it has full power and lawful authority to execute and deliver this Agreement and to perform its obligations under this Agreement. Except as expressly provided in this Agreement, no representation, inducement or warranty was, prior to the execution of this Agreement, given or made by one of the Parties hereto with the intent of inducing the other Party to enter into this Agreement, and any representations, inducements or warranties that may have been so given are hereby denied and negated.
- (c) The Republic further represents and warrants that the execution, delivery and performance of this Agreement has received all necessary governmental approvals and authorizations and constitutes the legal, valid and binding obligation of the Republic and is enforceable in accordance with its terms, and the Republic cannot claim sovereign immunity.
- (d) Each Party represents and warrants that they are in compliance with applicable anti-bribery and anti-corruption legislation.

**36. Non Reliance**

The Parties warrant that they:

- (a) did not in any way rely upon any information, representation, arrangement, understanding, statement or documentation, made by or provided to the Party from any other Party or anyone on behalf of the other Party for the purposes of entering into this Agreement except to the extent that any such information, data, representation, arrangement, understanding, statements or document is expressly set out or referred to in this Agreement; and
- (b) enter into this Agreement based on their own investigations, interpretations, deductions, information and determinations, and acknowledge that they are aware that the other Parties have entered into this Agreement relying upon the warranties contained in this Clause 35.

### 37. Counterparts

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed is deemed an original but all of which together constitute one and the same instrument.

### 38. Interpretation

The following rules of interpretation apply unless the context requires otherwise.

- (a) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (b) A reference to dollars and \$ is to the currency of the United States unless otherwise stated.
- (c) All references to time and to dates are to Nauruan times and dates.
- (d) No rule of construction is to apply to the disadvantage of a Party on the basis that that Party drafted the whole or any part of this Agreement.
- (e) Headings do not affect the interpretation of this Agreement.

### 39. Definitions

The following definitions apply unless the context requires otherwise.

**1994 Agreement** means the 1994 Agreement Relating to the Implementation of Part XI of the United Nations Convention on the Law of the Sea of 10 December 1982, and any Annexes thereto.

**Act** means the *Nauru Seabed Minerals Authority Act 2024* of the Republic of Nauru.

**Affiliate** in relation to NORI, means any person that controls, is controlled by, or is under common control with NORI.

**Agreement** means this agreement.

**Assign** or **Assignment** means the assignment or transfer of the NORI Rights to an entity incorporated or existing outside of the Republic of Nauru, including without limitation in conjunction with a change of sponsorship to a new country.

**Business** means each and any business being conducted by the NORI Group arising as a result of or connected with the Exploration, the Exploitation, the Activities and/or the ISA Contracts, other than Access to NORI Rights and Intellectual Property in accordance with Clause 11.

**Business Tax Act 2016** means the *Business Tax Act 2016* of the Republic of Nauru as amended up to and including the date of this Agreement.

**Business Profits Tax** has the meaning contained within the Business Tax Act 2016.

**Claim** includes any action, claim, demand or proceeding arising under UNCLOS.

**Commencement Date** means the date this Agreement is executed by the Parties.

**Corporations Act** means the *Corporations Act 1972* of the Republic of Nauru as in force from time to time, or any law concerning corporations that may succeed the 1972 Act.

**Discriminatory Change** in Nauruan Law means a change in Nauruan Law that is categorically enacted for the sole purposes to:

- (a) materially change the commercial intent of this Agreement or the Sponsorship arrangement between NORI and the Republic; or
- (b) materially increase the total quantum of benefits required to be given by the NORI Group (whether economic or intangible) to the Republic in such a way as to materially change the intent contemplated under this Agreement;

but does not include a change in Nauruan Law that is required by international law for the Republic to fulfil its Sponsorship Obligations.

**Emergency** means a circumstance where the Seabed Mineral Activities have caused or pose an immediate and probable threat of causing Serious Harm to the Marine Environment or human health and safety, a Pollution Incident or a Safety Incident, as well as any other event or circumstance connected to or arising from the Seabed Mineral Activities that is classified by the ISA as an Incident or emergency to which the issue of emergency orders by the ISA applies.

**Entity** includes a body corporate, a partnership, joint venture or a trust.

**ESPMP**, see Clause 14.1.

**ESPMP Officer**, see Clause 14.2.

**Exploitation Contract** means any contract permitting NORI to Exploit Polymetallic Nodules in the Area and entered into between NORI and the ISA or granted by the ISA to NORI.

**Exploration Contract** means any contract permitting NORI to Explore for Polymetallic Nodules in the Area entered into between NORI and the ISA or granted by the ISA to NORI, and includes the ISA Exploration Contract.

**Exploitation Regulations** means the regulations governing exploitation of mineral resources in the Area adopted by the ISA pursuant to powers conferred on it by UNCLOS and as replaced or amended by the ISA from time to time.

**Expropriate or Expropriation** means to dispossess of ownership, to deprive of property, to deprive of use of property, to deprive of property for the public use, to make an Entity or assets (tangible and intangible) the property of the Republic (in whole or in part), or a measure or measures having an equivalent effect (directly or indirectly), and includes without limitation:

- (a) the transfer of title, physical seizure or an executive or legislative act for the purpose of transferring property or interests into the public domain;
- (b) subjecting an Entity, property or assets (tangible or intangible) to taxation, regulation, or other action that is confiscatory or that prevents, unreasonably interferes with, or unduly delays, effective enjoyment of such property or assets;
- (c) regulations by the Republic which constitutes dispossession or deprivation of an asset, property or right or that reduces or eliminates the economic value or viability of an asset, property or right subject to those regulations, including application of otherwise lawful measures in such a way as to deprive ultimately the enjoyment of value of property;
- (d) any measure or measures that inhibit the ability to transfer bona fide assets, rights and/or property out of the Republic of Nauru;
- (e) a measure or series of measures the effect of which would be direct or indirect dispossession, including but not limited to the levying of taxation, the compulsory sale of all or part of an investment or asset, or the impairment or deprivation of its management,

as well as any other measure or series of measures which together are tantamount to expropriation or that results in dispossession or deprivation of an asset or right, irrespective of whether compensation is provided. However, Expropriation does not include an act by the Republic that is reasonably required to fulfil the Republic's Sponsorship Obligations.

**Final Determination** means a decision of a court or of any agency having jurisdiction to resolve the dispute:

- (a) from which no appeal can be taken and in respect of which no application for special leave to appeal can be made; or
- (b) in respect of which the relevant appeal or special leave application period has expired without an appeal being taken or an application for special leave to appeal being made,

but does not include an interlocutory order.

**Fails to Act in Good Faith** means acting with wilful or reckless disregard for the consequences of its actions.

**Installation** means any structure, installation or artificial island in the Area used in or intended to be used in the Seabed Mineral Activities and for which the Republic is responsible and potentially liable in accordance with its Sponsorship Obligations.

**Intellectual Property** means all tangible and intangible property, including rights, data, and materials, in which NORI has an interest arising from or in connection with any expenditure it has incurred.

**International Law** means any legally binding international treaties and conventions and other legally binding international rules including UNCLOS and the Rules of the ISA as in force from time to time.

**ISA** means the International Seabed Authority and any successor institution to the ISA.

**ISA Contract** means any contract granted to NORI by the ISA, and includes any Exploration Contract and any Exploitation Contract, and all terms and conditions contained therein.

**ISA Contract Area** means the part or parts of the Area allocated to NORI under an ISA Exploration Contract or ISA Exploitation Contract and defined by the coordinates listed in schedule 1 to such contracts.

**ISA Exploration Contract** means the contract for exploration for Polymetallic Nodules signed between the ISA and NORI on the 22<sup>nd</sup> day of July, 2011 at Kingston, Jamaica and any amendment or replacement thereto.

**Material NORI Breach** means the occurrence of any of the following:

- (a) an ISA Contract is terminated by the ISA as a direct result of NORI or any of its Affiliates or Associates failing to comply with the conditions of the ISA Contract;
- (b) a serious breach of NORI's ISA Obligations or obligations under this Agreement, that has caused or will cause material and direct monetary damage to the Republic and has not been Remedied within a reasonable time;
- (c) NORI or any Affiliate or Associate, in spite of written warnings by the ISA, has conducted its activities in such a way as to result in serious persistent and wilful violations of the fundamental terms of this Agreement, ISA Contract or NORI's ISA Obligations; or
- (d) NORI has failed to pay the SMRP in accordance with Clause 4.

**Material Republic Breach** means a Republic Default that has not been Remedied within [\*\*\*] days in accordance with Clause 22.

**Nauruan Law** means all applicable laws in Nauru, including without limitation, legislation and regulations.

**NORI** includes NORI and its authorized servants or agents as well as any other entities affiliated with NORI.

**NORI Group** includes NORI as well as any and all of its past, present, and future Affiliates, parent companies and their subsidiaries, holding companies, associated entities, joint venture partners, and any entities under common control with NORI, as well as their respective directors, officers, employees, agents, contractors, representatives, successors, and assigns.

**NORI Rights** means the rights held by NORI under any ISA Contract and the Rules of the ISA, or held in relation to the Area or the Contract Area, and without limitation includes the Contract Areas and all rights held therein, together with all intellectual property rights, data, technical information, and know-how developed, acquired, or used by NORI in connection with its activities under any ISA Contract or in relation to the Area or the Contract Area, including all research, studies, analyses, methodologies, and technologies developed or funded by NORI.

