



Qeqqata Kommunia

NAALAKKERSUISUT
GOVERNMENT OF GREENLAND



Impact Benefit Agreement

for the

Qaqortorsuaq/White Mountain anorthosite project

between

**Lumina Sustainable Materials A/S, Qeqqata Kommunia and
the Government of Greenland**

August 2025

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Agreement and Parties

This Agreement is made between:

The Licensee under the Exploitation Licence (as defined in clause 29.3 "Licensee") as represented by

Lumina Sustainable Materials A/S herein referred to as Lumina or Licensee.

and

Qeqqata Kommunia
Postboks 1014
Makkorsip Aqq. 2
3911 Sisimiut
Greenland

Herein referred to as the Municipality

and

Greenland Government
Imaneq 1A 301, P.O Box 1601
3900 Nuuk
Greenland

Structure and Purpose of the IBA Agreement including Appendices

This chapter outlines the purpose of the Impact Benefit Agreement (IBA) and explains the approval process and structure of the IBA including the ideas behind the appendices. All definitions and abbreviations are in appendix 10.

The IBA intends to promote the cooperation between the Licensee and the Greenland Authorities for developing the White Mountain anorthosite project to become a sustainable and viable mining project as an integrated part of the Greenlandic society. The IBA will establish methods and procedures by which the Parties will work together to maximize beneficial opportunities for the Greenlandic population and the Licensee. The purpose of this IBA agreement is to enhance the positive impacts of the White Mountain project on the Greenlandic society as a whole.

It is also the purpose of this IBA agreement to set up systems to assist Lumina Sustainable Materials A/S to achieve the requirements in their Exploitation Licence to promote the use of Greenland Enterprises and Workers and building competences in the Greenlandic workforce. It is a wish in this IBA agreement to enhance and secure the involvement of relevant Greenlandic stakeholders in this process in order to integrate the project in Greenland.

The IBA is a document divided into two main sections – the IBA main legal document and appertaining appendices. The main legal IBA document frames the general objectives of the agreement and is as a starting point non-negotiable. The legal part of the IBA addresses how cooperation between the Parties will be organized and which areas that will be included.

The appendices will be negotiated yearly based on monitoring and evaluation of the preceding year's performance considering the general objectives in the IBA. The appendices address the coming year's performance targets of the Parties. Based on the continuously monitoring and evaluation of the project the appendices will be updated from year to year in agreement between the Licensee and the Greenlandic Authorities. The appendices are therefore considered dynamical working documents containing, concluded, concrete and realistic targets, which are to be reached each year by the Licensee and the subcontractors. The procedure of continuously updating the appendices on a yearly basis supports setting achievable targets as the project evolves.

1. Background

- 1.1 The Licensee was granted an Exploitation Licence in 2015 and intends to continue performing mining activities under the Exploitation Licence.
- 1.2 The Licensee has made a Social Impact Assessment (SIA) and submitted the updated Social Impact Assessment Report to the Greenland Government. The Greenland Government has approved the SIA report.
- 1.3 Under the SIA Guidelines (which apply correspondingly to the Licensee's activities under the Licence), an Impact Benefit Agreement (IBA) shall be made and signed by the Licensee, the Municipality and the Greenland Government. The IBA shall contain general provisions for the entire licence period of the Licensee and more specific obligations, targets and plans for one or several years or other relevant periods of the licence period of the Licensee.
- 1.4 Under the SIA Guidelines, a Benefit and Impact Plan, a Monitoring Plan and an Evaluation Plan shall be set out in appendices to the agreement. The plans and their implementation and effects shall be evaluated annually. The plans shall be periodically updated, in particular in relation to developments in mineral exploitation activities, in society and in socio-economic and other matters comprised by the agreement and its objective. The plans shall also be amended, when this is required by changed circumstances or by amendment of this agreement or any of its Appendices.
- 1.5 Use of Greenland Enterprises and Greenland Workers shall be promoted to the furthest extent possible by the conclusion and performance of an Impact Benefit Agreement between the Licensee, the Municipality and the Greenland Government. See sections 52(1)-(2) and section 110a of the Act on Mineral Activities and article 19 of the Licence. If the Licensee employs foreign workers on the mine project it has to demonstrate, that Greenland Workers were not available to execute the job according to the Act on Mineral Activities section 52.
- 1.6 The Licensee and its contractors, suppliers and service providers shall use Greenland Enterprises for contracted works, supplies and services regarding activities under the Licence. The offers shall be evaluated according to Greenlandic circumstances. However, the Greenland Government may permit the use of other Enterprises (Foreign Enterprises), if the Licensee or its contractor, supplier or service provider are able to demonstrate and document that Greenland Enterprises are not technically or commercially competitive. See section 52(2) of the Act on Mineral Activities and article 21 of the Licence, compared with the definition of Greenland Terms in appendix 10.
- 1.7 The matters referred to in clauses 1.5-1.6 shall be ensured to the extent that a duty thereof or an objective in that respect follows from section 52(1)-(2) and section 110 of the Act on Mineral Activities and article 19 of the Licence.
- 1.8 The Licensee and its contractors, suppliers and service providers shall use Greenland Workers for activities under the Licence. However, the Greenland Government may permit the use of other workers (foreign workers), if the Licensee or its contractor, supplier or service providers are able to demonstrate that Greenland Workers with similar qualifications do not exist or are not available in Greenland. See section 52(1) of the Act on Mineral Activities and article 19 of the Licence.

- 1.9 An Impact Benefit Agreement shall include provisions, which are in accordance with and ensures performance of and compliance with clauses 1.3-1.8.
- 1.10 An Impact Benefit Agreement shall include relevant provisions on training or further training of Greenland Workers and on building up competences or further development of the competences and knowledge of Greenland Enterprises.
- 1.11 The background for this agreement is set out further in Appendix 1.

2. Objective and Guiding Principles

2.1 Objective of Agreement

- 2.1.1 The objective of this agreement is to promote the use of Greenland Enterprises and Greenland Workers in activities under the Licence as well as to ensure and promote education and training of Greenland Workers and building up competences and development of the competences and knowledge of Greenland Enterprises.
- 2.1.2 The objective of this agreement is furthermore to promote and contribute to the performance of activities under the Exploitation Licence in accordance with and in pursuance of the objectives of the Act on Mineral Activities, including the objectives to:
- (1) Ensure appropriate exploitation of mineral resources, see section 1(2).
 - (2) Ensure mineral resource activities are performed in a proper manner as regards resource utilisation and social sustainability; see sections 1(2), and 118.
 - (3) Ensure mineral resource activities are performed appropriately and in accordance with acknowledged best international practices and standards under similar conditions, see section 118.
 - (4) Promote sustainability and sustainable development in mineral resource activities, see sections 1(2), 87-90, 92, 103, 104 and 118.
- 2.1.3 The objective of this agreement is further to promote and contribute to the performance of activities under the Exploitation Licence, including the objectives to:
- (1) Promote investments in projects that in overall terms will have particular importance for economic development of the society and to do so with consideration for the interests of the public.
 - (2) Prevent and reduce unintentional adverse effects on the Greenland economy and the competitiveness of the industry and commerce.
- 2.1.4 The objective of this agreement is further to:
- (1) Mitigate (prevent and limit) negative (adverse) socio-economic and social impacts and enhance (create and increase) positive (beneficial) socio-economic and social impacts in connection with activities under the Licence.
 - (2) Promote activities and measures, which contribute to creating or obtaining minimum negative impact and maximum positive impacts from the Licensee's activities under the Licence.

- (3) Set out in an agreement the Licensee's socio-economic and social obligations, procedures for their performance, procedures for monitoring and reporting of their performance, remedied for their non-performance, procedures for related cooperation between the Parties and procedures for the Parties' periodic revision and adaptation of obligations and procedures.
- (4) Establish a legal and procedural basis for the Licensee's performance of activities and provision of services and benefit in order to mitigate negative socio-economic and social impacts and enhance positive socio-economic and social impacts in relation to activities under the Licence, and
- (5) Establish a legal and procedural basis for cooperation between the Parties concerning socio-economic and social matters, and activities related to the Licensee's activities under the Licence.

2.2 Guiding principles for performance of agreement

2.2.1 The Parties shall perform and implement this agreement consistent with its objective as set out in clause 2.1 and be guided by the following principles:

- (1) Cooperation.
- (2) Fairness.
- (3) Respect for the rights, culture, responsibilities and interests of each Party (including the Licensee's responsibility for, and interest in, economically viable activities under the Licence).
- (4) Support for the objective of sustainability and sustainable development and monitoring of progress towards it.
- (5) Adaptive management, which is innovative, flexible and ensures feedback and remedies to achieve the objective of minimum negative impact and maximum positive impacts from the Licensee's activities under the Licence.

3. Obligations and Rights of Licensee

- 3.1 The Licensee shall be liable for the performance of any and all obligations of the Licensee under this agreement, including the obligation to pay compensation for damage and loss caused by activities performed, or by non-performance of obligations, under this agreement.
- 3.2 If a co-licensee is involved in the project, the terms and obligations relevant for the licensee shall also apply for the co-licensee. A co-licensee means a co-licensee under the exploitation licence (a holder of a share of the exploitation licence).

4. Obligations of Licensee and its Contractors, Suppliers and Service Providers

- 4.1 The Licensee shall act reasonably in a manner that will provide Greenland Enterprises with a full and fair opportunity to be awarded and/or conclude agreements on a competitive basis. This shall include communicating bid requirements to Greenland Enterprises within a reasonable period of time.
- 4.2 The Licensee shall not create artificial barriers for the participation of Greenland Enterprises in activities under the Licence by designing and organising tasks, which do not suit the competences and size of Greenland Enterprises.
- 4.3 The Licensee shall appoint a senior manager as decision-maker, who shall be responsible for implementing the agreement and contact with the parties.

- 4.4 In the event mentioned in clause 4.1, the Licensee shall remain liable and responsible for the performance and fulfilment of all obligations, targets and other commitments of the Licensee under this agreement.
- 4.5 In the event mentioned in clause 4.1, the Licensee shall ensure that the contractors, suppliers or service providers also are liable and responsible for the performance and fulfilment of all obligations, targets and other commitments of the Licensee under this agreement. The Licensee shall ensure this, when the Licensee award the agreements and concludes the agreements. The Licensee shall further ensure this, when the agreements are performed or to be performed by the contractors, suppliers or service providers.
- 4.6 In the event mentioned in clause 4.1, the Licensee and its contractors, suppliers and service providers shall be liable and responsible in proportion to their share of the total contract sum (construction and operation phase) for the performance and fulfilment of all obligations, targets and other commitments of the Licensee under this agreement.
- 5. Obligations and Targets under Appendices on Employment, Education and Training of Greenland Workers and use of Greenland Enterprises and building up and development of their Competences and Knowledge**
- 5.1 The Licensee shall initiate and implement programs to enhance and promote that Greenland Workers are given higher levels of responsibility throughout the licence period, subject to skills, qualifications, ability and experience of such Greenland Workers. These programs shall be in accordance with the programs set out in clause 10.2.
- 5.2 The Appendices provides terms on the following matters, which shall be construed as obligations for the Licensee for the first year after concluding this agreement or the first year after amending the Appendices in accordance with clause 8:
- (1) Use of Greenland Workers, including the number of Greenland Workers employed by the Licensee and its contractors, suppliers and service providers. See Appendix 4.
 - (2) Education and training and further education and training of Greenland Workers, including the number and type of Greenland Workers educated and trained by, or with financial and other support from, the Licensee and its contractors, suppliers and service providers. See Appendix 5.
 - (3) Use of Greenland Enterprises for building and construction works, supplies and services, including number, types and extent of agreements for such works, supplies and services concluded between Greenland Enterprises and the Licensee and its contractors, suppliers and service providers. See Appendix 6 and appendix 7.
 - (4) Awards and conclusion of agreements between Greenland Enterprises and the Licensee and its contractors, suppliers and service providers, including a list of agreements. See Appendix 7.
 - (5) Building up competences or further development of competences and knowledge of Greenland Enterprises, including the number and type of Greenland Enterprises, whose competences and knowledge are build up or further developed by, or with financial and other support from, the Licensee and its contractors, suppliers and service providers. See Appendix 8.
- 5.3 The Appendices provide terms on the matters stated in clause 5.2, which shall be construed as targets for the Licensee for the second and subsequent years after concluding this agreement or the second and subsequent years after amending the Appendices in accordance with clause 8.

