SBG SWISSBETTERGOLD ASSOCIATION

SWISS BETTER GOLD ASSOCIATION
CONDITIONS OF CORPORATE MEMBERSHIP

The Swiss Better Gold Association is an open initiative with the aim to create a simple market driven mechanism that enables formalised gold mining entities to improve their social and environmental practices. To that end, the Association has established a pioneering network of industry, finance, and other service providers to support the development of transparent, accountable, and responsible gold value chains from mine to market (Article 3 of the Association bylaws defines its objectives in more detail).

Membership is open to Swiss or foreign entities legally constituted and represented, and active in gold supply chains with gold processing, transformation and supply operations carried out in Switzerland, willing to actively support the improvement of social and environmental conditions of artisanal, small- and medium-scale gold miners. Applicants can join the Association in either one of below member categories:

SUPPLY CHAIN MEMBERS	SUPPORT MEMBERS

Supply chain member status is granted for any industry representative willing to support the development and implementation of the activities of Swiss Better Gold through the purchase of eligible gold. The volume of these purchases is defined individually with each supply chain member depending on sourcing ambitions of the member and availability of eligible supply. The Association wishes to cultivate dynamic supply memberships in this category. Members who joined the Association with the idea to source but did not manage to define and implement a Swiss Better Gold supply chain after one year of membership will be automatically shifted to support category of membership.

Support member status is granted to entities not actively involved in gold sourcing, but willing to support the development and implementation of the activities of Swiss Better Gold through discretionary contributions (see section on *Discretionary Contributions*) and/or other in-kind support in areas where the Association will express the necessity.

Membership to the Swiss Better Gold Association is granted through a written application. Membership applications are reviewed by the Association Board and submitted to the members for approval and/or objections. Membership becomes effective on the date the membership application is accepted by the majority of the current members and in the absence of any substantiated objection. The membership term will run from approval of the Association membership until the end of the calendar year, unless terminated in accordance with Article 7 of the Swiss Better Gold Association bylaws.

In the following section, you will find the terms and conditions for above mentioned membership categories. Members agree to be bound by these conditions as amended from time to time by the Association.

MEMBERSHIP FEES

Upon confirmation of membership status, the Association will issue an invoice for the company's membership fees. Payment must be made within thirty (30) days of the issuance of the invoice. Fees are calculated pro rata temporis. Fees are non-refundable.

The Swiss Better Gold Association membership fees are based on a company's total consolidated annual revenues for the most recently completed fiscal year, as declared by the company. Members do not have to declare their exact annual revenue figure but only the level of revenues in accordance with the table below.

Annual revenues	Annual fee level
> 50Mio CHF	12,000 CHF
>2Mio CHF	6,000 CHF
<2 Mio CHF	1,500 CHF

RESPONSIBILITIES OF THE MEMBERS

All member categories are bound by the Association bylaws and required to pay an annual membership fee.

Supply chain members will further support the development and implementation of the activities of the Association through the purchase of eligible gold.

Support members will support the Association through discretionary monetary and/or in-kind contributions in areas where the Association will deem them necessary for its activities.

Each member will designate a representative to be responsible for managing the relationship with the Association.

DISCRETIONARY CONTRIBUTIONS

In order to contribute to the continuous improvement processes of the mining producers and as an additional incentive, Swiss Better Gold Association members make discretionary contributions to specific producers who participate in the programme, irrespective of their production, sold volumes, or the step of the escalator they may be on. Discretionary contributions can also be intended for the overall programme (not earmarked), or the respective member can work out a “tailor-made” contribution together with the Association Secretariat depending on the needs of a/ various producer(s) and the member’s motivations.

Although open to both member categories, support members are expected to make discretionary contributions. These contributions are not tied to any purchases or communication requirements. A willingness to positively contribute to the Swiss Better Gold Fund and support Swiss Better Gold objectives must be apparent.

The rationale of this approach is to build direct relationships between mining producers and Swiss Better Gold Association members, through which the approach seeks to establish a solid ground for future collaboration between the parties. It also intends to contribute to the sustainable development of mining operations, particularly ASGM, closing the gap’s related to the SBG sourcing criteria identified by SBG teams, and support mining communities. The contributing member and the Association recognise that the producers will have full discretion to enter or not into a sourcing relationship with contributing members.

A discretionary contribution corresponds to the specificities of a contributing member’s CSR philosophy, philanthropic principles, or other motivations compatible with Swiss Better Gold’s needs and recommendations. Swiss Better Gold Association supply members sourcing from Step 1 mines are encouraged to contribute to technical assistance activities, supporting these mines with a 0.5 USD / gr discretionary contribution to close gaps on the

Swiss Better Gold escalator and accelerate compliance with the Swiss Better Gold Step 2 sourcing criteria. This Technical Assistance premium can apply to Step 1 purchases (usually a mass balance approach) or can be decided upon other criteria defined by the member and the Swiss Better Gold Association.

For practical reasons, the minimum contribution is set to twice the membership fee of the contributing member. Together with the contributing member and the mining producer, the Swiss Better Gold Association will establish a project plan and progress reporting in order to account for funds expenditure and obtained results, in proportion to the project size and costs. The management and reporting fees for the Association shall be agreed upfront and then be deducted from the donated amounts. Those will generally represent no more than 10% of the donating member's contribution.

CONFIDENTIALITY

The Swiss Better Gold Association and each member commit not to disclose to any third-party confidential information obtained in connection with their participation in the Association without the prior written consent of all relevant parties. Disclosure of information about the Association shall be made in accordance with disclosure rules issued from time to time by the Association. This obligation of confidentiality shall survive the termination of membership.

TERMINATION OF MEMBERSHIP

Subject to Article 7 of Swiss Better Gold Association bylaws, members may terminate their membership by giving a written notice to the Board of Directors at least two months in advance of the end of a calendar year.

The decision to terminate a membership may also be taken by the Association, in the case of a member acting contrary to its bylaws or the interests of the Association, or a member failure to fulfil with its duties and obligations as a member.