**NORI's ISA Obligations** means the legally binding obligations NORI has under the ISA Contract, the Rules of the ISA and UNCLOS, as in force from time to time, and includes without limitation all legally binding obligations and responsibilities that NORI has under any ISA Contract, the Rules of the ISA and UNCLOS the breach of which would result in international responsibility and liability to the Republic under UNCLOS due to the Republic's Sponsorship of NORI.

*Notice*, see Clause 28.

**Payment Year** means any calendar year in which NORI commences commercial recovery of Polymetallic Nodules from the ISA Contract Area.

**Parties** means the parties to this Agreement.

**Penalty** means a penalty imposed by the Republic on NORI which either:

- (1) (a) arises as a direct result of a breach of NORI's ISA Obligations;  
(b) is required to be imposed by International Law in order for the Republic to fulfil its Sponsorship Obligations; and  
(c) is for an amount not exceeding the reasonable amount required for the Republic to satisfy its Sponsorship Obligations.  
or
- (2) arises as a direct result of NORI breaching criminal or civil law in the Republic.

**Pollution Incident** means any event involving pollution that seriously breaches NORI's ISA Obligations.

**Polymetallic Nodules** has the meaning given to that term by the ISA.

**Recovered** means extracted and recovered from the seafloor in the ISA Contract Area to the sea surface (for example, to a sea surface platform or Vessel) and then placed onto a transport ship.

**Regulations** means any regulations issued under the Act.

**Remedy or Remedied** means to remedy or redress or to have remedied or redressed (as applicable) the relevant occurrence or event, or overcome its consequences and effects so that there ceases to be any continuing material detrimental effect of that occurrence.

**Safety at Sea** means safety of life and property at sea, and includes, *inter alia*:

- (a) safe Vessel or Installation management and navigation;
- (b) collision prevention;
- (c) maintaining appropriate safety procedures and medical standards;
- (d) appropriate provision of safety equipment, first aid, rescue and fire fighting services;
- (e) protecting the safety, health and welfare of personnel used in the Activities;
- (f) preventing injury to personnel that may be affected by the Activities; and
- (g) taking measures to effectively deal with safety Emergencies.

**Safety Incident** means any event involving Safety at Sea that seriously breaches NORI's ISA Obligations.

**Serious Harm** to the Marine Environment means any serious harm to the marine environment caused by the Seabed Mineral Activities that constitutes a serious breach of NORI's ISA Obligations.

**Sponsorship** means sponsorship of NORI by the Republic in accordance with the Act as required by UNCLOS, or under NORI's Exploration Contract or Exploitation Contract and Sponsored shall have a similar meaning.

**Sponsorship Obligations** means any and all responsibilities and obligations the Republic has under UNCLOS or the Rules of the ISA with which it is legally required to comply and that pertain to the Republic's Sponsorship of NORI or the Seabed Mineral Activities, including its responsibility to ensure NORI's compliance with NORI's ISA Obligations.

**Subcontractor** means any person or entity who is subcontracted (either by the NORI Group or their subcontractors or their Affiliates and whether via contract or through a joint venture or similar arrangement) to carry out all or part of the Activities in the ISA Contract Area, and includes without limitation any of the subcontractors' officers, employees, agents, contractors, or assignees. This definition does not include any officer or employee of the Republic or any person who represents or is contracted by the Republic, ISA or other regulatory body.

**Tax** means any tax, fee, Corporate Tax, business profits tax, sales tax, capital gains tax, resource rent tax, transfer tax, impost, royalty, duty (including import duty and stamp duty), excise charge, surcharge, contribution, levy, rate, rent withholding tax or any other charge however it is described, whether direct or indirect, whether monetary or non-monetary, and whatever method collected or recovered, imposed by any Nauruan governmental, semi governmental or other Nauruan body authorised by law, including all such taxes charged under the Business Tax Act 2016.

**Term** means the term as provided for in Clause 2.1.

**Tonne** means the weight of one thousand (1000) kilograms of Polymetallic Nodules Recovered from the Contract Area measured at the first onshore port of unloading.

**UNCLOS** means the United Nations Convention on the Law of the Sea of 10 December 1982, and any Annexes thereto, and the 1994 Agreement.

**Vessel** means any sea-going vessel and any seaborne craft of any type whatsoever used in the Seabed Mineral Activities and for which the Republic is responsible and potentially liable for in accordance with its Sponsorship Obligations.

**Signed as an agreement**

For and on behalf of the **Republic of Nauru**

**Name:** David Adeang  
**Title:** President

**Dated:** 29 May 2025

For and on behalf of **Nauru Ocean Resources, Inc.**

**Name:** Gerard Barron  
**Title:** Director

**Dated:** 29 May 2025

**DEED OF GUARANTEE AND INDEMNITY**

between

**THE METALS COMPANY INC**

and

**THE REPUBLIC OF NAURU**

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This **DEED OF GUARANTEE AND INDEMNITY** is dated on 29 May 2025 and made between the following **PARTIES**:

1. **THE METALS COMPANY INC**, a company incorporated in British Columbia, Canada with company number C1323488, whose registered office is 1111 West Hastings Street, 15th Floor, Vancouver, British Columbia, V6E 2J3, Canada ("**the Guarantor**"); and
2. **THE REPUBLIC OF NAURU**, represented by Mr. Jay Udit, Secretary for Justice and Border Control ("**the Republic**").

**WHEREAS:**

- A. The Republic sponsors the Sponsored Party, pursuant to a Certificate of Sponsorship signed by the Republic on 11 April 2011 to conduct Exploration in the Area under an ISA Contract.
- B. The Sponsored Party may apply to the ISA for the approval of a plan of work for exploitation under the Republic's sponsorship in the foreseeable future.
- C. The Guarantor has agreed to guarantee to the Republic the due and punctual performance of the Sponsored Party's obligations under the Act and the Sponsorship Agreement.
- D. The Guarantor, as the parent company of the Sponsored Party, acknowledges that, pursuant to Clause 23.4 of the Sponsorship Agreement, the Guarantor is obligated to issue to the Republic a warrant to purchase a number of common shares of the Guarantor in accordance with the terms and conditions of Section 23.4 of the Sponsorship Agreement.

**1. DEFINITIONS AND INTERPRETATION**

**Definitions**

1.1 In this Deed, the following words and phrases have the specified meanings:

"**Act**" means the Nauru Seabed Minerals Authority Act 2024 of the Republic of Nauru.

"**Affiliate**" in relation to the Sponsored Party, means any person that controls, is controlled by, or is under common control with the Sponsored Party.

"**Associate**" means a person who acts on behalf of, or enters into an agreement with the Sponsored Party, or a Sponsored Party's Affiliate to carry out Seabed Mineral Activities.

"**Business Day**" means a day not being a Saturday or Sunday or an official public holiday and on which trading banks are generally open for business in Nauru.

"**Certificate of Sponsorship**" means a certificate of sponsorship issued under the Act by the Republic and includes the certificate of sponsorship signed on 11 April 2011 by the Nauruan Minister for Commerce, Industry and Environment.

"**Confidential Information**" has the meaning given in clause 10.1.

"**EDGAR**" means Electronic Data Gathering, Analysis, and Retrieval Database.

"**Financial Damages**" has the meaning given in clause 2.1(c).

"**Guaranteed Obligations**" means the amounts due and owing by the Sponsored Party to the government of the Republic (including the Nauru Seabed Minerals Authority) for which the Guarantor has provided this guarantee that directly result from (i) the Sponsored Party's failure to comply with its financial obligations under the applicable law of the Republic or under the Sponsorship Agreement, and (ii) Financial Damages arising from the Indemnifying Parties' failure to comply with the legally binding obligations and responsibilities that the Sponsored Party, its Affiliates and Associates has under any Law the breach of which would result in monetary loss or liability to the Republic due to the Republic's sponsorship of the Sponsored Party.

“**Indemnifiable Claim**” has the meaning given in clause 2.3.

“**Indemnifying Parties**” has the meaning given in clause 2.1(c).

“**ISA**” means the International Seabed Authority.

“**ISA Contract**” means any contract entered into between the Sponsored Party and the ISA permitting the Sponsored Party under the Republic’s sponsorship to conduct Seabed Mineral Activities in the Area, and includes the contract for exploration for polymetallic nodules entered into on 22 July 2011 between the Sponsored Party and the ISA.

“**Law**” includes any enactment, subordinate legislation, rule, regulation, order, directive or other provision, and any judicial or administrative interpretation or application thereof, of any jurisdiction and includes the UNCLOS, any rules, regulations and procedures or other legally binding instruments adopted by the ISA or other international organisations, with which the Sponsored Party or its Affiliates or Associates must comply in connection with the conduct of Seabed Mineral Activities in the Area.

“**Notice of Claim**” has the meaning given in clause 2.3.

“**Parties**” means, collectively, the Republic and the Guarantor.

“**Pre-Existing Arbitration**” has the meaning given in clause 12.3.