6. Monitoring and Evaluation of Performance of Agreement and Implementation of Benefit and Impact Plan

- 6.1 The Licensee shall monitor the performance of this agreement and the implementation of the Benefit and Impact Plan and performance of obligations under it. The Licensee shall make a yearly monitoring report in accordance with this agreement and the Monitoring Plan and send the report to the other Parties in accordance with the reporting requirements in appendix 3.
- 6.2 The Licensee shall make a draft annual evaluation report in accordance with this agreement and the Evaluation Plan and send the draft report to the other Parties before the end of each year in accordance with the reporting requirements in appendix 3.
- 6.3 The Parties shall hold at least one annual evaluation meeting to discuss the draft evaluation report and any other matters proposed by any Party regarding this agreement, or its performance, or the Plans, or their implementation or amendment in accordance with the requirements in appendix 3.
- 6.4 After consultation with the Greenland Authorities and relevant stakeholders, the Licensee shall make a final evaluation report each year. The final evaluation report has to be agreed and signed in accordance with the requirements in appendix 3.

7. Amendment of Agreement

- 7.1 This agreement may be amended by written agreement of all Parties.
- 7.2 This agreement shall be amended, when it is necessary due to substantially changed circumstances, amended or new agreements regarding use of Greenland Workers or Greenland Enterprises, including conclusion of construction agreements with Greenland Enterprises, or if it is necessary to meet requirements under the Act on Mineral Resources, the Licence, or other rules of law, licence terms or provisions from time to time in force in Greenland.
- 7.3 An amendment of this agreement can be set out in this agreement or in an addendum to this agreement. If major amendments are agreed, a new version of the agreement shall be made by the Parties.

8. Amendment of Appendices

- 8.1 The Appendices may be amended by written agreement of all Parties.
- 8.2 The Appendices shall be amended, when it is necessary due to changed circumstances, or if it is necessary to meet requirements under the Act on Mineral Activities, the Licence or other rules of law, licence terms or provisions from time to time in force in Greenland or if its is required under this agreement see. Clauses 8.3, 8.4 and 8.5.
- 8.3 Before the end of March each year, the Parties shall discuss the application and effect of all the Appendices in the previous year and discuss the contents of draft appendices for the following year and subsequent years.
- 8.4 The Greenland Authorities shall submit the draft appendices mentioned in clause 8.3 for consultation. The consultation procedure shall include local public authorities, Greenland employers' organisations and

workers' organisations as well as local Greenland associations and organisations, whose articles of association aim to promote important interests in connection with social sustainability or environmental protection. In connection with the consultation, the consulted parties shall be given information, that can form the basis for comments on aspects in this agreement, that have particular significance for Greenland Enterprises, Greenland Workers or in relation to the social or environmental impacts of the activities under the Licence.

- 8.5 No later than May each year, the Parties shall agree on and sign all the appendices for the following and subsequent years.

9. Principles for Amendments of Plans under this Agreement

9.1 Amendments of Plans under this Agreement

- 9.1.1 The Plans to be made by the Licensee under this agreement, which are the Benefit and Impact Plan, the Monitoring Plan and the Evaluation Plan, shall be kept updated in relation to changed circumstances and developments. The Licensee shall amend a Plan under this agreement, when this is required. It may for example be required in connection with an amendment of a mineral exploitation plan or closure plan, or with a development in mineral exploitation activities, in society or in socio-economic or other matters comprised by this agreement and its objective. The Licensee shall submit an amended Plan as soon as reasonably possible and no later than 28 days after the occurrence of the changed circumstance or development. An amendment of a Plan under this agreement shall be approved by the Greenland Authorities.

- 9.1.2 The Licensee shall as far as possible plan and implement changes regarding activities and Plans under this agreement in accordance with the provisions and objectives of this agreement, which would apply to corresponding initial activities and Plans under this agreement.

10. Human Resource and local workforce

10.1 Recruitment strategies

- 10.1.1 Subject to the availability of Greenland Workers and the need for workers under the Licence, the Parties shall cooperate in establishing measures in furtherance of the Parties' intent to maximize the proportion of the Greenland Workers under the Licence.
- 10.1.2 The Licensee shall in furtherance of the attainment of the Greenland Workers composition under the Licence require its contractors, suppliers and service providers to hire Greenland Workers, subject to the availability of Greenland Workers.
- 10.1.3 The obligations and targets for Greenland Workers will be established, reviewed in light of performance and adjusted on an annual basis under the Licence in accordance with clause 8.
- 10.1.4 Subject to the need for workers under the Licence, the obligations and targets for Greenland Workers for each of the business units for the Licensee will be established, reviewed in light of performance and adjusted based on relevant parameters, including:

- The availability of Greenland Workers under the Licence,

- The current and upcoming phase under the Licence
 - Other relevant parameters.
- 10.1.5 The Licensee shall in good time post job openings in Greenlandic, Danish and English in relevant Greenland Medias and shall provide posting information on such job openings to relevant jobportals and authorities. The licensee shall advertise all vacant jobs through job centres in Qeqqata Kommunia.
- 10.1.6 The Licensee shall determine entry requirements, including training prerequisites for all employment positions under the Licence. The Greenland Authorities shall review proposed entry requirements, including language skills, and make recommendations to the Licensee to avoid the creation of or to remove any undue barriers for the employment of Greenland Workers under the Licence.
- 10.1.7 Provisions in Appendix 4 on use of Greenland Workers, including the number of Greenland Workers hired by the Licensee and its contractors, suppliers and service providers, are obligations for the Licensee the first year after concluding this agreement or the first year after amending Appendix 4 in accordance with clause 8.
- 10.1.8 Provisions in Appendix 4 on use of Greenland Workers, including the number of Greenland Workers hired by the Licensee and its contractors, suppliers and service providers, are targets for the Licensee the second and subsequent years after concluding this agreement or the second and subsequent years after amending Appendix 4 in accordance with clause 8
- 10.1.9 Provisions on recruitment strategies are set out in Appendix 4.
- 10.2 Education proposals for Greenland Workers, training etc.
- 10.2.1 The Parties shall through joint co-operation develop skilled and productive Greenland Workers and promote the employment, integration, advancement and employee retention of Greenland Workers in all business units under the Licence. The programs and measures established by the Parties shall be designed to increase the number of Greenland Workers to be employed under the Licence.
- 10.2.2 The Municipality and the Greenland Government shall promote, support and develop the following programs and measures, including programs supporting employment related to the mining industry in general, either on their own or in cooperation with the Licensee, educational and vocational organizations, or with other third parties:
- Educational programs,
 - Vocational and technical training programs and
 - Pre-employment programs.
- 10.2.3 The Licensee shall cooperate with the Municipality and the Greenland Government in their effort to promote, support and develop such programs, particularly programs supporting employment related to the mining industry in general and under the Licence by:
- Providing information sessions on career opportunities under the Licence and in the mining industry in general.

- Cooperating with vocational institutions, e.g. the Mining School, on the establishment and operation of mining-related vocational and technical training programs, through technical support, expertise and advice.
 - Providing positions for apprentices from the Mining School and other Greenland vocational education institutions. Cooperating with the University of Greenland and the Greenland Institute of Natural Resources to support relevant educations related to mining and mineral sector.
 - Cooperating with the Mining School and ARTEK to establish or support educations for mining engineers or other educations relevant to the mineral sector.
 - Adopting measures to provide incentives to Greenland Students to pursue studies in programs leading to careers in mining-related fields. Such procedures may include summer employment or internships.
 - The Licensee is responsible for the internal training programs and measures delivered by the Licensee or by third parties on behalf of the Licensee.
- 10.2.4 The Licensee is responsible for internal training programs and measures delivered by the Licensee or by third parties on behalf of the Licensee.
- 10.2.5 When relevant and where the size of the group requires it, the Licensee's internal training programs shall be available in Greenlandic, Danish and English, unless such delivery is not feasible.
- 10.2.6 When the Licensee establish professional development programs, the Licensee shall inform the Greenland Authorities of the programs available to Greenland Workers in order for the Greenland Authorities to identify other existing training programs and measures, if any, offered by third parties, including Greenland educational organizations. The Parties may, from time to time, establish joint training programs and measures for specific needs or purposes for activities under the Licence.
- 10.2.7 The Greenland Authorities shall cooperate in seeking access to funding from third parties for training programs and measures and to obtain the assistance of training institutions.
- 10.2.8 The Licensee shall identify adequate workplace measures, including training programs, intended to promote the integration, advancement and retention of Greenland Workers employed under the Licence.
- 10.2.9 The licensee shall establish a schedule for boat transport of workers between Sisimiut, Itilleq, Kangerlussuaq, Kangaamiut, Maniitsoq and the mine.
- 10.2.10 The Parties shall, whenever feasible and relevant, participate in the delivery of the measures developed by the Licensee, which are designed to promote the integration, advancement and retention of Greenland Workers.
- 10.2.11 Where relevant, the Licensee shall provide language training to facilitate communication related to the activities under the Licence.
- 10.2.12 The Licensee shall provide the Greenland Authorities with information that identifies advancement opportunities and related job requirements for Greenland Workers under the Licence. The Parties shall cooperate with the Licensee and provide training, when relevant and feasible for the advancement of Greenland Workers, either on their own, in cooperation with Greenland educational and vocational organizations, or with other third parties.

- 10.2.13 The Parties shall cooperate to encourage Greenland Workers to seek out and apply for advancement opportunities under the Licence.
- 10.2.14 The Licensee shall develop individual career plans for each Greenland Worker permanently employed under the Licence. The career plans shall include provisions on relevant training of the Greenland Workers and on advancements opportunities. The Licensee shall, furthermore, offer training and advancement opportunities.
- 10.2.15 The Licensee shall prepare a recruitment strategy in order to retain Greenland Labour.
- 10.2.16 The Licensee shall seek to educate Greenland Workers as foremen in relation to the activities under the Licence.
- 10.2.17 Provisions on education and training of Greenland Workers are set out in Appendix 5.
- 10.3 The Licensee will allocate DKK 100,000 each year in 2016 and 2017 and DKK 300,000 each year from 2018 and until the decommissioning of the mine to educational funds.
- From 2023 until the decommissioning of the mine the Licensee will be allowed to allocate only DKK 100,000 each year where the total exported amount is less than 200,000 tonnes. For each year when the total exported amount is 200,000 tonnes the Licensee will be obliged to allocate DKK 300,000 until the decommissioning of the mine..
- 10.4 The purpose of these funds is to improve skilled and unskilled workers' job opportunities in relation to mining, including related fields within engineering, administration, economics, health, safety and environment and social aspects etc.
- 10.5 Funds up to 50 % can be used for the training program of Lumina Sustainable Materials A/S, if it is conducted in cooperation with official education institutions in Greenland. The financial means of the fund cannot be used for the fulfilment of the obligations in Appendix 5.
- 10.6 This amount is based on a base case economic model where the Licensee is exporting 200,000 tonnes per year of product. Funding amounts allocated will increase by DKK 50,000 for every 100,000 tonnes increase in exported product, with a cap at 500,000 tonnes.
- 10.7 The fulltime equivalent ratio of 75 % Greenland Workers in the third year of operations, specified in Appendix 4, shall guide the following fixed annual adjustments.
- 10.8 The Licensee shall reduce the annual contribution to the educational fund by DKK 100,000 if the fulltime equivalent ratio of Greenland Workers for that year is above 85 %.
- 10.9 The Licensee shall increase the annual contribution to the educational fund by DKK 100,000 if the fulltime equivalent ratio of Greenland Workers for that year is below 75 %.
- 10.10 The Provisions in this clause 10.3 shall not any way reduce the obligations of section 52 in the Act on Mineral Activities.

