

## **Articles of Association**

### **I. Name, registered office, business object and duration of the Corporation**

#### Art. 1

A corporation limited by shares under the name of Blackstone Resources AG is established with its registered office in Baar/ZG, Switzerland, for an unlimited time.

#### Art. 2

The purpose of the corporation is the planning, development, marketing, construction and running the business of raw-materials and mining projects of all kind and to hold participations in such companies. Furthermore, the corporation aims at buying and selling as well as holding and managing corporations and participations, especially in the field of mining and raw-material trading and providing organizational, technical, financial and administrative services for related corporations or for third parties. Trading in raw-materials and other goods can be done on one's own account or for the account of others. The corporation may acquire and sell real estate as well as to run subsidiaries in Switzerland and abroad.

### **II Share capital, conversion of shares and acknowledgement of the articles**

#### Art. 3

The share capital is of CHF 21'350'000.00 par value and divided into 42'700'000 bearer shares of CHF 0.50 par-value each. The shares are fully paid-up.

The corporation may issue certificates for several shares in lieu of single shares.

The property or the benefit in a share or share certificate as well as each exercise of shareholders rights implies the recognition of these Articles of Association in their present form.

#### Art. 3a

Within two years of the registration of the authorized capital in the Registry of Commerce, the Board of Directors is entitled to increase the share-capital by issuing of a maximum of 21'350'000 fully paid-in bearer shares. Total or partial issues are permitted. The amount of each issue, the time of commencement of dividend-payments and the kind of payment will be fixed by the Board of Directors.

The Board of Directors is entitled to exclude the right of the shareholders to subscribe and to allocate such rights to third parties in case if such new shares will be needed to acquire corporations by way of an exchange of shares or to finance acquisitions corporations or parts of corporations or new investments of the corporation or for issuing shares for employees. Shares with subscription rights, where such rights were not exercised, are to be sold by the corporation at market conditions.

#### Art. 3b

The share-capital may be increased by a maximum of 4'270'000 fully paid-in bearer shares with a par-value of CHF 0.50 each in the maximum amount of CHF 2'135'000.00 upon exercising employee options issued to employees and the members of the Board of Directors of the corporation and its subsidiaries as well as those persons close to them. The subscription rights of the shareholders shall be excluded.

Art. 4

The General Assembly may, at any given time, change bearer shares in nominative shares or nominative shares in bearer shares.

Art. 5

Persons are considered shareholders if they are in the possession of shares at any given time indicated by the Board of Directors. The Board of Directors sets up the proof of ownership of shares.

### **III. Corporate bodies**

Art. 6

The corporate body consists of:

- a. General Meeting
- b. The Board of Directors
- c. The Auditors.

#### **A. The General Meeting**

Art. 7

The General Meeting is the Corporation's supreme corporate body and holds the following non-transferable powers:

- a. To establish and amend the Articles of Association
- b. To elect and dismiss the members and the Chairman of the Board of Directors and the Auditors
- c. To approve the financial statements and to decide upon the appropriation of the net profit shown in the balance sheet as well as set up the dividend and the tantieme of the Board of Directors
- d. To give the members of the Board of Directors a discharge
- e. To take decisions on all matters reserved to the General Meeting by law or by the Articles of Association, or which are placed before it by the Board of Directors
- f. To elect the President of the Board of Directors.

Art. 8

The Annual General Meeting takes place every year within six months after the close of the financial year.

Extraordinary General Meetings are convened whenever the Board of Directors deems it necessary or when foreseen by the law.

Such meetings must be convened by the Board of Directors if asked in writing by shareholders holding at least ten percent of the share-capital, specifying the items to be included on the agenda and the proposals to be put forward.

Art. 9

The General Meeting shall be called by the Board of Directors or, if needed, by the Auditors. The liquidators hold the same rights.

The General Meeting shall be convened by publication in the Swiss Official Gazette of Commerce or, should the addresses of all shareholders be known, by registered mail at least 20 days prior to the date of such meeting. The notice to convene the General Meeting shall specify the agenda with the proposals of the Board of Directors and proposals by the shareholders having asked the convening of such meeting or adding a proposal to the agenda.

Items which have not been put forward in such manner cannot be dealt with unless resolutions to convene an extraordinary meeting or a special audit or if such a meeting is an universal meeting.

No prior notice shall be needed for motions taken within items on the agenda.

Art. 10

If there is no opposition, the owners or representatives of all shares can call a General Meeting without following the formalities to convene a normal General Meeting. Any topic can be dealt with and decided upon during such meeting.

Art. 11

At least 20 days before a General Meeting, the Annual and Audit Report of the corporation must be made available to the shareholders at the offices of the corporation. The convocation for the General Assembly must contain a note to that effect.

Art. 12

The Chairman of the Board of Directors or, if the Chairman cannot attend, a Vice Chairman or another member designated by the Board of Directors, shall preside over the General Meeting.

The Chairman of the Meeting shall appoint a secretary and the necessary tellers.

The Board of Directors is responsible for the protocol which must be signed by the chairman and the secretary of the meeting.

Art. 13

One share carries one vote. At the General Meeting, each shareholder can be represented by another share-holder by a power of attorney in writing.

Art. 14

Resolutions and elections are decided at the General Meeting by an absolute majority of the votes cast, subject to these Articles of Association and the compulsory provisions of the law.