“**Seabed Mineral Activities**” means activities for the exploration for or exploitation of polymetallic nodules or other mineral resources within the Area conducted pursuant to an ISA Contract.

“**Sponsorship Agreement**” means any agreement entered into between the Sponsored Party and the Republic under the Act and any amendment or revision thereto, and includes the sponsorship agreement between the Republic, the Nauru Seabed Minerals Authority and the Sponsored Party dated 5 June 2017.

“**Sponsored Party**” means Nauru Ocean Resources, Inc, a company incorporated in Nauru with company number T/2028 whose registered office is at 1<sup>st</sup> Level, Civic Centre, Aiwo District, Republic of Nauru.

“**UNCLOS**” means the United Nations Convention on the Law of the Sea of 10 December 1982.

## **Interpretation**

- 1.2 Unless otherwise specified, terms defined in the Act or Sponsorship Agreement will have the same meaning when used in this Deed.
- 1.3 In this Deed, except where the context otherwise requires:
- (a) words importing the singular include the plural and vice versa and words importing gender include all genders;
  - (b) a reference to a person includes a reference to a firm, a body corporate, an unincorporated association, a partnership or to an individual’s executors or administrators;

- (c) a reference to a clause, sub clause, paragraph, Schedule (other than to a schedule to a statutory provision) is a reference to a clause, sub clause, paragraph, Schedule (as the case may be) of or to this Deed;
- (d) a reference to an agreement or document (including a reference to this Deed) is to the agreement or document as amended, varied, supplemented, novated or replaced except to the extent prohibited by this Deed or that other agreement or document;
- (e) all provisions requiring a Party to do or refrain from doing something will be interpreted as the covenant of that Party with respect to that matter notwithstanding the absence of the words “covenants” or “agrees” or “promises”;
- (f) a reference to a Party to an agreement (including this Deed or document includes the Party’s successors and permitted substitutes (including persons taking by novation) or assigns (and, where applicable, the Party’s legal personal representatives);
- (g) a reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation, code, by-law, ordinance or statutory instrument issued under it;
- (h) if a period of time is specified as from a given day, or from the day of an act or event, it will be calculated exclusive of that day;
- (i) references to writing includes any modes of reproducing words in any legible form and includes email except where expressly stated otherwise;
- (j) a reference to “includes” or “including” means “includes without limitation” or “including without limitation”;
- (k) the headings in this Deed are for convenience only and will not affect its interpretation;
- (l) all statements or references to dollar amounts in this Deed are to Australian or United States of America dollars, as the context requires; and
- (m) references to this Deed include this Deed as amended or supplemented in accordance with its terms.

## 2. GUARANTEE AND INDEMNITY

- 2.1 In consideration of the Republic issuing a Certificate of Sponsorship under the Act and entering into a Sponsorship Agreement with the Sponsored Party, the Guarantor hereby irrevocably and unconditionally:
- (a) guarantees to the Republic the due and punctual performance of the Guaranteed Obligations;
  - (b) undertakes to the Republic that whenever the Sponsored Party is in default under the Act or under the Sponsorship Agreement, the Guarantor must on written demand from the Republic perform or procure the performance of the Guaranteed Obligations as if it was the principal obligor, provided that the Republic has first pursued recourse from the Sponsored Party pursuant to the Act or terms of the Sponsorship Agreement; and
  - (c) agrees as an independent and primary obligation to indemnify the Republic against all costs, expenses, losses, charges, demands, actions, damages and claims or other monetary liabilities (collectively, "**Financial Damages**") which the Republic may incur or suffer as a result of:

- (i) any act or omission of the Sponsored Party or its directors, officers, employees, servants, Affiliates, Associates or agents (the “**Indemnifying Parties**”) resulting from, or connected with, the conduct of Seabed Mineral Activities permitted under an ISA Contract, whether such liabilities, costs, claims, expenses, losses, damages arise under any Law; or
  - (ii) any legal proceedings arising out of any act or omission by any Indemnifying Party resulting from, or connected with, the Guaranteed Obligations including:
    - i. any proceedings brought against the Sponsored Party to enforce any of the Guaranteed Obligations contained in the ISA Contract, the Act or the Sponsorship Agreement; and
    - ii. proceedings brought against the Republic in any jurisdiction, including under the UNCLOS, to enforce any of the Guaranteed Obligations;
- (d) agrees with the Republic that if:
- (i) any Guaranteed Obligation is or becomes unenforceable solely due to a legal defect in the Sponsored Party’s authority to enter into that obligation (such as lack of corporate power or lack of necessary approvals), its obligations under this Deed will be unaffected and it will, as an independent and primary obligation and as principal obligor perform the Guaranteed Obligations and indemnify the Republic against any claim, cost, loss or liability it incurs as a result of the Sponsored Party not performing a Guaranteed Obligation, which would, but for such unenforceability have been performable by it under the ISA Contract, Act or the Sponsorship Agreement;
  - (ii) the Sponsored Party is able to avoid its obligations under the ISA Contract, Act or the Sponsorship Agreement, the Guarantor’s obligations under this Deed will be unaffected and it will, as an independent and primary obligation and as principal obligor perform the Guaranteed Obligations and indemnify the Republic against any cost, loss or liability it incurs as a result of the Sponsored Party not performing an obligation, which would, but for such avoidance by the Sponsored Party, have been performable by it under the ISA Contract, Act or the Sponsorship Agreement; provided, however, this shall not apply where the Sponsored Party has lawfully relinquished or terminated its rights and obligations under the ISA Contract.

2.2 For the avoidance of doubt, the obligations of the Guarantor do not extend to the Financial Damages which the Republic may incur or suffer as a result of:

- (a) any acts or the omissions of the Republic resulting from the Republic’s breach or alleged breach under any Law; or
- (b) any legal proceedings arising out of the Republic’s breach or alleged breach under any Law.

#### **Notice of Indemnifiable Claim**

2.3 Where the Republic becomes aware of any claim against it and the Republic would be entitled to claim indemnification from the Guarantor under this Deed (“**Indemnifiable Claim**”), the Republic must give written notice to the Guarantor of such Indemnifiable Claim (a “**Notice of Claim**”) promptly upon becoming aware of such claim, and in any case, no later than [\*\*\*] days of becoming aware of such claim. The notice must specify with reasonable particularity, to the extent that the information is available, the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim.

## **Indemnification procedure**

- 2.4 Upon receiving a Notice of Claim, the Guarantor (or any of the Guarantor's nominees) may assume the investigation and defence of the Indemnifiable Claim, including any compromise, settlement, or appeal, in which the outcome would give rise to a claim for indemnification hereunder, and the Guarantor must pay all reasonable costs and expenses incurred by it in connection therewith and will be fully responsible for the outcome thereof.
- 2.5 The Guarantor must give written notice to the Republic whether it will assume the investigation and defence of Indemnifiable Claim within [\*\*\*] days after the date of receipt of the Notice of Claim. No compromise or settlement in respect of any Indemnifiable Claim may be made by the Guarantor (or any of the Guarantor's nominees) without the Republic's prior written consent (which consent must not be unreasonably withheld, conditioned or delayed) unless the sole relief is monetary damages that are to be paid in full by the Guarantor and such monetary damages are fully paid by the Guarantor.
- 2.6 If the Guarantor does not give notice to the Republic of its assumption of the investigation and defence of the Indemnifiable Claim within [\*\*\*] days after the Republic's notice is given, the Guarantor will be deemed to have waived its rights to control the investigation and defence thereof; provided, however, that the Guarantor will be entitled to participate, at its own cost and expense, in the defence of the Indemnifiable Claim and the Republic must fully cooperate with the Guarantor in respect of the defence of such claim.
- 2.7 Where the Guarantor (or any of the Guarantor's nominees) undertakes the investigation and defence of any Indemnifiable Claim, the Republic must provide such assistance as reasonably requested by the Guarantor and the Guarantor will be responsible for any costs or expenses of legal counsel incurred by the Republic in connection with the Republic's participation in the defence, provided such costs or expenses are agreed to in advance by the Guarantor.
- 2.8 Where the Guarantor (or any of the Guarantor's nominees) fails to defend any Indemnifiable Claim within a reasonable time, the Republic will be entitled to assume such defence at the Guarantor's cost and expense provided such costs or expenses are reasonable, and the Guarantor will be bound by the results obtained by the Republic with respect to the claim.
- 2.9 Where the Republic assumes the investigation and defence of any Indemnifiable Claim, then the Guarantor must pay all reasonable costs and expenses of such defence; provided that, the Guarantor will not be bound by any compromise or settlement of the Indemnifiable Claim effected without the consent of the Guarantor (which consent may not be unreasonably withheld, conditioned or delayed).
- 2.10 No Party will be liable to pay any amount in discharge of an Indemnifiable Claim under this Deed unless and until the liability in respect of which the claim is made has become due and payable.

## **Limitations on liability**

- 2.11 Notwithstanding anything contained in this clause 2, the Guarantor will not be liable to the Republic for any special, punitive, incidental, or consequential damages, including any damages that are a result of the Republic's failure to comply with the terms of this Deed, or for any damages that are a result of the Republic's acts, omissions or negligence.