- 10.11 The Licensee shall establish an account in Grønlandsbanken in the name of the Licensee where the funds earmarked for the educational initiatives will be transferred by the Licensee. The account setup shall only allow designated administrator(s) from the municipality and/or Greenland Government to access the funds. The Licensee shall have neither access nor any future claim to the funds.
- 10.12 The administrator(s) of the funds shall in coordination with the Qeqqata Kommunia and the Greenland Government account for and document all supported initiatives under this fund in conjuncture with the annual evaluation and monitoring plans and submit these to the Greenland Parties and the Licensee.
- 10.13 Not more than 5 % of the annual funds shall be used for administrative purposes of the fund.
- 10.14 Promotion of women's participation
- 10.14.1 The Parties shall support and encourage the participation of women on an equal basis in all aspects of the work performed under the Licence.
- 10.14.2 The Licensee shall take measures to ensure:
- Promotion of women's understanding of job opportunities in the mining industry.
 - Offering training programs directed towards development of women's skills and knowledge for specific positions in the mining industry.
 - Skilled female role models for work performed under the Licence.
 - Advertising campaigns encouraging women to apply for vacant positions under the Licence.
- 11. Business and Enterprise Development**
- 11.1 Obligations under Licence
- 11.1.1 The Licensee shall ensure that its contractors, suppliers and service providers submit annual reports based on the Licensee's policies. Such reports shall include information on the number of positions offered to Greenland Workers, the number of Greenland Workers employed by the contractors, suppliers and service providers, a description of the training offered to Greenland Workers, the number of Greenland Workers laid-off or dismissed, and the Greenland Enterprises engaged as subcontractors.
- 11.2 Quantitative obligations and targets for use of Greenland Enterprises.
- 11.2.1 The Licensee shall provide business opportunities under the Licence for Greenland Enterprises. Furthermore, the Licensee shall encourage and facilitate the development of Greenland Enterprises in the context of the Licence, while ensuring competitiveness by using competitive Greenland Enterprises during all phases of activities under the Licence.
- 11.2.2 The Licensee undertakes to:
- a) Provide the Parties with information on its contracting policies and procedures.
Confirm that the list of the future works, supplies and services provided to the Parties remains relevant, accurate and complete throughout the duration of the Licence.

- b) Notify the Parties of work, supplies and service requirements under the Licence in a timely manner.
 - c) Inform the Parties of anticipated or actual works, supplies, services or related business opportunities by providing annually a list of the contracts to be awarded by the Licensee for the following year to the Parties.
 - d) Seek business proposals and bids from Greenland Enterprises, which are competitive and in conformity with this agreement in light of contracting policies of the Licensee.
- 11.2.3 Quantitative obligations and targets for use of Greenland Enterprises are set out in Appendix 6.
- 11.3 Mentorship, knowledge-transfer and joint ventures for local businesses are described in Appendix 8.
- 11.3.1 The Licensee shall encourage the formation of alliances and joint ventures between Foreign Enterprises and Greenland Enterprises in order to promote the competences of local businesses as described in Appendix 8.

12. Processing in Greenland

- 12.1.1 According to section 53 (1) in the Act on Mineral Activities a licence under section 43 may lay down the extent to which the licensee must process exploited mineral resources in Greenland. However, minerals may be processed outside Greenland if processing in Greenland would result in significantly higher costs or greater inconvenience.
- 12.1.2 If further processing takes place outside of Greenland the significant higher costs shall be clearly documented.
- 12.1.3 Licensee is required to involve as much Greenlandic workforce and Greenland enterprises in the processing of the minerals in Greenland as possible.
- 12.1.4 All mining, crushing and processing is regulated in article 9 of Exclusive licence no. 2015/39 for exploitation of certain minerals in areas at Naajat in West Greenland, and underlying approvals. Corn sizes of minerals processed at the mine site can be regulated by the exploitation licence and underlying approvals.
- 12.1.5 The above described processing outside Greenland is not possible to process in Greenland due to the following arguments as stated by Licensee in the SIA report:
- o Higher energy costs
 - o Dust and transportation issues
 - o Inability of ships and port facilities to handle fine powders for transportation
 - o Increased CO2 output
 - o Increased operation costs
 - o Higher capital investments
 - o End users may find that they don't need a milled product after testing the material
- 12.1.6 Licensee expects that potential customers will be able to use the product shipped directly from Greenland. But some may need to start by using a finer milled material. The product leaving Greenland can therefore be used and considered as an end user product.

- 12.1.7 Any major changes in the project, such as significant increases in the production volume or significant changes in the projects technical outline (e.g. alumina production based on the minerals exploited under the exploitation licence granted for the anorthosite project) etc. requires the approval by the MRA in accordance with the requirements of the exclusive exploitation licence and may require this IBA to be amended to reflect the new project design. This can also mean that the SIA and EIA may have to be updated and that new hearing procedures have to be conducted.

13. Social and Cultural Well-being

13.1 The Licensee shall respect and promote Greenland society and culture

13.2 The Licensee shall provide on-site measures allowing Greenland Workers to remain connected with their culture by:

- a) Constructing and maintaining a cultural site, where traditional Greenlandic food can be stored and prepared by Greenland Workers for their personal use.
- b) Providing for opportunities for traditional Greenlandic food to be served in the cantina through supply/buying meat and fish from local hunters and fishermen.
- c) Establishing and delivering programs promoting healthy lifestyle activities and the prevention of alcohol and substance abuse. The Greenland Authorities shall participate in the delivery of such programs.
- d) Organizing, in cooperation with the Greenland Authorities, an annual Greenland cultural day for the Greenland Workers and the foreign workers.
- e) Securing normal internet access and cell phone coverage at normal cost.
- f) Providing cross-cultural training to both Greenland Workers and foreign workers. Off-site measures allowing the Greenland people and people in Qeqqata to remain informed about the activities under the Licence.
- g) Participating in interviews and bulletins for regional and local radio broadcasting to inform the Greenland Residents about the activities under the Licence.
- h) Producing and distributing newsletters all over Greenland with information on activities under the Licence.
- i) Developing a communication strategy and a website to enhance the information to the public. Furthermore, the communication shall amongst others be executed in social medias and so on. The information shall be available in Greenlandic.
- j) Appointing a Liaison Officer from its management team in good time prior to the commencement of operations, who will be responsible for contact and communication amongst others with the public and the community council.
- k) Establish a grievance mechanism in good time prior to the commencement of operations, so that citizens and other stakeholders can ask questions to the project and make complaint if they have concerns or other matters to be addressed.
- l) In cooperation with the Qeqqata Kommunia council working for enhancing local engagement in the project activities.
- m) Cooperating with the Municipality and the Greenland Government on establishing programs for networks of Greenland families with individuals employed under the Licence.

- n) The Licensee shall use its best efforts to organize work schedules for employees at the Mine site in ways, which are appropriate and fair for both Licensee and employees.
- o) The Licensee shall develop a reinsertion program for Greenland Workers after mine closure, which includes that the Licensee in good time before the final closure of the mine shall do its best efforts to assist, or in other ways help employees in finding a new job in Greenland.
- p) The Licensee shall make sure that as a minimum a certificate of employment is issued for each employee at cessation of the employee's work period.

13.3 The Licensee will allocate DKK 100,000 each year in 2015 and 2016 and DKK 200,000 from 2017 and until the decommissioning of the mine to social and cultural funds. The purpose of these funds is to promote and support local culture and sport initiatives and activities to benefit especially the local citizens of Qeqqata Kommunia

From 2023 until the decommissioning of the mine the Licensee will be allowed to allocate only DKK 100,000 for each year where the total exported amount is less than 200,000 tonnes. In each year when the total exported amount is 200,000 tonnes the licensee will be obliged to allocate DKK 200,000.

13.4 This amount is based on a base case economic model where Lumina is exporting 200,000 tonnes per year of product. Funding amounts allocated will increase by DKK 50,000 for every 100,000 tonne increase in exported product, with a cap at 500,000 tonnes.

13.5 The Licensee shall establish an account in Grønlandsbanken in the name of the Licensee where the funds earmarked for the social and cultural initiatives will be transferred to by the Licensee.

13.6 The account setup shall only allow designated administrator(s) from the municipality and/or Greenland Government to access the funds. The Licensee shall have neither access nor any future claim to the funds.

13.7 The administrator(s) of the funds shall in coordination with the Qeqqata Kommunia and the Greenland Government account for and document all supported initiatives under this fund in conjuncture with the annual evaluation and monitoring plans and submit these to the Greenland Parties and the Licensee.

13.8 Not more than 5% of the annual funds shall be used for administrative purposes.

14. Health

14.1 Monitoring of health impact

14.1.1 The Greenland Government already monitors and assesses public health through a basic study carried out every 4th year focusing on Greenland Government's key public health areas – mental health and wellbeing, alcohol, violence, diet, physical activity, smoking and sexually transmitted diseases (STD). To prevent unwanted health and social consequences of activities under the Licence in Qeqqata the Licensee shall contribute to extended studies specifically directed towards public health in Qeqqata Kommunia.

14.1.2 The Greenland Government will use external experts to carry out the health study and to analyse the collected information and results.

15. Reporting

- 15.1 The Licensee shall promptly submit to the Greenland Authorities statistics and other relevant information on the labour force, which the Licensee and its contractors, suppliers and service providers have hired pursuant to the Licence, including information from the annual reports from the Licensee's contractors, suppliers and service providers.
- 15.2 The Greenland Authorities may lay down rules concerning the reporting of activities and obligations performed under this agreement, including specifications of the types of data etc., which shall be included in the reporting under clause 15.1. The Licensee shall provide further information concerning activities and obligations under this agreement, if requested by the Greenland Authorities.
- 15.3 All data, information, materials and reports obtained or prepared by the Licensee or by others for its use and pertaining to activities or obligations under this agreement shall be kept by the Licensee until the termination of this agreement. At the end of the said periods, the original data etc., or one set of copies thereof, shall be submitted to the Greenland Authorities free of charge. The Licensee may retain copies of all data etc. for its own use.
- 15.4 All costs and expenses connected with obtaining, preparing and submitting data under this agreement shall be paid by the Licensee.

16. Public Access to Documents

- 16.1 Public access to documents under this agreement shall be decided in accordance with the principles of the Greenland Parliament Act no. 9 of 13 June 1994 on Public Access to Documents on Public Files.
- 16.2 Applications for public access to documents under this agreement shall as far as possible be answered within 28 days.
- 16.3 Costs related to applications for public access to documents under this agreement shall be paid by the applicant. The Greenland Government can demand prepayment of such costs.
- 16.4 Applications for public access to documents under this agreement are processed by the Greenland Government.

17. Confidentiality Regarding Submitted Data, Information, Materials and Reports

- 17.1 Except for business confidential matters (which, for the avoidance of doubt, shall include the estimated values of any contracts with third party service providers) and data of a personal character, all data, information, materials and reports submitted or provided by the Licensee to the Greenland Government or the Municipality under this agreement are public. However, all reports shall be discussed with the Licensee before being made public.