If, after the first vote, an election shows no result, a second vote will follow where the relative majority is required.

#### Art. 15

A majority of 2/3 of the votes cast as well as the absolute majority of the par-values represented are required for:

1. change of the corporation's business object
2. the setting up of voting shares
3. the setting up, the easement or revocation of limitations of the transferability of nominative shares
4. increase of the share capital, especially in case of conditional or authorized capital increase
5. capital increases using equity or by contribution in kind or acceptance of goods and by granting of special advantages
6. limitation or cancellation of drawing rights
7. moving the seat of the corporation
8. dissolving or liquidation of the corporation
9. change of bearer shares into nominative shares.

### **B. The Board**

#### Art. 16

The Board of Directors consists of one or more members, elected by the General Meeting.

The term of office for members of the Board of Directors is of three years after election. Reelection is permitted.

#### Art. 17

Except for the election of the Chairman, the Board of Directors shall constitute itself. The Board of Directors shall indicate those which can bind the corporation by their signature, either individually or collectively.

#### Art. 18

The Board of Directors has ultimate responsibility for running the corporation and for its management and represents the corporation externally. The Board takes decisions on all matters which are not expressly reserved to the General Meeting or to another corporate body by law or by the Articles of Association.

#### Art. 19

The Board of Directors may delegate all or part of its authority to one or more of its members or to third parties which must not be shareholders. The Board of Directors also issues the Organization Regulations and regulates the corresponding contractual relationship.

#### Art. 20

The Board of Directors has the following non-transferable and non revocable duties:

1. ultimate responsibility for the running of the corporation and the issuance of all necessary directives
2. setting-up the organization of the corporation
3. Laying down the principles for the accounting, financial controls and the financial planning

4. Appointment and dismissal of the management and setting its signatory powers
5. To supervise s the management and, in particular, the compliance in regard to laws, Articles of Association, directives and regulations
6. Establishing the annual report and preparing the general assembly and execution of its decisions
7. Notify the respective Court in case of over indebtedness
8. Decisions as to the total payment of not fully paid-in shares
9. Decisions on increasing the share capital to the extent this is within the power of the Board of Directors (Art. 651, par. 4 of the Swiss Code of Obligations) and ascertain of capital increases and the ascertainment of capital increases and the corresponding amendments to the Articles of Association
10. Verification of professional capabilities of specially qualified auditors in cases their commitment is required by law.

#### Art. 21

Decisions of the Board of Directors are taken by the majority of Board Members attending. Board meetings are convened by the President of the Board of Directors.

The President of the Board takes the presidency of such meetings. In case of a tie, he casts the deciding vote. Should the President be absent, a Chairman will be elected.

A protocol of all negotiations and decisions of the Board of Directors is set up. It will be signed by the Chairman and the secretary of the meeting.

#### Art. 22

Members of the Board of Directors are entitled to have their expenses, incurred in the execution of their duties for the company, reimbursed. Furthermore, they are entitled to a compensation set by the Board of Directors.

### **C. Auditors**

#### Art. 23

The General Meeting elects the Auditors which have to dispose of the legally specified qualifications.

The General Meeting can waive to elect auditors if:

1. the corporation is not subject to a regular audit
2. all shareholders agree
3. if the corporation has no more than ten full time positions annually.

This waiver is also valid for the following years. At the latest 10 days prior to a General Meeting, each shareholder has the right to ask for a limited audit and appoint a corresponding auditor. In such a case, the General Meeting can decide upon Art. 7, para. C of the Articles of Association only after such auditing-report is made.

Reelection is permitted without restrictions.

Auditors are elected for a period of three years.

Duties, powers and obligations of the auditors are governed by Art. 727 ff of the Swiss Code of Obligations.

#### **IV. Annual Report and appropriation of profits**

Art. 24

The business year corresponds with the calendar year. It ends on December 31<sup>st</sup>.

Art. 25

The Annual Report consists of the profit and loss statements, the balance sheet and the attachment. It is set up following the regulations of the Swiss Code of Obligations, in particular to Art. 662, para. A ff, and following generally recognized commercial and industrial principles.

Art. 26

Subject to the provisions of the Swiss Code of Obligations in regard to the appropriation of profits, in particular Art. 671 ff of the Swiss Code of Obligations, the profit shown is at the disposal of the General Meeting.

Art. 27

The disbursement of compensations to the members of the Board of Directors is governed by Art. 677 of the Swiss Code of Obligations.

#### **V. Dissolution and liquidation**

Art. 28

The General Meeting can, at any given time, decide on the dissolution and liquidation of the corporation as per regulations set by law or the Articles of Association.

The Board of Directors will carry out the liquidation unless the General Meeting has not appointed another party.

Liquidation of the corporation follows the rules set up in Art. 742 ff of the Swiss Code of Obligations. The liquidators are authorized to sell assets, including real estate, at their discretion.

After settlement of all debts, the remaining proceeds will be disbursed amongst the shareholders in relation to their paid-in capital.

#### **VI Convocation and announcement**

Art. 29

Convocations and announcements to the shareholders take place by publication in the Swiss Gazette of Commerce or, in case all shareholder's addresses are known, by registered mail.

If stipulated by law, notice to creditors are made by publications in the Swiss Gazette of Commerce, the publication organ of the corporation.

Zurich, November 10<sup>th</sup>, 2017