### 3. CONTINUATION AND REINSTATEMENT

#### Nature of Guarantee

- 3.1 The guarantee given pursuant to this Deed will remain in full force and effect until all the Guaranteed Obligations (both actual and contingent) have been fully performed or discharged and all liabilities arising under or in connection with the same have been fully satisfied and all sums payable by the Sponsored Party to the Republic in connection with them have been fully paid.
- 3.2 The Parties agree that, save as to the Sponsored Party's obligations under the ISA Contract that survive any termination of the ISA Contract, the guarantee in relation to the Sponsored Party's obligations under the ISA Contract will remain in effect only insofar as the Sponsored Party holds the ISA Contract and will terminate if the Sponsored Party lawfully relinquishes or terminates its rights and obligations under the ISA Contract.
- 3.3 The guarantee given pursuant to this Deed will terminate [\*\*\*] years following the termination of any Sponsorship Agreement, provided that claims that accrued on or before the date upon which the Sponsorship Agreement terminated and are, at the time of the termination of this guarantee, pending with the Sponsored Party or the Guarantor will continue to be subject to this guarantee until such claims are discharged or settled.

#### Waiver of defences

- 3.4 The Guaranteed Obligations under this Deed will not be affected by:
- (a) any intermediate payment or settlement of account or by any change in the constitution or control of, or the insolvency of, or bankruptcy, winding-up or analogous proceedings relating to the Sponsored Party or discharge in whole or in part or other matter whatsoever;
  - (b) any amendment, variation, novation or supplement of or to any Sponsorship Agreement or in respect of any other agreement or arrangement between the Republic and the Sponsored Party;
  - (c) any forbearance, neglect or delay in seeking performance of the obligations imposed by this Deed or any granting of time for such performance; or
  - (d) any incapacity or lack of power, authority or legal personality of or dissolution or status of the Sponsored Party or any other person.

#### Reinstatement

- 3.5 If any payment by the Sponsored Party or Guarantor or any discharge given by the Republic (whether in respect of the Sponsored Party's obligations or the Guarantor's obligations or any security for those obligation or otherwise) is avoided or reduced as a result of insolvency or any similar event:
- (a) the liability of the Sponsored Party and Guarantor will continue as if the payment, discharge, avoidance or reduction had not occurred; and
  - (b) the Republic will be entitled to recover the value or amount of that security or payment from the Sponsored Party or Guarantor, as if the payment, discharge, avoidance or reduction had not occurred.

## 4. PAYMENTS AND ACCOUNTS

### Set-off

- 4.1 Except in respect of any rights of set-off or counterclaim the Guarantor may have under any applicable insurance it obtains concerning the Guaranteed Obligations, the Guarantor must not exercise any right of set-off or counterclaim it might have in respect of any payment due to the Republic under this Deed.

### No withholding

- 4.2 The Guarantor must not make any withholding on account of tax from any payment due to the Republic under this Deed, unless:
- (a) the underlying Guaranteed Obligation is subject to a withholding on account of tax, in which case, the Guarantor is permitted to make a corresponding withholding in respect of its payment under this Deed;
  - (b) it is required by applicable Law to do so at that time. If it is required by Law to do so at that time, the Guarantor must increase the amount of the relevant payment so that, after the withholding, the Republic receives the amount it would have received if such withholding had not been required to be made. The Guarantor must notify the Republic if these circumstances arise.

### Default interest

- 4.3 If the Guarantor fails to pay on its due date any amount payable under this Deed it must pay interest on that amount. Interest will be payable from the due date until the date of payment of the relevant amount. In the event of a dispute between the Parties concerning the Guaranteed Obligations, interest will be payable from: (i) the date of any settlement reached between the Parties; or (ii) the date of any judgment obtained in resolving the dispute between the Parties, as the case may be, until the date of payment of the relevant amount. At any time, the interest rate applicable to late payments will be [\*\*\*] per cent higher than the Federal Funds Rate at that time. [\*\*\*].

### General

- 4.4 Each payment by the Guarantor under this Deed must be made in Australian dollars.
- 4.5 On each date on which the Guarantor is required to make a payment under this Deed, it must do so in accordance with the Republic's reasonable instructions (including as to time, method and place of payment).
- 4.6 The Republic must consult with the Guarantor concerning the Republic's calculation of any amount payable by the Guarantor under this Deed and where there is disagreement concerning the calculations, the Parties must use reasonable endeavours to agree upon the correct calculation. Should the Parties remain in disagreement regarding the calculations, and in the absence of manifest error, the Republic's calculation will be conclusive and binding.

## 5. REPRESENTATIONS AND WARRANTIES AND WARRANT ISSUANCE COVENANT

- 5.1 The Guarantor makes the following representations and warranties to the Republic:
- a. It is a limited liability company, duly incorporated and validly existing under the laws of British Columbia, with power to own its assets and to carry on its business (and other activities) as they are being conducted.

- b. It has the power and authority to enter into this Deed and to perform its obligations and exercise its rights under it.
- c. The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.
- d. Entering into this Deed and performing its obligations and exercising its rights do not conflict with any Law applicable to it, its memorandum and articles of association or any agreement binding upon it (or its assets).

5.2 Subject to the terms and conditions of Section 23.4 of the Sponsorship Agreement and this Deed, the Guarantor hereby agrees to issue the Republic a warrant to purchase common shares of the Guarantor representing [\*\*\*], in substantially the form of Exhibit A attached to the Sponsorship Agreement. The obligation of the Guarantor to issue such warrant to the Republic is conditioned on the Republic executing such warrant and making the representations, warranties, agreements and acknowledgements of the Republic set forth in such warrant.

## **6. REPUBLIC'S RIGHTS, REMEDIES AND DISCRETIONS**

- 6.1 The rights of the Republic under this Deed are independent of any other right which the Republic has at any time in relation to the applicable Sponsorship Agreement.
- 6.2 The rights and remedies provided in this Deed are in addition to (not instead of) rights or remedies under any Law. If the Republic fails to exercise any right or remedy under this Deed or delays its exercise of any right or remedy, this does not mean that the Republic waives that right or remedy. If the Republic exercises a right or remedy once, this does not mean that the Republic cannot do so again.
- 6.3 The Republic may decide (a) whether and, if so, when, how and to what extent (i) to exercise its rights under this Deed and (ii) to exercise any other right it might have in relation to the Sponsorship Agreement and (b) when and how to apply any payments received under this Deed and any other payments received by it in relation to the Sponsorship Agreement. The Guarantor has no right to control or restrict the Republic's exercise of this discretion. In particular, except as set forth in clause 7.5, the Guarantor is not permitted to insist that the Republic seeks payment from any other person, exercises any other right it might have or takes any other step before exercising any right under this Deed.

## **7. MISCELLANEOUS**

- 7.1 If, at any time, any provision of this Deed is or is found to have been illegal, invalid or unenforceable in any respect under any law of any jurisdiction, such illegality, invalidity or unenforceability will not affect the legality, validity or enforceability of the other provisions of this Deed.
- 7.2 The Republic and the Sponsored Party may at any time and from time to time agree to amend the applicable Sponsorship Agreement or any conditions of sponsorship and the consent of the Guarantor will not be required to any amendment of the Sponsorship Agreement.
- 7.3 The Guarantor agrees, if and for so long as the Sponsored Party is in default of any of its obligations under the Act or Sponsorship Agreement, and to the extent that doing so might reasonably be expected to prejudice the Sponsored Party's ability to discharge its relevant obligations under the Act or Sponsorship Agreement, not to claim or enforce payment (whether directly or by set-off, counterclaim or otherwise) of any amount which may be or has become due to the Guarantor from the Sponsored Party, until the full and final discharge of all obligations (whether actual or contingent) which are the subject of the guarantee and indemnity in this Deed.

- 7.4 The Republic may not pursue a claim against Guarantor under this Deed unless the Republic has first pursued remedies against the Sponsored Party pursuant to the procedures set forth in the Act or the Sponsorship Agreement.
- 7.5 This Deed may be executed in any number of counterparts and by the Parties, each of which when so executed and delivered will be an original, but all the counterparts will together constitute one and the same instrument.

## 8. ASSIGNMENT

### No assignment by Guarantor

- 8.1 The Guarantor must not assign, novate or otherwise deal with any rights, interests or obligations under this Deed without the prior written consent of the Republic. Such consent shall not be unreasonably withheld by the Republic and shall be provided within [\*\*\*] days of the Guarantor's request.

### Assignment by the Republic

- 8.2 The Republic may, at any time and with the consent of the Guarantor, which consent shall not be unreasonably withheld, assign, novate and otherwise deal with any rights, interests or obligations under this Deed; provided that where such assignment or transfer is by written instrument, the Republic must provide advance notice to the Guarantor of any such assignment.
- 8.3 The Republic may disclose, with the consent of the Guarantor, any information it sees fit to any person (a) to which it proposes to assign or novate (or has assigned or novated) any rights, interests or obligations under this Deed or (b) with which it proposes to enter into (or has entered into) any other dealings in relation to any such rights, interests or obligations.

## 9. NOTICES

### Form of notice

- 9.1 A notice including any approval, consent, demand or other communication in connection with this Deed ("**Notice**") must be:
- (a) in writing in the English language and signed by the Republic or the Guarantor or a person duly authorised by the Republic or the Guarantor;
  - (b) addressed and delivered by hand or by prepaid, registered or certified mail or courier to the address, or if sent electronically as an attachment to an email to the email or other internet address for each Party.