18. Areas exempted from this Agreement

- 18.1 This Agreement does not include legal, financial or commercial consultancy or advice.

19. Remedies

- 19.1 The Licensee shall conclude and perform this agreement in accordance with the Act on Mineral ReActivities and the Exploitation Licence.
- 19.2 If non-performance of an obligation under this agreement is not due to Force Majeure, the Greenland Government may, among others, order the Licensee to suspend all activities under the Licence or revoke the Exploitation Licence in accordance with the provisions in the Act on Mineral Activities and the Exploitation Licence.

20. Termination of Agreement and making of succeeding Agreement

- 20.1 This agreement shall be valid for the same period as the Licence and shall not be terminable within this period.
- 20.2 The Parties shall act in accordance with good faith and fair dealing and the objective and guiding principles of this agreement (as set out in clause 2) in connection with the negotiation and making of the succeeding agreement. The succeeding agreement shall be in accordance with the objective and guiding principles of this agreement (as set out in clause 2).
- 20.3 Notwithstanding termination pursuant to clause 20.1, this agreement shall remain in force to the extent and for the period necessary to affect a final accounting and settlement of any payments and claims under this agreement.
- 20.4 If the Licence has been terminated, this agreement can be terminated with reasonable notice.
- 20.5 Notwithstanding any other provisions of this agreement, the provisions of clauses 2, 3, 5, 16, 20.2-20.3, 21, 23, 25 and 26 shall continue to be in force and apply after the termination of this agreement.
- 20.6 If failure of basic assumptions occurs, a Party can require re-negotiation of this agreement. The Parties shall act in accordance with good faith and fair dealing and the objective and guiding principles of this agreement (as set out in clause 2) in connection with the re-negotiation of the agreement. An amended or succeeding agreement shall be in accordance with the objective and guiding principles of this agreement (as set out in clause 2). If the Parties do not reach an agreement this agreement does not terminate.

21. Termination of Appendices

- 21.1 The Appendices shall be valid for the same period as this agreement and are not terminable within this period, unless it is done by mutual agreement. The obligations and targets of the Appendices are to be renegotiated annually for the subsequent year.

22. Obligations on Termination of Agreement

- 22.1 The termination of this agreement shall not release the Licensee from performing any obligations under applicable laws, rules or provisions or under the Exploitation Licence, other licences or any continued obligations under this agreement.
- 22.2 After the termination of this agreement, the Licensee shall keep all data, information, materials and reports obtained or prepared by the Licensee or by others for its use and pertaining to activities or obligations under this agreement. The data etc. shall be kept for a period of at least one year. Before such data etc. is destructed or disposed of, it shall be offered to the Greenland Government free of charge.
- 22.3 The exercise by the Greenland Government of its right to take over data etc. under clause 22.2 may be postponed, if an agreement is made between the Licensee and the Greenland Government regarding satisfactory safekeeping of and third-party access to the said data etc.

23. Liability in Damages, Insurance and Indemnification

- 23.1 In case the Licensee has not fulfilled an obligation or commitment, and this is not due to Force Majeure, the Licensee shall pay compensation to the Greenland Authorities, if the Greenland Government requests payment of compensation. The Greenland Government shall act objectively, reasonably, proportionally and transparently in determining, whether compensation shall be paid and any amount of compensation payable. In determining an amount of compensation payable, the Greenland Government shall take into consideration the cost of fulfilling the unfulfilled obligation or commitment and allow for expenses, that would be incurred by having a third party fulfil the obligation or commitment for the Greenland Government. Payment of such compensation shall be made no later than 30 days after the Greenland Government has made the request for payment of compensation. When the compensation has been paid, the Licensee shall have no other obligation with respect to the unfulfilled obligation or commitment.
- 23.2 The Licensee shall indemnify the Greenland Government and the Municipality for any claims made by third parties against the Greenland Government or the Municipality as a consequence of activities performed or of non-performance of obligations under this agreement, to the extent the non-performance is not due to Force Majeure. This is subject to the requirement, that the Licensee was given an opportunity in due time to participate in the defence against any such claim and that the matter was decided by:
- (1) A settlement approved by the Licensee,
 - (2) A final judgment, or
 - (3) An arbitral award, provided that the third party making the claim was entitled to refer the dispute to arbitration prior to the occurrence of the damage or loss.

24. Relationship to Acts, Rules, Exploitation Licence and other Agreements

- 24.1 In case of any conflict or difference in content or effect between this agreement and the Act on Mineral Activities, any rule or provision issued under the Act on Mineral Activities, the Exploitation Licence, or any other applicable law, rule or provision, the latter (the Act on Mineral Activities) shall control and prevail.
- 24.2 In case of any conflict or difference in content or effect between this agreement and any approval or other decision made by the Greenland Government in relation to any activity under the Exploitation Licence, the approval or decision shall control and prevail.
- 24.3 In case of any conflict or difference in content or effect between this agreement and any agreement between a Municipality and the Licensee, this agreement shall control and prevail. This shall apply irrespective of whether one or more Co-Licensees are parties to the other agreement and even though the Greenland Government is not a party to the other agreement.

25. Governing Law and Relationship to other Legislation

- 25.1 This agreement shall be subject to, governed by and construed in accordance with the rules of law from time to time in force in Greenland, including Greenland law and Danish law.
- 25.2 This agreement shall not restrict the general right of the Greenland Government to levy taxes and fees, amend tax and fee legislation or lay down rules or provisions concerning activities or obligations under this agreement.
- 25.3 This agreement does not exempt the Licensee from obtaining licences, including prospecting, exploration and exploitation licences, approvals and permits, which are required pursuant to the Act on Mineral Activities or other legislation.

26. Jurisdiction

- 26.1 Any dispute between the Licensee and the Greenland Authorities arising out of or in relation to the Impact Benefit Agreement shall be decided finally and conclusively by an arbitration tribunal. The arbitration tribunal shall decide any matter relating to the Impact Benefit Agreement.
- 26.2 Any other dispute between the Greenland Authorities and the Licensee arising out of or in relation to this agreement or activities under this agreement shall be decided finally and conclusively by an arbitration tribunal.
- 26.3 The arbitration tribunal shall apply Greenland law to decide any procedural matter relating to the arbitration proceedings.
- 26.4 The arbitration shall be administered by the Danish Institute of Arbitration in accordance with the rules of arbitration procedure adopted by the Danish Institute of Arbitration and in force at the time when the arbitration proceedings are commenced.
- 26.5 The arbitration tribunal shall sit in Nuuk, Greenland.

- 26.6 The arbitration tribunal shall consist of three members (arbitrators). The president and the two other members of the arbitration tribunal shall hold Danish law degrees and shall be Danish nationals.
- 26.7 The Greenland Authorities and the Licensee shall each appoint one member arbitrator. If the Greenland Authorities or the Licensee has not appointed its member within 30 days of the other party appointing its member, then the President of the Danish Supreme Court shall appoint that member. The Greenland Authorities and the Licensee shall jointly appoint the president of the arbitration tribunal. If the parties fail to reach an agreement on the appointment of the president of the arbitration tribunal within 60 days of a party proposing a person for president of the arbitration tribunal, then the President of the Danish Supreme Court shall appoint the president of the arbitration tribunal.
- 26.8 The arbitration tribunal shall make its decision by a majority of votes. The arbitration tribunal shall make an order as to the Parties' payment of costs in the arbitration.
- 26.9 The right to submit a dispute to arbitration pursuant to this agreement shall remain in force after the termination of the Licence, including expiry or return.
- 27. Language**
- 27.1 This agreement has been drawn up in the English language. Greenlandic and Danish copies will be made publicly available. The yearly monitoring- and evaluation reports as well as the draft appendices have to be prepared in Greenlandic and Danish and submitted for public consultation in accordance with 8.4.
- 28. Signatures**
- 28.1 This agreement may be made in any number of counterparts and each such counterpart shall be deemed an original agreement for all purposes. However, no Party shall be bound by this agreement unless and until all Parties have signed a counterpart. For the purpose of assembling counterparts into documents with signatures on each signature page, the Greenland Government is authorised to detach signature

pages from counterparts and, after the signature pages have been signed by the Parties, attach the signed signature pages to counterparts.

Greenland Government
Ministry of Industry, Mineral Resources, Energy, Justice and
Gender Equality

Qeqqata Municipality

Naaja Nathanielsen 18/8-25

Naaja Nathanielsen Date:
Minister of Industry, Mineral Resources, Energy, Justice and
Gender Equality

Malik Berthelsen 4/8-25

Malik Berthelsen Date:
Mayor of Qeqqata Kommunia

Licensee
Lumina Sustainable Materials A/S

Bent Oisvig Jensen

Bent Oisvig Jensen
Date: 1. August, 2025
Managing Director

Appendix 1 Basis of the Agreement

Project Description

According to section 110 (1) in the Act on Mineral Activities the Greenland Government may set provisions and terms to the effect that a licensee applying for approval of an activity which is comprised by the Act on Mineral Activities and which is assumed to have a potential significant social impact must enter into and perform its obligations under an impact benefit agreement (IBA).

The IBA is negotiated on basis of the updated SIA report which has been put out for public consultation.

Lumina Sustainable Materials A/S (Lumina) is a mining company developing the White Mountain (Naajat) Anorthosite Project (the Project). The Project is situated on the central west coast of Greenland at approximately latitude 66°33'N (approximately the Arctic Circle) and longitude 52°10'W.

Lumina has established a mining and processing operation at the Najaat property. The Project includes among others:

- Open pit mine;
- Processing facility;
- Access roads
- Tailings disposal area
- Port
- Infrastructure and camp complex

During operations, the Project will employ around 61 full time people annually in Greenland. Twenty people will be required during the construction phase. The project is expected to operate for at least 20 years. Lumina's personnel targets are for a minimum of 75% Greenlandic employment during the operating life of the mine and 50% for the construction phase.

The Project is forecast to generate between DKK 165.4 and 197.7 million in direct and indirect tax revenue over the initial 20-year life of the project. The largest contribution is anticipated to be from direct income taxes from Project employees and the indirect economy wide tax impact through the multiplier effect from this employment. The inclusion of a 2.5% royalty implemented by the Government of Greenland means that tax will be collected from Lumina every year the project operates, regardless of its profitability. It should be noted that transfer costs still need to be negotiated with the government which may have an impact on the final determination of tax revenue.

During the operations phase, approximately DKK 31.4 million will be spent annually in Greenland, approximately DKK 12.5 million of this will be for direct labour costs. The remaining DKK 18.9 million will be used to purchase goods and services in Greenland.

The total direct capital costs are estimated at DKK 186 million for facilities in Greenland and Europe. The mine and ancillary facilities in Greenland are estimated to cost DKK 96 million to construct.

The exploitation and closure plan stipulates that buildings, machines and scrap shall be removed. Furthermore, roads and established open spaces shall be removed, and the surface of the ground loosened to facilitate the reestablishment of natural vegetation.