### Delivery

- 9.2 A Notice is effective:
- (a) if delivered by hand, on the date it is delivered to the addressee;
  - (b) in the case of delivery by mail, [\*\*\*] Business Days after the date of posting (if posted to an address in the same country) or [\*\*\*] Business Days after the date of posting (if posted to an address in another country);
  - (c) if couriered, on the date on which the courier confirms delivery; or

(d) if sent electronically at the time which is 12 hours from the time the email was sent, unless a later time is specified in the Notice or a notification of a delivery failure is received by the sender.

9.3 A Notice received after 5pm in the place of receipt is taken to be received on the [\*\*\*] Business Day in the place of receipt.

9.4 An email does not itself constitute a Notice but a Notice may be transmitted as an attachment to an email.

#### Address for Notice

#### 9.5 The Guarantor

Address: The Metals Company  
1111 West Hastings Street, 15th Floor  
Vancouver, British Columbia  
Canada  
V6E 2J3  
[\*\*\*]  
[\*\*\*]

#### The Republic

Address: [\*\*\*]  
[\*\*\*]  
[\*\*\*]  
  
[\*\*\*]  
[\*\*\*]

## 10. CONFIDENTIALITY

### Confidentiality

10.1 Each Party to this Deed undertakes to the other that (unless the prior written consent of the other Party has first been obtained) it will, and will procure that its officers, employees, advisers and agents will keep confidential and not by failure to exercise due care or otherwise by any act or omission disclose to any person whatever, or use or exploit commercially for its or their own purposes, any of the confidential information (whether in tangible, electronic or other form) of the other Party, including any information regarding the Guarantor's Affiliates and Associates. For the purposes of this clause 10, "**Confidential Information**" includes:

- (a) the existence and contents of this Deed and any other agreement or arrangement contemplated by this Deed;
- (b) information of whatever nature concerning the business, finances, assets, liabilities, dealings, transactions, technology, know how, customers, suppliers, processes or affairs of the other Party;
- (c) any information which is expressly indicated to be confidential or is imparted by one Party to the other in circumstances importing an obligation of confidence; or

- (d) which any Party may from time to time receive or obtain (orally or in writing or in disk or electronic form) as a result of entering into, or performing its obligations pursuant to, this Deed or otherwise.

10.2 The consent referred to in clause 10.1 will not be required for disclosure by a Party of any Confidential Information:

- (a) the disclosure is expressly permitted by this Deed;
- (b) to its officers, employees and agents, in each case, to the extent required to enable such Party to carry out its obligations under this Deed and who must in each case be made aware by such Party of its obligations under this Deed and will be required by such Party to observe the same restrictions on the use of the relevant information as are contained in this clause 10.2;
- (c) to its professional advisers who are bound to such Party by a duty of confidence which applies to any information disclosed;
- (d) to the extent required by applicable Law or pursuant to any order of court or other competent authority or tribunal;
- (e) the disclosure is necessary for a Party, its Affiliates or Associates to comply with a directive or request of any governmental authority (including the ISA), any securities regulator or stock exchange (whether or not having the force of Law) so long as a responsible person in a similar position would comply;
- (f) the disclosure is necessary or desirable to obtain an authorisation from any governmental authority (including the ISA), securities regulator or stock exchange;
- (g) the disclosure is necessary in relation to any discovery of documents, or any proceedings before an arbitrator, court, tribunal, other governmental authority, securities regulator or stock exchange;
- (h) the disclosure is required under the rules, regulations and procedures of the ISA including the exchange of information held by the Republic (through the Nauru Seabed Minerals Authority or otherwise) with the ISA to:
  - (i) promote the health and safety of life and property at sea and the protection of the marine environment; or
  - (ii) to facilitate compliance with and enforcement of applicable Laws, including compliance by the Sponsored Party with the applicable ISA Contract;
- (i) the disclosure is made on a confidential basis to a prospective assignee, purchaser, acquiror or financier of the Guarantor or Sponsored Party, or to any other person who proposes to enter into contractual relations with the Guarantor or Sponsored Party;
- (j) to the extent that the relevant confidential information is in the public domain otherwise than by breach of this Deed by such Party;
- (k) which is disclosed to such Party by a third party who is not in breach of any undertaking or duty as to confidentiality whether express or implied; or
- (l) which that Party can prove that it lawfully possessed prior to obtaining it from the other.

10.3 If a Party becomes required, in circumstances contemplated by clause 10.2, to disclose any information such Party must, to the extent permitted by applicable Law, give to the other Party such notice as is practical in the circumstances of such disclosure and must co-operate with the other Party, having due regard to the other Party's views, and take such steps as the other Party may reasonably require in order to enable it to mitigate the effects of, or avoid the requirements for, any such disclosure.

## **Filing of Deed**

10.4 Each Party agrees that if a Party or any of its Affiliates is required to file a copy of this Deed in any public registry, filing system or depository, including, in order to comply with applicable Law, it must notify the other Party of such requirement promptly and the Parties must consult with each other with respect to any proposed redactions to this Deed in compliance with such applicable Law before it is filed in any such registry, filing system or depository. The Republic acknowledges that a copy of this Deed may be publicly filed by the Guarantor under its profile on Electronic Data Gathering, Analysis, and Retrieval Database (“**EDGAR**”), where required to do so.

## **11. GOVERNING LAW**

11.1 This Deed and any non-contractual obligations arising out of or in connection with it will be governed by and construed in accordance with the laws of the Republic of Singapore (“**Singapore**”).

## **12. DISPUTE RESOLUTION**

### **Disputes**

12.1 If at any time any dispute, difference of opinion or other question arises between the Republic and the Guarantor as to any matter arising under or by virtue of this Deed or as to their respective rights and liabilities in respect thereof then the question must, including whether any matter is subject to arbitration under this clause 12 (“**Dispute**”), be resolved in accordance with the provisions of this clause 12.

### **Dispute Notices and Dispute Representatives**

12.2 In the event of any Dispute between the Parties, a Party may give to the other Party a Notice of dispute in writing adequately identifying the matters and the subject of the dispute together with detailed particulars of the dispute. (“**Dispute Notice**”). Notwithstanding anything in this Clause 12 the Parties may, by mutual agreement in writing, conduct dispute resolution in any other way or vary the following dispute resolution procedures as they see fit.

12.3 Within [\*\*\*] days after the service of a Dispute Notice, the Parties must make best efforts to meet at least once, to attempt to resolve the dispute.

12.4 If the Dispute is not resolved within [\*\*\*] Business Days after service of a Dispute Notice, then each Party must nominate one representative to resolve the Dispute (each, a “**Dispute Representative**”) who must negotiate and use their best endeavours to attain a resolution of the Dispute. If the dispute is resolved at the meeting referred to in this clause then any such resolution must be reduced to writing and will be contractually binding on the Parties.

### **Arbitration**

12.5 If a Dispute has not been resolved by the Dispute Representatives under clause 12.4 within [\*\*\*] Business Days of the date of referral of the Dispute to the Dispute Representatives or such longer period of time as agreed by the Parties, then the Dispute shall be submitted to arbitration for final resolution in accordance with the remaining provisions of this clause.

- 12.6 The Parties consent and agree that:
- (a) any Dispute will be finally resolved by arbitration conducted in accordance with the then current UNCITRAL Arbitration Rules;
  - (b) the seat of the arbitration will be Singapore, Singapore, and the language of the arbitration will be English;
  - (c) all arbitral proceedings and any arbitral award will be private and confidential and may be attended only by the arbitrators, the Parties and their representatives, and witnesses to the extent they are testifying in the proceedings;
  - (d) any Dispute will be heard and determined by three (3) arbitrators, with each of the Parties selecting one arbitrator, and the third arbitrator being appointed by the arbitral tribunal's president. The selected arbitrators must be impartial and a disinterested person who has no connection with either Party or the performance of this Deed or the Sponsorship Agreement, must be qualified by education, training and experience to hear and determine matters in the nature of the Dispute;
  - (e) if a Party does not select an arbitrator, that arbitrator will be selected and appointed by the International Chamber of Commerce ("ICC") as the appointing authority in accordance with the then current ICC Rules for this purpose;
  - (f) the arbitrators may determine all questions of law and jurisdiction (including questions as to whether or not a Dispute is arbitrable) and all matters of procedure relating to the arbitration;
  - (g) any award or determination of the arbitrators will be final and binding upon the Parties in respect of all matters relating to the arbitration, the procedure, the conduct of the Parties during the proceedings and the final determination of the issues in the arbitration;
  - (h) there will be no appeal from any award or determination of the arbitrators to any court and judgment on any arbitral award may be entered in any court of competent jurisdiction.
- 12.7 If any arbitral proceedings have already been commenced under this Deed or the Act or the applicable Sponsorship Agreement (a "**Pre-Existing Arbitration**"), and a Party to this Deed contends that a dispute has arisen relating to issues which are substantially related to or involve the same parties as issues to be determined in a Pre-Existing Arbitration, then that Party may seek to refer the dispute to the arbitral tribunal in the Pre-Existing Arbitration. The Parties agree that the arbitral tribunal in the Pre-Existing Arbitration will have the discretion, taking into account the interests of justice and efficiency, the stage of the proceedings and all other relevant circumstances, to determine the dispute in the Pre-Existing Arbitration upon such terms and conditions as the arbitral tribunal thinks fit.
- 12.8 Notwithstanding anything in this clause 12, either Party may apply to a court of competent jurisdiction for an interim measure of protection, or for any order for equitable relief explicitly provided for in this Deed which the arbitrator does not have the jurisdiction to grant.