Appendix 2 Benefit and Impact Plan

Employment during construction phase			
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
Engagement of Greenlandic workforce from the beginning of the construction phase.	Training course at the School of Minerals and Petroleum.	- During construction phase there will be training of the engaged Greenlandic workforce in order to continue the engagement in the operation phase and to ensure a high degree of Greenlandic employment when entering the operation phase; - Undertake an assessment of training needs; - Develop a pre-employment and on-the-job training programme for the required job categories; - Develop local sensitive rotation schemes, human resources development program and benefit packages to make White Mountain an attractive work place for Greenlandic workers.	The workforce target will be 50% of Greenlandic personnel
Employment during operation phase			
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
During operation phase Licensee estimates a seasonal workforce of approximately 61 people at White Mountain.	Training course at the School of Minerals and Petroleum	- Prepare a description of the requirement for the different job categories for the operation phase; - Undertake an assessment of training needs; - Develop a job training programme for the required job categories; - Job advertisement in Greenlandic medias; - Design and implementation of an intense recruitment campaign in Qeqqata including advertising, community meetings, open day events, etc. - Contact and coordination with labour organization SIK and employment office for advertising the available job positions and identifying potential workers; - Evaluate the possibility of making agreements with the School of Minerals and Petroleum for allocating a number of seasonal job positions as internship for advanced students; - Discuss with the Municipality and the School of Minerals and Petroleum the possibility of involving Lumina Greenlandic employees in training courses when available (possibly in January and February when the project is inoperational).	The goal is for the workforce to engage 75% of Greenlandic personnel in the project's lifetime

Business opportunities			
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
During operation Lumina will out-source activities of transport of goods and staff, which will mainly be by boat between the mine site and Qeqqata communities (Maniitsoq, Sisimiut and Kangerlussuaq). The service of the camp may be tendered and is expected to involve approximately 8 workers involving: • Camp manager • Chef • Cleaners The catering service of the camp requires local provision of food and consumables.	GE's (Grønlands Erhverv) initiatives to promote local business for mining companies (network workshops).	All measures are based on the condition that they are economically viable, or cost competitive, or non-detrimental to the overall cost of the contract • Preferential contracting practices for Greenlandic contractors (locally based in first place and secondly in Greenland) for logistics, transport of staff and goods, fuel etc. • Unbundling of contracts for services and supplies to camp where no cost hindrance to the project; • Preferential purchase of local goods and services to the mine camp: Security, laundry, catering, office supplies, IT maintenance, etc. • Lumina, to be a member of Greenland Business Association (GE) and participate in the initiatives of local business actors; • Organise and participate in open days to inform, identify and attract potential services and goods suppliers and possible workforce; • Requirement in contract with the providers of catering services to supply local/traditional food; • Agreements with local fishermen and hunters for the provision of fish and meat to the canteen; • Engaging the local grocery stores in Qeqqata Kommunia in providing some of the regular food and consumables for the canteen and camp in general.	Transport will be outsourced to local businesses Service of the camp will be outsourced to local businesses

Conflict and synergies with other economic sectors

Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
The project will have potential positive or negative impact on other economic sectors in the local community e.g. fishing and hunting		- Participatory design and implementation of information and communication procedures with the community in Qeqqata; - Public and accessible information on concession limits, exploration activities and restrictions on the access and use of the area; - Design and implementation of a grievance mechanism agreed with the community representatives in order to register, identify and solve potential nuisances and problems with the community in Qeqqata; - Formal collaboration/coordination with the School of Minerals and Petroleum on vocational and professional education planning and implementation;	

Education

Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
The project will improve the level of education in Greenland, both with regard to development of general skills and specific training.		- Develop a recruitment programme for both the unskilled and skilled workforce, in collaboration with strategic allies; - Involve the School of Minerals and Petroleum in the training and recruitment program; - On-the-job training of staff on specific duties, safety etc. - Dedicated, local based Human Resource Manager to develop and follow up on recruitment, training and career development of staff; - Active participation of Lumina experts on capacity building initiatives in the field of mining; - Early development of a reinsertion programme for workers after mine closure.	The proposed mitigations measures will even further stimulate the improvement of education in Greenland, both with regard to general development of general skills and specific training.

Public services and development plans				
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation	
The project will have potential impact on infrastructure through e.g. waste and housing	Local and national plans and programmes	- Assess the type and quantity of waste potentially produced and consider alternative waste disposals methods; - Avoid in all cases municipal housing and use private rental; - For short term accommodation in Qeqqata Kommunia consider a frame contract with the local providers of existing private accommodation facilities where expected services and approximated time plan will be specified; - Discuss with the community and authorities a framework for the use of charter boats directly related to the project.		
Social aspects				
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation	
The project will have potential impact and risk for exacerbations of existing social problems in the local community		- Assign a Greenlandic speaking Human Resources and Community Relations person based part-time in Qeqqata Kommunia to handle recruitment, opportunities for local business and ensure timely information and open dialogue with the community; - Develop and implement an agreed Grievance Mechanisms to receive, register and handle complaints from the community; - Extend alcohol and intoxicant prohibition policies and contractual conditions to all service providers while on duty for the company, particularly freight and passenger boats to locations in Qeqqata Kommunia and the mine site; - Develop a programme and allocate resources to facilitate and support alcohol and drug counselling to staff and their families; - Support local initiatives and campaigns related to prevention and treatment of abuse and social health problems (Paarisa and others); - Support local initiatives aiming to improve the integral development and living conditions of children, teenagers and young people; - Include indicators of social health in the social monitoring program; - Keep an open constructive dialogue with local and municipal authorities in order to find coordinated and timely solutions if social problems may arise or increase.		

Health			
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
The risks of accidents are mainly associated with shipping of goods and transportation of staff.	Regulations which promote instruction and supervisions in order to reduce the accidents and to focus on a health and safety working environment.	• Strict implementation of Health & Safety (HS) plans as developed for construction and operation; • Contractual requirements to providers of shipping and transport services (Air Greenland, charter boats for staff, etc) regarding safety measures, response time, etc. in order to minimise risk of accidents, appropriate and timely response in case of accidents, emergency evacuation from mine site, etc. • Pre-notification of operations, exploration activities or similar and traffic of vessels to local authorities and community in Qeqqata, hunting and fishing groups and users of area; • Community development action: evaluate the possibility of organizing basic first aid, fire fighting courses to the community in Qeqqata, in coordination with their fire fighting services.	
Cultural and natural resources			
Description of the Impact	Existing mitigation	Proposed mitigation	Impact after mitigation
Overall the mining activities will have little impact on local use of natural resources.		• As recommended by the National Museum, if possible avoid sites with cultural remains, keeping a minimum of 20 m around the archaeological structures for preservation; • During construction and operation, clear vegetation around the archaeological sites potentially affected and mark them clearly to raise awareness and avoid destroying them by accident.	

Appendix 3 Monitoring and Evaluation Plan

The monitoring and evaluation reporting has to be performed in accordance with the requirements set in the table below.

The reporting has to focus on among others the targets and obligations as set out in appendix 1, 2, 4, 5, 6, 7, 8 and 9.

The documentation received from the Licensee and/or the Licensee's contractors, suppliers and service providers will be monitored regularly by the Parties to the agreement. The Parties to the agreement will hold evaluation meetings at least every 12 months to discuss developments in the achievement of targets based on data and documentation submitted pursuant to the Monitoring and Evaluation Plan. The evaluation meetings can be held in the local municipality or in other localities by mutual agreement with the parties.

Subject to be fulfilled	Responsible	Date (no later than)	For further details see:
Yearly monitoring report	Licensee	January 31 st	Section 6 - Monitoring and Evaluation of Performance of Agreement and Implementation of Benefit and Impact Plan
Draft evaluation report	Licensee	February 28 th	Section 6 - Monitoring and Evaluation of Performance of Agreement and Implementation of Benefit and Impact Plan
Evaluation meeting	Parties	March 31 st	- Section 6 - Monitoring and Evaluation of Performance of Agreement and Implementation of Benefit and Impact Plan - Section 8 - Amendment of Appendices
Agreement on appendices (and signing)	Parties	May 31 st	- Section 6 - Monitoring and Evaluation of Performance of Agreement and Implementation of Benefit and Impact Plan - Section 8 - Amendment of Appendices

During the construction phase and throughout the entire life of the project, the Licensee and/or the Licensee's contractors, suppliers and service providers must report back to the Greenland Authorities in accordance with requirements in this agreement.

Reporting shall as a minimum cover data on employment in the project of Greenland and foreign Workers and apprentices, purchase of services and non-technical services from Greenland and foreign Enterprises, joint venture partnerships between Greenland Enterprises and Foreign Enterprises, value of contracts awarded to Greenland and Foreign Enterprises, training/education and trainee programmes offered to the Greenland Workers, period of employment, employment procedures, and documentation of recruitment of Greenland Workers, percentage of women employed and qualification requirements for jobs.

The reporting has to document all the agreed targets in this agreement and compare these targets to what was actually achieved by the Licensee.

The monitoring report has to document facts from the project.

The draft evaluation report has to discuss the results in the monitoring report. Further to this the draft evaluation report has to come up with suggestions to changes in the appendices relevant for the subsequent year.

At the evaluation meeting the monitoring and the draft evaluation reports have to be discussed.

Based on input from all parties including relevant stakeholders, the final evaluation report shall be finalized by the Licensee.

On basis of this the updated targets in the appendices for the subsequent year(s) shall be approved by the parties.

The monitoring report and draft evaluation report have to be translated to Greenlandic and Danish prior to consultation with the Greenlandic Labour Market Parties.

The annually revised appendices shall be translated to Greenlandic and Danish within 30 days after final approval by the authorities.

At the request of the Greenland Authorities to this agreement, the Licensee and/or the Licensee's contractors, suppliers, and service providers may be asked to submit further information regarding conditions relevant to this agreement, which among others can include:

- Documentation of contracts signed with Greenland or foreign Enterprises with information about with whom the contracts have been concluded, including information on joint venture or other types of sub-contracts and any percentage shares in joint ventures.
- Documentation of tender process.
- Documentation related to why Greenlandic companies are not technically or commercially competitive.
- Documentation of education and qualification requirements for jobs, documentation of educational background and other qualification requirements for employees in Greenland and Foreign Enterprises.
- Documentation of recruitment process for employment of Greenland and foreign Workers.
- Documentation of the share of Greenland apprentices and trainees in the individual contracts.
- Documentation of training and education programmes for Greenland Workers.

Appendix 4 Employment of Greenland Workers

Hiring Priorities

In this agreement hiring priority shall be given to the Greenland Workers.

The Licensee shall regularly arrange meetings regarding job opportunities with residents in Qeqqata Kommunia.

The Licensee shall work with the Labour Market Office in each community to distribute information about job opportunities. One Labour Market Office may be selected as the central contact point for other offices.

If Licensee decides to involve an operator in the project the same requirements and obligations applicable to the Licensee shall also apply to the operator.

Overall Targets for Employment of Greenland Workers in the lifetime of the activities under the Licence

At all times the Licensee will do its utmost to ensure that employment of Greenland Workers including employment by the Licensee and its contractors, suppliers and service providers will be as high as possible. cf. section 52 (1) in the Act on Mineral Activities.

At all times the Licensee will do its utmost to ensure that employment of Greenland Workers by the Licensee and its contractors, suppliers and service providers will be at least:

- minimum 50 % of the total workforce in connection with carrying out construction activities
- minimum 50 % in year one and two of the operation phase
- minimum 75 % in year three of the operation phase and until closure

The numbers and proportions of Greenland Workers stated in this Appendix are determined based on working hours per year for one person. As such, the target percentages are to be calculated as fulltime equivalent per year per person. The amount of working hours per year per person to be defined as fulltime equivalent shall be negotiated between the Licensee and the Labour Market Parties with an outset in general agreements for Greenlandic labour market.

Overview of all estimated jobs to be offered in all phases					
Phase	Year	total workers	Number of workers Greenland / Foreign	Fulltime equivalent Greenland / Foreign	Percentage Greenland / Foreign
Construction	2016	20	10 / 10	10 / 10	50 / 50
Production	2017	61	31 / 30	31 / 30	50 / 50
Production	2019 and later	61	49 / 12	49 / 12	75 / 20
Closure	-	TBC			

TBD – To Be Determined

A plan shall be made as part of the evaluation and monitoring plans as to how these targets have been addressed, and how it is intended these targets can be met.

Subject to the above table, at all times the Licensee will do its utmost to ensure, that employment of Greenland Workers including employment by the Licensee and its contractors, suppliers and service providers will be at least 80 % of the total employment on an annual basis. This employment ratio shall be ensured until the closure of the mine site and associated facilities.

At closure the Licensee shall support the employees in finding a new job and support for further training that could lead to a new job – all within a reasonable timeframe to be agreed upon by the Licensee, the Municipality and the Government.

As a minimum, a certificate of employment shall be issued within reasonable time upon closure.

The Licensee and its contractors, suppliers and service providers will work actively for acceptable lengths of rotations for the Greenland Workers. Lumina shall add an elaborated scheme for rotations related to all job descriptions, timeframe and required transportation routes incl. frequencies.

To the extent that there are not sufficient Greenland Workers, the Greenland Authorities may make recommendations to educational institutions, the Licensee, suppliers and service providers as to how the number of Greenland Workers, who can meet the job qualifications, can be increased through training, education and upgrading of skills. The Greenland Authorities may also ask for information that substantiates the background of the requirements regarding the necessary qualifications for each job category.

The Greenland Authorities may then make recommendations for education and training initiatives etc. to ensure the greatest possible employment for Greenland Labour.

Recruitment Strategy:

The Licensee must:

- Prepare a local recruitment strategy, which ensures workers from Greenland the possibility for employment in the project.
- Actively promote information on the mining industry and its career opportunities.
- Actively collaborate with local educational institutions.
- Actively collaborate with municipalities.
- Actively collaborate with the Labour Market Parties.

The Recruitment strategy has to be prepared and implemented in good time before the construction and operation activities, in order for a proper screening and recruitment process to be initiated.

Upon request from the Greenland Authorities the Licensee must present documentation of recruitment activities, recruitment barriers identified towards local involvement and plans to address these barriers.

The Licensee and/or the Licensee's contractors, suppliers and service providers have an overall obligation to ensure that the above obligations are met. The Licensee should therefore actively assess, how they can contribute to the achievement of the targets.

In the agreement between the Parties and the Licensee, contractors, suppliers and service providers, in order to retain labour, the Greenland Authorities may recommend conditions such as duration of shifts and flexibility in workdays in relation to Greenlandic festival days within the closest family (confirmations etc.).

List of jobs to be offered during construction (2016):

Job description	Number of Jobs	Number of workers distributed Greenland / Foreign Workers	Full-time Equivalent Greenland / Foreign Workers
Excavator operator	2		
Truck drivers	4		
Crane operator	2		
General labourers	8		
Electrician	2		
Mechanic	2		
Total	20	10 / 10	6,0 / 6,0

Note 1 – this list is subject to change once construction plans are finalized.

Note 2 – Greenlandic and foreign workers will be treated the same and will operate on the same schedules and rotations and will therefore have similar working hours.

List of expected jobs to be offered during production (year 2017):

Depending on timing of permits, it is anticipated that the mine will commence production in 2017, with hiring of operations personnel occurring in the second half of 2016. Detailed job descriptions and qualifications will be prepared in Q4 2016 and will be distributed to the communities via agreed upon channels. A list for the expected jobs to be offered for production in 2017 will be updated as part of the evaluation plan latest Q4 2016. For every subsequent year the list will be updated and/or adjusted one year before. Jobs to be offered during the closure of the mine must be prepared at reasonable time ahead.

Estimated Number of Positions at the Mine Site			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
Excavator Operators	2	2 / 0	2,0 / 0,0
Haul Truck Drivers	6	6 / 0	6,0 / 0,0
Production Drill Operators	2	2 / 0	2,0 / 0,0
Crusher Operators	2	2 / 0	2,0 / 0,0
Utility Operators / Drivers	2	2 / 0	2,0 / 0,0
Mine Technicians / Surveyors	2	2 / 0	2,0 / 0,0
Maintenance Technicians	6	6 / 0	6,0 / 0,0
Total	22	22 / 0	22,0 / 0,0
Estimated Number of Processing Plant Employees			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
Control Room Operators	3	3 / 0	3,0 / 0,0
Millwrights	3	3 / 0	3,0 / 0,0

Millwright Assistants	3	3 / 0	3,0 / 0,0
Electricians	3	3 / 0	3,0 / 0,0
General Labourers	6	6 / 0	6,0 / 0,0
QA/QC and OH&S Personnel	3	3 / 0	3,0 / 0,0
Total	21	21 / 0	21,0 / 0,0
Estimated Number of Contractor Employees (to be sourced)			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
Cooks	2	2 / 0	2,0 / 0,0
Assistant Cooks	2	2 / 0	2,0 / 0,0
Camp Cleaners	2	2 / 0	2,0 / 0,0
Laundry Cleaners	2	2 / 0	2,0 / 0,0
Utility Personnel	2	2 / 0	2,0 / 0,0
Security Personnel	2	2 / 0	2,0 / 0,0
Total	12	12 / 0	12,0 / 0,0
Estimate Number of Shipping Employees			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
Operations Manager	1	0 / 1	0,0 / 1,0
Assistant Operations Manager	2	0 / 1	1,0 / 0,0
Total	2	1 / 1	1,0 / 1,0
Estimated Number of Management Employees in Greenland			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
Operations Manager	1	0 / 1	0,0 / 1,0
Assistant Operations Manager	1	1 / 0	1,0 / 0,0
Total	2	1 / 1	1,0 / 1,0
Estimated Number of Administration Employees in Greenland			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
Human Resources	1	1 / 0	1,0 / 0,0
Accountant	1	1 / 0	1,0 / 0,0
Administrative Assistant	1	1 / 0	1,0 / 0,0
Government Liaison and Environmental Affairs	1	1 / 0	1,0 / 0,0
Total	4	4 / 0	4,0 / 0,0
General and Administrative Personnel Outside of Greenland			
Job description	Number of Jobs	Number of workers distributed Greenland / Foreign	Full-time Equivalent Greenland / Foreign
President	1	0 / 1	0,0 / 1,0
Vice President	1	0 / 1	0,0 / 1,0
Corporate Development Officer	1	0 / 1	0,0 / 1,0
Chief Financial Officer	1	0 / 1	0,0 / 1,0
Head Office Support Staff	1	0 / 1	0,0 / 1,0

Total	5	0 / 5	0,0 / 5,0
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Note 1 – the total number of workers required will vary depending on the rotation schedule, which has not yet been finalized.

Note 2 – worker distribution between Greenlandic and Foreign chart to be adjusted after initial hiring

Appendix 5 Education and training of Greenland Workers

Overall Obligations and Targets for Education and Training of Greenland Workers in the Construction and operation Phase

The Licensee and contractors, suppliers and service providers shall recruit and initiate pre-employment training of potential Greenland Workers in good time before commissioning the construction phase.

A skills & upgrading strategy has to be prepared and implemented in good time before the construction and operation activities are initiated.

The Licensee shall recruit and initiate pre-employment training of potential Greenland Workers as truck drivers, crusher operators for the processing plant, and other heavy equipment operators in good time before commissioning the plant.

In good time prior to activities taking place, the Licensee shall conduct a training needs assessment of potential employees from Qeqqata Kommunia and the rest of Greenland that will identify the existing education and skills levels among the potential workforce.

The Licensee shall offer a career training or education program for each worker employed on the project.

The Licensee and contractors, suppliers and service providers will plan and conduct upgrading of skills and retraining courses for Greenland Workers in cooperation with education institutions as well as with local and national authorities.

The skills and upgrading strategy has to be presented to the Greenland Parties no later than the 30th of June 2016. If the Licensee can not meet the deadline, the Licensee has to request an extension.

Apprenticeships and internships

Through requirements in the agreed documents, the Licensee must ensure positions at the project to apprenticeships and internships.

Obligations for the Licensee, the contractors for employment of apprentices during operation:

On an annual basis at least 1 apprenticeship position for administration and 4 apprenticeships such as mechanics, mineworkers, electricians and similar from e.g. vocational training institutions will be open to Greenland Residents. Furthermore at least 2 internships for Greenland Residents from other educational institutions, universities, ARTEK or similar should be made available on an annual basis.

Annually, specified numbers and types of Greenland Workers to be given education, training, and further education with financial and/or other support from the Licensee and its construction contractors, suppliers and service providers or public authorities and their institutions have to be agreed upon.

Education and Training of Greenland Workers

The target for such pre-employment training is no less than two Greenland Workers are trained and to be used as foremen at the mine site.

The Licensee shall in cooperation with the Greenland Authorities and labour market parties plan and foresee implementation of training and education programs for new employees at various positions at the mine site.

Training needs for employment during construction phase:			
Job description (Refer to list in appendix 4)	Estimated date of Employment needed	Training/educational requirements	Estimated duration of training or education
Excavator operator	Q2 2016	TBD	TBD
Truck drivers	Q2 2016	TBD	TBD
Crane operator	Q2 2016	TBD	TBD
General labourers	Q2 2016	TBD	TBD
Electrician	Q2 2016	TBD	TBD
Mechanic	Q2 2016	TBD	TBD

Training needs for employment during production phase year 1:			
Job description (Refer to list in appendix 4)	Estimated date of Employment needed	Training/educational requirements	Estimated duration of training or education
See Appendix 4 for complete list of jobs	Q1 2017	TBD	TBD

The Licensee must train and offer advancement opportunities to Greenlandic employed at the project throughout its lifetime.

Notwithstanding any of the foregoing, the Licensee shall decide, who will be capable of fulfilling a position, including as foreman.

The Licensee shall offer language training in English to the Greenlandic employees.

Annually, specified numbers and types of Greenland Workers to be given education, training, and further education with financial and/or other support from the Licensee and its construction contractors, suppliers and service providers or public authorities and their institutions have to be agreed upon.

Upon the yearly evaluation the licensee has to list jobs that could not be filled with Greenland Workers the current year. The licensee thereafter has to elaborate in the evaluation report and in a recruitment strategy, how the targets of employing Greenlandic Workers can be met the following year, incl. training/educational initiatives as well as public outreach campaigns in media etc.

Appendix 6 Use of Greenland Enterprises and tender procedures

Obligations for the use of Greenland Enterprises by the Licensee and its Contractors, Suppliers and Service Providers

The Licensee shall provide opportunities for local Greenland Enterprises by procuring and using Greenland Enterprises provided that the Greenland Enterprises are competitive in a technical and commercial matter cf. section 52 (2) in the Act on Mineral Activities.

The minimum targets for the Licensee and its contractors, suppliers and service providers to purchase services, goods etc. from Greenland Enterprises of annual value of goods and services are the following:

- At least 50% during construction
- At least 70% during production
- At least 70% during closure

The Licensee shall ensure that its contractors, suppliers and service providers submit annual reports based on the Licensee's policies. Such reports shall include information on the number of positions offered to Greenland Workers, the number of Greenland Workers employed by contractors, suppliers and service providers, a description of the training offered to Greenland Workers, the number of Greenland Workers laid-off or dismissed, and the Greenland Enterprises engaged as subcontractors.

When tendering for equipment and materials Greenlandic enterprises shall also be given an opportunity to bid for the supply packages to be delivered to the mine. If the Greenlandic enterprises are not competitive this should be documented.

The Licensee shall regularly arrange meetings regarding subcontracting opportunities with Greenland Enterprises in Qeqqata Kommunia and relevant cities in Greenland.

Procurement Principles and Business Opportunity Management

The Licensee will host a pre-contractor seminar for Greenland Enterprises about general and specific requirements, and potential tendering procedures. It is anticipated that this seminar will occur early in 2016, depending on the timing of all the approvals necessary for mine operations. If the seminar is postponed the Licensee must notify the MRA about this at least 3 months in advance and at the same time inform about the new timing of the pre-contractor seminar.