**Performance of Obligations During Dispute**

12.9 To the extent permitted by the nature of the Dispute, during the existence of any Dispute the Parties must continue to perform their respective obligations under the Act or terms of the Sponsorship Agreement without prejudice to their position in respect of such Dispute, unless the Parties otherwise agree.

**[Signature Page Follows]**

**IN WITNESS WHEREOF** this Deed of Guarantee has been executed as a **DEED** and delivered on the date first above written.

**EXECUTED** as a **DEED** for and on behalf of

**THE METALS COMPANY**

acting by a director /s/Gerard Barron

in the presence of:

Signature of Witness: /s/Maverick Eoe

Name of Witness: Maverick Eoe

Address of Witness:

Occupation of Witness: minister

**THE SEAL of THE REPUBLIC OF NAURU**

hereunto affixed is authenticated by

the Secretary for Justice and Border Control

Signature /s/David Adeang

**SERVICES AGREEMENT**

BETWEEN:

**TMC The Metals Company Inc.**

("Company")

and

**MICHAEL B. HESS**

("Contractor")

**WHEREAS** the Company wishes to engage the Contractor to provide certain advisory services for the Company;

**AND WHEREAS** the Contractor wishes to supply these services to the Company on and subject to the terms and conditions provided for in this Services Agreement (the "**Agreement**");

**NOW THEREFORE**, in consideration of the foregoing, the mutual covenants in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

**1. SERVICES TO BE PROVIDED**

- 1.1** Subject to the terms and conditions of this Agreement, the Company hereby retains the Contractor to provide the Company with the services listed and identified in a **Schedule A** (the "**Services**"). The Contractor acknowledges, that the description of Services in Schedule A may be amended or further detailed, by mutual agreement of the parties. In performing the Services, the Contractor shall obtain instructions from the Company's Chief Executive Officer or such other person(s) as the Company may designate from time to time.
- 1.2** The Contractor agrees to perform the Services and will deliver the Services diligently, in a timely fashion, and with all due skill.
- 1.3** The Contractor agrees and confirms that none of the Services shall be performed by any third party without the express written consent of the Company.

**2. TERM AND TERMINATION**

- 2.1** Subject to Section 2.2 below, this Agreement is for a term commencing on the date of June 4, 2025, and continuing until June 4, 2029 (the "**Term**").
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- 2.2** Notwithstanding the Term, this Agreement may be terminated at any time prior to the end of the Term, in the following circumstances:
- (i) by the Company, at any time and for any reason, upon giving the Contractor thirty (30) days advance notice of termination, in writing; or
  - (ii) by the Contractor, at any time and for any reason, upon giving the Company thirty (30) days notice of termination, in writing.
- 2.3** Notwithstanding anything to the contrary in this Agreement (including, without limitation, Schedule B attached hereto) or any equity incentive plan (or any similar document) of the Company:
- (i) If the Company shall at any time terminate this Agreement with cause (as defined in Section 2.3(iii) hereof), or if the Contractor shall at any time terminate this Agreement, then (a) the Contractor will retain, and the Company shall have no authority to cancel, modify, rescind or repurchase, any options or RSUs that have vested on or before the effective date of termination, and (b) the Contractor will forfeit any options or RSUs that have not vested on or before the effective date of termination, subject to the Company's discretion to accelerate the vesting of any such unvested options or RSUs.
  - (ii) If the Company shall at any time terminate this Agreement without cause, then the Contractor will retain, and the Company shall have no authority to cancel, modify, rescind or repurchase, (a) any options or RSUs that have vested on or before the effective date of termination and (b) the right to receive any other options or RSUs described in Schedule B hereto, in accordance with the vesting schedule or upon the Company's achievement of the milestones described therein, notwithstanding that the Contractor has ceased to provide the Services to the Company.
  - (iii) In order to terminate this Agreement for cause, the Company must specify in reasonable detail the factual circumstances constituting cause in the written notice of termination described in Section 2.2(i). For purposes of this Agreement, "cause" shall mean: (a) the Contractor's commission of any act in connection with the performance of the Services constituting fraud, embezzlement, misappropriation, a material violation of law, willful misconduct or gross negligence, or (b) the Contractor's material violation of any provision of Section 5 of this Agreement.
- 2.4** In the event either party provides the other with notice of termination pursuant to Section 2.2 above, the party receiving said notice will have the option of waiving the notice, in whole or in part. In such circumstances, this Agreement would terminate as of the effective date of said waiver.
-

2.5 The Contractor acknowledges that all items of any and every nature or kind created or used by the Contractor in the course of providing the Services, or furnished by the Company to the Contractor, and all equipment, books, records, reports, files, manuals, literature, Confidential Information (as defined in Section 5.2 below) or other materials and any copies thereof, created by or used by the Contractor or furnished by the Company (collectively, “**Work Product**”) shall remain and be considered the sole and exclusive property of the Company at all times and shall be surrendered to the Company, in good condition, promptly on the termination or expiry of the Agreement irrespective of the time, manner or cause of the termination or upon the request of the Company. To the extent not already held by the Company, the Contractor hereby assigns all right, title and interest to such Work Product to the Company and hereby waives any moral rights vested therein, in favor of the Company, its successors and permitted assigns.

3. **FEE FOR SERVICES**

- 3.1 As compensation for the Services to be rendered by Contractor under this Agreement, the Company agrees to pay the Contractor the fees set forth on **Schedule B**.
- 3.2 The Company will reimburse the Contractor for accommodation, travel, meal expenses and other costs incurred in connection with rendering the Services, provided that bearing of the costs has been pre-approved or subsequently approved by the Company.
- 3.3 The compensation provided for in this Section 3 shall be the sole form of compensation provided to the Contractor by the Company and the Contractor waives any right to additional fees or any other form of compensation whatsoever from the Company in respect of the Services rendered.

4. **STATUS**

- 4.1 The Contractor is an independent contractor and shall not be or be deemed to be an employee of the Company. For providing the Services, the Contractor shall not be entitled to any remuneration, rights or benefits other than as specifically set forth in this Agreement. Nothing contained in this Agreement shall be regarded or construed as creating any relationship (whether by way of employer/employee, agency, joint venture, association, or partnership) between the parties other than as an independent contractor as set forth herein.
  - 4.2 As an independent contractor, Contractor shall be free to exercise discretion and independent judgment in performing the Services. The Contractor shall not commit or obligate the Company in any way to other parties, except as may be specifically consented to by the Company, in writing.
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- 4.3** In view of the Contractor's status as an independent contractor, the Company shall not be making any pension plan, employment insurance or income tax related contributions or deductions from the amounts due to the Contractor under this Agreement. The Contractor shall be liable for the payment of all income taxes and all other taxes, assessments or remittances (including but not limited to taxes, assessments or remittances for sales taxes, health tax, employment insurance, pension plan and/or workers' compensation coverage payable on amounts paid by the Company to the Contractor under the terms of this Agreement or otherwise. The Contractor further agrees to save harmless and indemnify the Company from and against all claims, charges, taxes, interest or penalties and demands which may be made by any governmental authority or any other person, agency, authority or entity, against the Company with respect to payment of said taxes, assessments or other remittances. The foregoing obligations shall continue beyond the termination of this Agreement and shall be binding upon the heirs, executors, administrators and other legal representatives of the Contractor.
- 4.4** In the event that any taxing authority, for whatever reason, seeks from the Company any employment insurance contributions, pension plan contributions, income taxes or workers' compensation payments, the Contractor agrees to indemnify the Company and any of its directors, officers and employees, for the full amount of any such contributions or payments (including any applicable interest and penalties thereon) that may arise. The Contractor further agrees that the Company may set off an equal amount of such contributions or payments (including any applicable interest and penalties thereon) against any fees and expenses payable to the Contractor under this Agreement.

**5. CONTRACTOR'S REPRESENTATIONS AND OBLIGATIONS.**

- 5.1** The Contractor shall be free to devote such portion of the Contractor's time, energy, effort and skill as the Contractor sees fit, and to perform the Contractor's duties when and where the Contractor sees fit, so long as the Contractor performs the Services set out in this Agreement in a timely fashion. The duties and responsibilities associated with the Services provided by the Contractor shall include the following:
- (i) The Contractor shall perform the Services in a professional manner in accordance with generally accepted methods, standards and practices associated with the nature of Services required to be performed hereunder;
  - (ii) The Contractor shall abide by all written Company policies and procedures. The Company shall make information hereon available to the Contractor in writing.
  - (iii) In performing the Services, the Contractor shall observe and obey all applicable laws, rules and standards imposed by any government or any other duly constituted authority having jurisdiction with respect to the Services or the parties to this Agreement;
  - (iv) The Contractor shall at all times during performance of the Services co-operate with employees and other contractors of the Company; and,
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- (v) The Contractor shall observe and comply with all safety and security regulations required by law and any others as are communicated to the Contractor by the Company from time to time.