The Licensee shall establish and implement procurement principles to enhance local Greenland Enterprises participation through:

- Full and fair opportunity and first consideration to participate on a competitive basis for the supply of goods and services to the project through a competitive bidding process and utilisation of transparent evaluation criterias such as:
 - Cost competitiveness.
 - Quality.
 - Ability to supply and deliver the goods and services to be provided.
 - Timely delivery.

- Safety and environmental record.
 - Apprentice positions.
- Ensuring that the size and scope of available contracts matches the capacity of Greenland Enterprises where feasible.
- The Licensee will take measures to maximize project related business opportunities for Greenland Enterprises and prepare an annual business opportunities forecast, which will identify the reasonably foreseeable procurement requirements of the project.
- The Licensee and its operator will identify possible opportunities for joint venture partnerships when appropriate.
- Ensuring broad communications of business opportunities to Greenland Enterprises and Medias.

The Licensee retains the right in its sole discretion to make decisions relating to qualifications for subcontractors against the Licensee and its contractors' selection criterias.

Tendering Procedure

The below mentioned procedure to call for tender shall apply for Construction Agreements and contracts in the construction phase and contracts required during the operational phase of the mine.

Use of Greenland Enterprises and Greenland Workers, involvement of Greenland Apprentices and trainees and development of competences and knowledge shall be promoted to the maximum extent possible when the Licensee calls for tenders for contract packages, tenders contract packages and awards contract packages in order to maximize local benefit of the tendering parameters and evaluation criteria set in this appendix.

On this basis the following tendering process is planned and will be managed by the Licensee or company/tender board established by the Licensee.

Tendering of contracts for the operations phase will be an open process. The Licensee will issue public notice to invite qualified bidders to participate in the tendering process. In accordance with Section 18 of the Act on Mineral Activities Greenland Enterprises shall be given an open and fair opportunity to bid on all contracts. Tenders are to be put out for bids on Greenland Terms. The Licensee shall ensure that any Enterprises/subcontractors are aware of and comply and act in accordance with the Act on Mineral Activities.

All materials related to calls for tenders, tendering and awards of contract packages for tenders in Greenland shall as a minimum be published in Greenland media in Greenlandic and Danish subject to any relevant confidentiality undertakings.

Procurement Strategy

- A competitive, fair and traceable method of procuring materials and awarding contracts in accordance with Greenland Terms.
- Procedure to qualify and involve Greenlandic enterprises in the prequalifying phase.
- Tender specification documents and instructions to tenderers will be publicly announced at the appropriate times to meet the schedule and financial planning.

Procedure for receiving bids

- To receive the sealed bids before the stipulated closing date.
- To open and date stamp the "closed" tenders on the due dates, record the basic data and then distribute the documents for evaluation to the related engineering or procurement department. Time shall be allowed for any clarification procedures.
- Technical and financial evaluations shall be carried out by the Licensee

Tendering parameters and evaluation criterias

Required tendering parameters to the tendering process will include:

- (1) Conforming to the tendering instructions
- (2) Compliance to the technical requirements.
- (3) Providing a competitive offer.
- (4) Conforming to relevant delivery requirements

All contractors, suppliers and service providers shall in their bids clearly document, how they will adhere to the evaluation criteria A-E below. Further to this, evaluation criterias shall include:

- (1) Financial strength
- (2) Local involvement as listed below in A-E:

A. Employment of Greenland Workers

A Contract Package shall contain relevant provisions about employment of Greenland Workers in different job positions. This may include, but not be limited to, employment of Greenland Workers on all levels such as workers, supervisors, managers, mine workers, administration, maintenance personnel, service jobs, logistics etc. This includes both skilled and unskilled workers.

B. Hiring of Greenland Enterprises

A Contract Package shall contain relevant provisions about involvement of Greenland Enterprises in different stages of the Project. This may include, but not be limited to, different types of Greenland Enterprises such as construction companies and non-construction companies such as service providers, logistic companies, camp and maintenance including catering and laundry companies etc.

C. Involvement of Greenland Apprentices and trainees

A Contract Package shall contain relevant provisions about involvement of apprentices and trainees in different positions and stages of the project. This may include, but not be limited to, positions such as mechanics and electricians, administrative positions, truck operator, mine related programs from the Mining School and the school of INUILLI etc.

D. Capacity building and knowledge transfer in Greenland

A Contract Package shall contain relevant provisions about the building up or further development of the competences and knowledge in Greenland, such as transfer of knowhow for instance through Joint Ventures etc.

E. Education and Training

A Contract Package shall contain relevant provisions about training or further training of Greenland Workers and education or further education of Greenland Workers. This may include, but not be limited to training and

education of Greenland workers on all levels. This includes in-house training and education related to official educational and vocational institutions.

Refusal and non-award of bids from Greenland Enterprises

When commencing the tendering procedure the Licensee shall tender the Contract Packages to Greenland Enterprises and Foreign Enterprises in accordance with the Contract Package lists in Tables 7.1-7-5 in Appendix 7.

Contract packages listed in Table 7.2 can be tendered to Foreign and Greenland Enterprises on Greenland Terms.

In all contracts with Foreign Enterprises it shall be stated that the contractor is obliged to the largest possible extent to use Greenland Enterprises to do the work on the site, including assembling work.

The Licensee shall ensure that it is specified in tendering documents for all contracts that any bid for a contract shall be on Greenland terms and that contracts can only be awarded to bidders whose bids were in accordance with Greenland terms. This also means that awards of and conclusions of all construction agreements and all other agreements shall be done on customary or corresponding terms in Greenland, including in particular within any Greenland market for the same, corresponding or similar services.

If the Licensee decides not to award a contract package to a Greenland Enterprise, justification on why the Greenland Enterprise was not chosen and qualified must be documented.

Exceptions to tendering

All Contract Packages above DKK 200,000 shall be tendered.

Contract Packages below DKK 500,000 can be exempted from tendering if one of the below criterias are met:

- For safety reasons
- Only one company is capable of performing the tasks

The general requirement to tender contract packages shall not apply in situations where it is necessary to hire sub-contractors or service providers in order to prevent or mitigate incidents where human lives, economic assets and/ or the environment are at stake and where a quick response is essential.

Appendix 7 List of Contracts to be offered on Greenland Terms to Greenland and Foreign Enterprises, including work packages conducted by the Licensee directly

Appendix 7 includes annually reviewed list of contracts available for Greenland and Foreign Enterprises and also outline work undertaken directly by the Licensee using fulltime workers. Note that the Licensee work packages, outlined in table 7.3, are not being put out for tender.

Contract packages during Construction phase

The list of contracts for the construction phase has not yet been determined and will be dependent on the timing of the granting of the permits. As there may be, a compressed construction timeline this will result in some challenges in getting the mine built in a timely manner to meet customer needs.

It is expected that a significant portion of the facilities including the process plant, storage buildings, workshops and accommodation will be prefabricated structures, which will be shipped to the site and assembled. This is typical for small and remote projects. In these types of contracts, it shall be stated in the contracts that the contractor is obliged to the largest possible extent to use Greenlandic Enterprises to undertake the work on the site including assembling work.

Table 7.1

Contract packages tendered to Greenland Enterprises during construction phase

Contract package	Enterprises awarded Contracts	Greenland Enterprise or Foreign Enterprise	Joint venture	Duration of contract
Boat Charter for transport of workers	TBD	Greenland Enterprise	TBD	TBD
Security on project site	TBD	Greenland Enterprise	TBD	TBD
Catering on the project site	TBD	Greenland Enterprise	TBD	TBD
Cleaning on project site	TBD	Greenland Enterprise	TBD	TBD
Catering on the project site	TBD	Greenland Enterprise	TBD	TBD
Fuel delivery on project site	TBD	Greenland Enterprise	TBD	TBD
Oli Spill Contingency Agreement	TBD	Greenland Enterprise	TBD	TBD

TBD – To Be Determined

Table 7.2

Potential Contract packages tendered to Greenland Enterprises during construction phase

Contract package	Enterprises awarded Contracts	Greenland Enterprise or Foreign Enterprise	Joint venture	Duration of contract
Construction: Processing plant	TBD	Greenland or Foreign Enterprise	TBD	TBD
Construction: Storage buildings	TBD	Greenland or Foreign Enterprise	TBD	TBD
Construction: Workshops	TBD	Greenland or Foreign Enterprise	TBD	TBD

Construction: Accommodation	TBD	Greenland or Foreign Enterprise	TBD	TBD
Transport of goods and supplies	TBD	Greenland or Foreign Enterprise	TBD	TBD

Contract packages during Production Phase

The contract packages in the table 7.4 and 7.5 below will go out for tender in 2016 and will be awarded prior to commencement of production, which is anticipated to occur in late 2016 or early 2017, depending on the timing of granting of the necessary permits. Contracts will initially be awarded on an annual basis with the potential for renewal upon mutual agreement. It is the Licensee's intention to award these contracts to Greenland Enterprises.

Contract packages listed in Table 7.3 are planned to be carried out by the Licensee. It shall be stated in the contracts that the contractor/the Licensee is obliged to the largest possible extent to use Greenlandic Enterprises to conduct work on the site including assembling work.

Furthermore, the Licensee will work with the Qeqqata Kommunia and their established service contracts with boats to select the most appropriate transportation systems for the delivery of personnel to the project.

The license shall coordinate with Greenland Parties to see if there are synergies with existing contracts regarding passenger transportation by boat (Maniitsoq, Sisimiut, Kangerlussuaq Itilleq and Kangaamiut). A tentative schedule must be prepared by the licensee based on rough estimates in good time prior to the commencement of the production phase.

An updated schedule must be added later once the schedules have been finalized for transportation activities during the construction, operation and closure phase of the project.

Table 7.3 Contract packages tendered to Greenland Enterprises during construction phase				
Contract package	Enterprises awarded Contracts	Greenland Enterprise or Foreign Enterprise	Joint venture	Duration of contract
Detonation / blasting	Licensee	Greenland Enterprise	No	TBD
Transportation to processing plant	Licensee	Greenland Enterprise	No	TBD
Processing / crushing	Licensee	Greenland Enterprise	No	TBD
Processing / magnetic separation	Licensee	Greenland Enterprise	No	TBD
Transport to harbour	Licensee	Greenland Enterprise	No	TBD

Table 7.4 Contract packages tendered to Greenland Enterprises during construction phase				
Contract package	Enterprises awarded Contracts	Greenland Enterprise or Foreign Enterprise	Joint venture	Duration of contract
Boat Charter for transport of workers	TBD	Greenland Enterprise	TBD	TBD
Security on project site	TBD	Greenland Enterprise	TBD	TBD
Catering on the project site	TBD	Greenland Enterprise	TBD	TBD
Cleaning on project site	TBD	Greenland Enterprise	TBD	TBD

Catering on the project site	TBD	Greenland Enterprise	TBD	TBD
Fuel delivery on project site	TBD	Greenland Enterprise	TBD	TBD
IT solutions	TBD	Greenland Enterprise	TBD	TBD
Oli Spill Contingency Agreement	TBD	Greenland Enterprise	TBD	TBD

Table 7.5

Contract packages tendered to Greenland Enterprises during construction phase

Contract package	Enterprises awarded Contracts	Greenland Enterprise or Foreign Enterprise	Joint venture	Duration of contract
Shipping product out of Greenland	TBD	Greenland Enterprise	TBD	TBD

Appendix 8 Development and capacity building of Greenland Enterprises

The parties to this agreement recognize that the availability of competitive and competent Greenland Enterprises' capability is a key element in the development and long term success of the project.

The Licensee shall develop and from time-to-time update lists of requirements for supply of services and commercial services for the construction and operation phases of the project. The list has to be distributed to relevant Greenlandic enterprises.

The Licensee, and Labour market parties shall work together to identify gaps for potential Greenland Enterprises' capabilities and thereby proactively work towards closing these gaps in cooperation with the Greenland Authorities.

The Licensee commits to using best efforts to maximize Greenland Enterprises' participation in contracts.

The Licensee shall encourage the formation of appropriate alliances of Foreign Enterprises and Greenland Enterprises to enhance Greenland Enterprises' ability to compete for the supply of goods and commercial services of the project.

The Licensee will host seminars to provide consultancy to and make opportunity for joint venture and partnerships matching between, international companies and Greenland Enterprises during the life of the project (construction and operation phase).

The Licensee will work together with the Greenland Authorities, Labour market parties and Greenland Enterprises to identify barriers preventing Greenland Enterprises from getting involved in fulfilling contract work, as well as to tailor courses and necessary certification.

The Licensee shall be proactive and work towards developing the capacities of Greenland Enterprises to deliver the required services and work towards transfer of knowhow from the Licensee its Contractors, Suppliers and Service Providers to the Greenlandic enterprises.

Appendix 9 Other sustainable efforts and funds

The purpose of this Appendix is to list cultural and social initiatives to be supported and promoted by the Licensee.

The Licensee shall address specific conditions such as:

- Open house arrangements for employees' families and citizens of Qeqqata Kommunia.
- Network building among employees' families.
- Sporting/cultural events in the Municipality.

The below fund amounts in Table 9.1 and 9.2 are minimum amounts and can be negotiated on a yearly basis.

Table 9.1 Annual amounts with export of 200,000 tonnes

Year	2015	2016	2017	2018	2019	2020
Social & Cultural fund (DKK)	100,000	100,000	200,000	200,000	200,000	200,000
Educational fund (DKK)	0	100,000	100,000	300,000	300,000	300,000
Total funds	100,000	200,000	300,000	500,000	500,000	500,000

Table 9.2 Additional amounts related to increased tons exported

Tonnes	200,000	300,000	400,000	500,000
Social & Cultural Fund	Amounts in table 9.1	+ 50,000 DKK	+100,000 DKK	+150,000 DKK
Educational Fund	Amounts in table 9.1	+ 50,000 DKK	+100,000 DKK	+150,000 DKK

Social and Cultural Funds

The Licensee will allocate DKK 100,000 each year in 2015 and 2016 and DKK 200,000 from 2017 and until the de-commissioning of the mine to social and cultural funds. From 2023 the licensee will be allowed to allocate DKK 100,000 for each year where the total exported amount is less than 200,000 tonnes

The purpose of these funds is to promote and support local culture and sport initiatives and activities to benefit especially the local citizens of Qeqqata Kommunia.

This amount is based on a base case economic model where Lumina is exporting 200,000 tonnes per year of product. Funding amounts allocated will increase by DKK 50,000 for every 100,000 tonne increase in exported product, with a cap at 500,000 tonnes.

The Licensee shall establish an account in Grønlandsbanken in the name of the Licensee where the funds earmarked for the social and cultural initiatives will be transferred to by the Licensee. The account setup shall only allow

designated administrator(s) from the municipality and/or Greenland Government to access the funds. The Licensee shall have neither access nor any future claim to the funds.

The administrator(s) of the funds shall in coordination with the Qeqqata Kommunia and the Greenland Government account for and document all supported initiatives under this fund in conjuncture with the annual evaluation and monitoring plans and submit these to the Greenland Parties and the Licensee.

No more than 5% of the annual funds shall be used for administrative purposes.

Educational Funds

The Licensee will allocate DKK 100,000 each year in 2016 and 2017 and DKK 300,000 each year from 2018 and until the decommissioning of the mine to educational funds. From 2023 the licensee will be allowed to allocate DKK 100,000 for each year where the total exported amount is less than 200,000 tonnes.

The purpose of these funds is to improve skilled and unskilled workers' job opportunities in relation to mining, including related fields within engineering, administration, economics, health, safety and environment and social aspects etc.

Funds up to 50 % can be used for the training program of Lumina, if it is conducted in cooperation with official education institutions in Greenland. The financial means of the fund cannot be used for the fulfilment of the obligations in Appendix 5.

This amount is based on a base case economic model where Lumina is exporting 200,000 tonnes per year of product. Funding amounts allocated will increase by DKK 50,000 for every 100,000 tonnes increase in exported product, with a cap at 500,000 tonnes.

The fulltime equivalent ratio of 80 % Greenland Workers in the third year of operations, specified in Appendix 4, shall guide the following fixed annual adjustments.

The Licensee shall reduce the annual contribution to the educational fund by DKK 100,000 if the fulltime equivalent ratio of Greenland Workers for that year is above 85 %.

The Licensee shall increase the annual contribution to the educational fund by DKK 100,000 if the fulltime equivalent ratio of Greenland Workers for that year is 75 % or lower.

The Licensee shall establish an account in Grønlandsbanken in the name of the Licensee where the funds earmarked for the educational initiatives will be transferred to by the Licensee.

The account setup shall only allow designated administrator(s) from the municipality and/or Greenland Government to access the funds. The Licensee shall have neither access nor any future claim to the funds.

The administrator(s) of the funds shall in coordination with the Qeqqata Kommunia and the Greenland Government account for and document all supported initiatives under this fund in conjuncture with the annual evaluation and monitoring plans and submit these to the Greenland Parties and the Licensee.

Not more than 5 % of the annual funds shall be used for administrative purposes.

Appendix 10 Definitions

28.2 Definitions, Interpretation and Appendices

28.3 Definitions

In this agreement, the following terms and expressions shall have the following meanings, unless the context otherwise requires:

"Agreement"	Means this agreement, including any appendices to it.
"Appendices"	Means the appendices stated in clause 28.3.
"Benefit and Impact Plan"	Means the Benefit and Impact Plan which shall be made and implemented by the Licensee and approved by the Greenland Government and which is set out as a draft in Appendix 2 to this agreement.
"Construction agreement"	Means an agreement on construction.
"DKK"	Means Danish kroner.
"Evaluation Plan"	Means the evaluation plan which shall be made and implemented by the Licensee and approved by the Greenland Government and which is set out as a draft in Appendix 3 to this agreement.
"Exploitation Licence"	Means exclusive licence no. 2015/39 for exploitation of certain minerals in areas at Naajat in West Greenland.
"Force Majeure"	Means an impediment which excuses a Party's non-performance as follows: A Party's non-performance is excused if the Party proves that the non-performance is due to an impediment beyond the Party's control and that the Party could not reasonably have avoided or overcome the impediment or its consequences. A Party's non-performance is only excused to the extent and as long as it is due to Force Majeure.
"Foreign Enterprise"	Means an Enterprise which is not a Greenland Enterprise.
"Fundamental"	Means, as regard non-performance, that a non-performance is Fundamental Non-performance.

"Fundamental Non-performance"	Means non-performance of an obligation under this agreement if (1) strict or timely performance of or compliance with the obligation is of the essence of this agreement and its objectives, or (2) the non-performance substantially deprives an aggrieved Party of what it was entitled to expect, unless the non-performing Party did not foresee and could not reasonably have foreseen that result, or (3) the non-performance is intentional and gives an aggrieved Party reason to believe that it cannot rely on the non-performing Party's future performance.
"Greenland"	Means the island of Greenland with surrounding islands, including the continental shelf, but not beyond a distance of 200 nautical miles from the baseline from which the maritime and fishing territory is calculated.
"Greenland Authorities"	Means the Government of Greenland and Qeqqata Kommunia.
"Greenland Enterprise"	Means an Enterprise which fulfills all of the following requirements: (1) The Enterprise is an Enterprise and is registered under the legislation applying to such Greenland-based Enterprises. (2) The Enterprise is based in Greenland. (3) The Enterprise has a real connection to the Greenland society through its carrying out of business activities in Greenland. The determination whether the Enterprise has a real connection to the Greenland society is among others based on its carrying out of business activities, including prior activities and concrete planned future activities, in Greenland. (4) The Enterprise has full control over its assets, which among other things means that the Enterprise has not suspended its payments and is not in bankruptcy or in a similar situation.
"Greenland Government"	Means the Government of Greenland, the executive power of the Greenland Self-Government.
Greenland Labour"	Means Greenland Workers
"Greenland Resident"	Means a person who:

- (1) Was born in Greenland and had permanent residence in Greenland for the first 5 years of his or her life, or
- (2) Has had permanent residence in Greenland in the last 2 years or 7 years of the last 10 years, or
- (3) Is married to, or proves to have lived in a civil partnership at least 1 year with, a person who satisfies condition (1) or (2) or is employed by a public or private employer (authority or business) in Greenland in accordance with Greenland law, or
- (4) Otherwise has a particular connection to Greenland, as may be decided by the Greenland Government.

In no. (1) above, "permanent residence" includes residence outside Greenland for educational purpose and the person concerned satisfied the conditions for obtaining public grants under the Greenland education grant and loan scheme when the education began.

"Greenland Student"	Means a student who is also a Greenland Resident in accordance with the definition on Greenland Resident.
"Greenland Terms"	Means (in relation to awards of and conclusions of construction agreements) customary or corresponding terms in Greenland, including in particular within any Greenland market for the same, corresponding or similar services.
"Greenland Worker"	Means a Worker who is also a Greenland Resident in accordance with the definition on Greenland Resident.
"IBA"	Means the Impact Benefit Agreement.
"Labour market parties"	Means Workers unions and employer associations or similar organisations.
"Licence"	Means the Exploitation Licence.
"Licence Area"	Means the licence area set out in the Exploitation Licence.
"Licensee"	Means the Licensee under the Exploitation Licence.
"MLSA"	Means the Mineral Licence and Safety Authority, Greenland Government.

"Act on Mineral Activities"	Means Greenland Parliament Act No. 26 of 13 June 2023 on Mineral Activities, and any subsequent amendments.
"Monitoring Plan"	Means the monitoring plan which shall be made and implemented by the Licensee and approved by the MIL or the MLSA and which is set out as a draft in Appendix 3 to this agreement.
"MRA"	Means the Mineral Resource Authority, which is the overall administrative authority for mineral resources and which comprises the Greenland Government and the ministries and their entities, which have been delegated responsibility from the Greenland Government for the mineral resources area and/or matters within the mineral resources area and related areas under rules and decisions thereon from time to time.
"Non-Construction Agreement"	Means an agreement which is not a construction agreement and which covers work, supplies or services concerning the Licensee's performance of activities under the Licence.
"Parties"	Means (as applicable in the context) the Licensee, the Municipality and the Greenland Government or several of them.
"Party" or "Greenland Party"	Means (as applicable in the context) the Licensee, the Municipality or the Greenland Government or any one of them.
"Plan"	Means (as applicable in the context) the Benefit and Impact Plan, the Monitoring Plan, the Evaluation Plan or any one of these plans.
"SIA Guidelines"	Means the Greenland Authority Guidelines for Social Impact Assessments for mining projects in Greenland (latest version), which shall apply to the Licensee's activities under the Exploitation Licence.
"Social Impact Assessment Report"	Means the Social Impact Assessment report concerning the Licensee's planned activities under the Exploitation Licence.

28.4 Interpretation

28.4.1 In this agreement, "including" means including without limitation or prejudice to the generality of any description, definition, term or expression preceding that word. The word "include" and its derivatives shall be construed accordingly.

28.5 Appendices

- 2.8.1 All Appendices to this agreement constitute an integral part hereof and shall be deemed to be incorporated in the agreement.