5.2 The Contractor acknowledges that, during the course of providing the Services to the Company, the Contractor may acquire information about certain matters and things which are confidential or secret to the Company, which information is the exclusive property of the Company (the “**Confidential Information**”). Except in the normal and proper course of the provision of the Services hereunder, the Contractor will, during the Term of this Agreement and for a period of two (2) years following the expiry or termination of this Agreement, (a) keep in strictest confidence and trust the Company’s confidential and proprietary information; and (b) not use for the Contractor’s own account or disclose to anyone else any confidential or proprietary information or material relating to the Company’s operations or business which the Contractor obtains from the Company or its officers, agents or employees or otherwise by virtue of the Contractor’s relationship with the Company. For purposes of this Agreement, Confidential Information does not include any information that: (i) at the time of disclosure to the Contractor is or thereafter becomes generally available to the public other than as a result of a breach of the terms of this Agreement by the Contractor; (ii) is or has previously been disclosed to the Contractor on a non-confidential basis by a third party (provided that such third party did not breach an obligation of confidentiality to the Company to which the information pertains that was known or should have been known by the Contractor); or (iii) was independently developed by the Contractor without violating any of its obligations under this Agreement.

5.3 In recognition of the nature of the Services to be provided by the Contractor, and the access the Contractor will have to the Company’s Confidential Information, the Contractor hereby confirms that, during the Term of this Agreement and for a period of one (1) year following the expiry or termination of this Agreement it shall not, directly or indirectly:

- (i) own, manage, engage in, operate, join, control, franchise, license, work for, consult with, render services for, do business with, maintain any interest in (proprietary, financial or otherwise) or participate in the ownership, management, operation or control of, any direct competitor of the Company’s polymetallic nodule exploration, exploitation and processing business, whether in corporate, proprietorship or partnership form or otherwise, anywhere in the world;
  - (ii) for the purpose of doing business that is the same as or competitive with the business being carried on by the Company, call upon, solicit, attempt to solicit, canvass or otherwise interfere with the Company’s relationship with any current customers or suppliers of the Company’s business;
  - (iii) influence or try to influence any employee of or Contractor to the Company to resign her or her employment or engagement with the Company; or
-

(iv) denigrate or otherwise disparage the Company, its owners or any of their and its respective officers, directors or employees in any manner that would have a material adverse impact on the Company's business or reputation.

5.4 The Contractor will, however, not be in violation of Section 5.3(i) by virtue of the Contractor holding, strictly for portfolio purposes and as a passive investor, no more than two percent (2%) of the issued and outstanding shares of or any other interest in, any body corporate which is listed on any recognized stock exchange, the business of which body corporate is in competition, in whole or in part, with the Company.

5.5 Except as set out in section 5.3, the relationship between the Contractor and the Company is a non-exclusive relationship and the Contractor is entitled to provide services to organizations or individuals other than the Company, provided that the Contractor, in providing services to other organizations or individuals, does not breach the provisions of this Agreement or put himself into a conflict of interest. The Contractor agrees to advise the Company in writing immediately upon learning of any potential conflict of interest.

## 6. GENERAL

6.1 This Agreement constitutes the entire agreement between the Company and the Contractor pertaining to the subject matter hereof and supersedes all prior agreements, negotiations, discussions and understandings, written or oral, between the Company and the Contractor.

6.2 If any provision of this Agreement is found to be in violation of public policy, illegal or is otherwise determined to be unenforceable by a court of competent jurisdiction, such a finding will not invalidate or otherwise impact the enforceability of any other provisions of this Agreement.

6.3 The Contractor undertakes to, and does hereby agree to, indemnify the Company and its directors, officers and employees against any and all actions, suits, claims, costs, demands, losses, damages and expenses which may be brought against or suffered by them or which they may sustain, pay or incur by reason of the breach by the Contractor of any of the provisions of this Agreement.

6.4 All notices, requests, demands and other communication shall be in writing to the email addresses set forth below (or such other email address as shall be specified by either party in writing to the other party from time to time) and shall be deemed to have been given and received on the day sent by email on a business day, if sent prior to 4:30pm Eastern time and otherwise on the next business day following the day it was sent by email:

**TMC the metals company Inc.**

Attention: Gerard Barron

Email: [gerard@metals.co](mailto:gerard@metals.co)

**Contractor**

Attention: Michael B. Hess

Email: [\*\*\*]

With a copy to: [\*\*\*]

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- 6.5** The Contractor shall promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things in connection with this Agreement that the other Party may reasonably require for the purposes of giving effect to this Agreement.
- 6.6** It is understood that the Services provided hereunder are personal to the Contractor. Therefore, the Contractor may not assign, transfer or sell its rights under this Agreement or delegate its duties hereunder without the Company's prior written consent. The Company may assign this Agreement to any related or associated entity without consent of the Consultant.
- 6.7** Any modification to this Agreement must be in writing and signed by both the Company and the Contractor or it shall have no effect and shall be void.
- 6.8** This Agreement shall be construed in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof.
- 6.9** The Company and the Contractor each acknowledge that they have been provided with the opportunity to consult legal counsel regarding the content of this Agreement, and the impact it could have on their legal rights, and that they each voluntarily agree to enter into and be bound by the provisions of this Agreement.

*[signature page follows]*

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IN WITNESS WHEREOF this Agreement has been executed by the parties on the dates set out below.

**TMC the metals company Inc.**

June 4, 2025  
Date

/s/Gerard Barron  
Name: Gerard Barron  
Title: Chief Executive Officer

**Contractor**

June 4, 2025  
Date

/s/Michael B. Hess  
Michael B. Hess

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**SCHEDULE A**

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## SCHEDULE B

### FEES

**Fees:** In consideration for the Services outlined in Schedule A, the Company shall provide the **Contractor** with the following compensation (in aggregate):

- **Base Fees:** \$1 million in RSUs issued to the Contractor as set forth in the last paragraph of this Schedule B vesting equally over three years, starting one-year from the first day of the Term. The RSUs shall be calculated using the closing share price on the day immediately preceding the Term.
- **Options as set forth below and in the last paragraph of this Schedule B:**
  - o 2.5 million options granted to the **Contractor** on the first day of the Term with an exercise price equal to a 10% premium to the TMC closing share price on the first day of the Term (the “**Option Price**”), expiring after 5 years. Option shall vest upon TMC share price trading above \$5 for ten consecutive days, or the company “market capitalisation” (the then outstanding common shares multiplied by the closing share price of such common shares on any trading day) reaches or exceeds \$2.2 billion.
  - o 2.5 million options granted to the Contractor on the first day of the Term with an exercise price equal to the Option Price, expiring after 5 years. Option shall vest upon TMC share price trading above \$7 for ten consecutive days, or the company market capitalisation reaches or exceeds \$3 billion.
  - o Up to 2.5 million additional options may be granted, in whole or in part, following the first anniversary of this Agreement, at the recommendation of the Chief Executive Officer of the Company, subject to approval by the Board of Directors. The terms of any such grant, including exercise price, vesting and expiry, shall be determined at the time of grant.
- **Bonus RSUs:** Additional RSUs issued to the Contractor as set forth in the last paragraph of this Schedule B vesting immediately if TMC common shares reach certain price thresholds:
  - o First tranche: 2.5 million RSUs if share price exceeds \$10 for 10 consecutive trading days, or the company market capitalisation reaches or exceeds \$3.3 billion.
  - o Second tranche: 2.5 million RSUs if share price exceeds \$12.50 for 10 consecutive trading days or the company market capitalisation reaches or exceeds \$4.0 billion.
  - o Third tranche: 2.5 million RSUs if share price exceeds \$15 for 10 consecutive trading days, or the company market capitalisation reaches or exceeds \$5.0 billion.

Notwithstanding anything to the contrary herein or the TMC 2021 Incentive Equity Plan or any other applicable equity incentive plan (or similar document) of the Company, if the Company shall at any time terminate the Agreement without cause, then the Contractor will retain, and the Company shall have no authority to cancel, modify, rescind or repurchase, (i) any options or RSUs that have vested on or before the effective date of termination and (ii) the right to receive any other options or RSUs described in this Schedule B, in accordance with the vesting schedule or upon the Company’s achievement of the milestones described herein, notwithstanding that the Contractor has ceased to provide the Services to the Company, provided, that such vesting or achievement of such milestone occurs within the initial Term of the Agreement.

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Additionally, the Company shall offer the Contractor and the Contractor's related party assignees the option to invest in the next public capital raise on the same terms as other participants, up to a maximum investment amount of \$25 million in the aggregate. In the event of the Company's termination of the Agreement without cause, this paragraph shall continue to have full force and effect. If approached by the Company with respect to this option, the Contractor and its assignees hereby agree to keep such information confidential and not trade in the Company's securities until notified by the Company thereafter that such restrictions have ended.

The remuneration described herein is subject to annual review by the Chairman & CEO and any new or modified equity awards are subject to approval of the Board. Notwithstanding the foregoing, without the prior written consent of the Contractor, the Chairman & CEO shall have no authority to rescind or modify this Schedule B in any manner that would cause the terms of the Contractor's compensation to be less favorable to the Contractor.

The options referenced above (i) shall be subject to TMC shareholder approval of an increase(s) in the number of shares reserved for issuance under the TMC 2021 Incentive Equity Plan ("**Shareholder Approval**") and (ii) shall not vest before Shareholder Approval. The RSUs referenced above (i) will not be granted until after Shareholder Approval and (ii) will not vest until after Shareholder Approval. The vesting of all options and RSUs shall be contingent on continued Services being provided under the Agreement through each applicable vesting date, unless the Agreement is terminated by the Company without cause as set forth above. If the options and RSUs contemplated in this agreement exceed availability under the TMC 2021 Incentive Equity Plan, the Company will endeavor to increase availability to allow issuance, subject to Board, shareholder and any other regulatory approvals.

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**TMC and Nauru Announce Updated Sponsorship Agreement for Nauru Ocean Resources Inc. (NORI)**

- The Government of Nauru and TMC's subsidiary, Nauru Ocean Resources Inc. (NORI), signed a revised Sponsorship Agreement updating the terms of their agreement signed in 2017
- The President of Nauru welcomes the new agreement which will ensure that Nauruans will receive benefits from any future development of seafloor mineral resources from NORI
- The Republic of Nauru has played a leading role in the development of the seafloor minerals industry, advancing the rights of Developing States to ensure their participation under the UNCLOS regime
- In breach of its obligations under UNCLOS, the International Seabed Authority (ISA) has failed to adopt the Exploitation Regulations and is continuing to unlawfully delay the adoption of these regulations
- The Government of Nauru and TMC acknowledge that unexpected, continued and extended delays at the ISA in adopting the Exploitation Regulations have impeded NORI's ability to proceed with its planned application for commercial exploitation activities in the NORI Area and breached Nauru's legitimate expectations as a Small Island Developing State in enjoying its rights as a sponsoring State under UNCLOS
- The Republic of Nauru acknowledges the recent Executive Order by U.S. President Trump and the existing U.S. seabed mining code under DSHMRA, which provides a stable, transparent and enforceable regulatory path for industry

NEW YORK and NAURU, June 4, 2025 – The Government of the Republic of Nauru and its sponsored entity, Nauru Ocean Resources Inc. (NORI), together with TMC the metals company Inc. (Nasdaq: TMC) (“TMC” or the “Company”) — a leading explorer of the world's largest undeveloped resource of critical metals essential to energy, defense, manufacturing, and infrastructure — today jointly announced the signing of a revised Sponsorship Agreement (Agreement), updating the terms of the Agreement signed between the parties in 2017.

The Agreement guarantees the Republic of Nauru will continue to receive existing financial benefits, training and capacity building programs and in-country community and social programs it receives today, while ensuring that, in consideration for its continued sponsorship of NORI, Nauru will receive continuity benefits upon the commencement of commercial production by NORI or another TMC subsidiary.

The President of the Republic of Nauru, His Excellency David Adeang, commented: "NORI and TMC have been trusted and respectful partners to Nauru throughout this pioneering journey. Together, we have worked to establish a responsible pathway for deep-sea mineral development—one that can serve as a model for other developing states. As a Pacific Small Island Developing State, our identity and future are inseparable from the ocean, and we would never support any activity that risks serious harm to it. Science, not slogans, has always guided our stewardship, and we remain committed to that path."

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“We believe the world must explore new sources of critical metals if we are to address the urgent realities of climate change. For small island nations like ours, this is not an abstract concern—it’s an existential one. We seek practical, science-based solutions that allow us to participate meaningfully in the energy transition. We are grateful to NORI and TMC for their continued partnership and commitment to responsible development that will deliver lasting benefits to the people of Nauru.”

Since becoming the first Developing State to sponsor a polymetallic nodule exploration contract in the Reserved Area of the Clarion Clipperton Zone, Nauru and NORI have taken a leading role in shaping the deep-sea mining industry. Over the course of 22 offshore research campaigns, NORI has assembled the world’s most comprehensive dataset of deep-sea environmental information and conducted the first integrated mining test in the CCZ since the 1970s. This has generated valuable in-field impact data, ensuring that environmental management is informed by evidence and best practice.

Nauru’s efforts align with the 2050 Blue Pacific Strategy, a shared vision by Pacific Leaders for a region of peace, harmony, security, social inclusion, and prosperity, where all Pacific peoples can lead free, healthy, and productive lives. Through the sustainable use of our ocean resources—what Nauru calls the Blue Economy—the country aims to generate economic growth, improve livelihoods and create jobs, while preserving the health of our marine ecosystems for future generations.

As one of the most vulnerable countries in the world, Nauru strongly supports the application of the Multidimensional Vulnerability Index (MVI) to capture better the economic and environmental risks that Small Island Developing States face. The development of deep-sea minerals, guided by robust science and ecological safeguards, presents an opportunity to enhance Nauru’s economic stability and resilience, with the support of responsible partners like NORI and TMC. In accordance with the Agreement, the Government of Nauru will channel the majority of the financial benefits into the Intergenerational Trust Fund of Nauru, as a strategic measure to address structural vulnerabilities and to enhance the nation’s long-term economic resilience.

Gerard Barron, Chairman and CEO of TMC, added: “Over the past 14 years, we have been fortunate to receive the steadfast support and partnership of the Government and people of Nauru. Their courage and leadership in championing a science- and rules-based approach to deep-seabed mineral development have helped shape not only our company, but the trajectory of this emerging industry. Without their trust and commitment, none of what we’ve built would have been possible.”

“We remain unshakeable in our commitment to developing this project responsibly, transparently, and in a way that delivers real benefits for all Nauruans. We are deeply proud of the work we have done together—from building the most comprehensive environmental research program in deep-seabed resource development, to pioneering a path for other small island developing states to participate meaningfully in this industry. This is a partnership rooted in shared values, and we look forward to continuing this journey, guided by science and respect for the ocean that connects us all. I’m also heartened by the recent [Executive Order](#)’s call for a joint assessment of a seabed benefit-sharing mechanism, and certain that ‘Big Ocean States’ like Nauru will continue to play a leading role in this industry.”

Looking ahead, Nauru remains committed to working with the International Seabed Authority (ISA) and will continue to sponsor NORI.

The President of the Republic of Nauru, His Excellency David Adeang, added: “Together, we can drive and deliver on the promise of the Blue Pacific—one that strengthens our sovereignty, secures our oceans, and uplifts the lives of our people.”

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## **About The Metals Company**

The Metals Company is an explorer of lower-impact critical metals from seafloor polymetallic nodules, on a dual mission: (1) supply metals for building infrastructure, power generation, transmission, and batteries with net positive impacts compared to conventional production routes and (2) trace, recover and recycle the metals we supply to help create a metal commons that can be used in perpetuity. The Company through its subsidiaries holds exploration rights to two polymetallic nodule contract areas in the Clarion Clipperton Zone of the Pacific Ocean sponsored by the governments of the Republic of Nauru and the Kingdom of Tonga, and has conducted more than a decade of research into the environmental and social impacts of offshore nodule collection and onshore processing. More information is available at [www.metals.co](http://www.metals.co).

## **Government of Nauru Contact**

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## **TMC Contacts**

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## **Forward-Looking Statements**

This press release contains “forward-looking” statements and information within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by words such as “aims,” “believes,” “could,” “estimates,” “expects,” “forecasts,” “may,” “plans,” “possible,” “potential,” “will” and variations of these words or similar expressions, although not all forward-looking statements contain these words. Forward-looking statements in this press release include, but are not limited to, statements regarding the Company’s and the Republic of Nauru’s plans and intentions with respect to their continued relationship, and the expected benefits to each resulting from the relationship, and interactions with the ISA, including the potential renewal of the sponsorship license and the Company’s strategies to pursue commercialization in a responsible and transparent manner guided by science. The Company may not actually achieve the plans, intentions or expectations disclosed in these forward-looking statements, and you should not place undue reliance on these forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in these forward-looking statements as a result of various factors, including, among other things: the Company’s future financial performance; the outcome and timing of regulatory reviews by the National Oceanic and Atmospheric Administration under DSHMRA; the ability to obtain an exploitation contract from the ISA or permits from the U.S. government; risks related to the Company’s potential dual-path permitting strategy; changes in environmental, mining and other applicable laws and regulations; other regulatory uncertainties and the impact of government regulation or political developments on the Company’s activities; the potential for legal or jurisdictional challenges to the Company’s rights or proposed operations in international waters; environmental risks and liabilities; the Company’s ability to develop sufficient data to support permit applications and satisfy environmental requirements; the Company’s ability to develop commercial operations, including onshore processing capabilities; risks associated with the Company’s limited operating history and need for additional financing; and other risks and uncertainties, any of which could cause actual results to differ from those expressed or implied in the forward-looking statements. These risks are described in greater detail in the section entitled “Risk Factors” in the Company’s Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 filed on March 27, 2025 and the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 filed on May 14, 2025. Any forward-looking statements contained in this press release speak only as of the date hereof, and the Company expressly disclaims any obligation to update any forward-looking statements contained herein, whether due to new information, future events, changed circumstances or otherwise, except as required by law.

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