

Bylaw of Al-Masane Al-Kobra Mining Company (AMAK)

(A Listed Joint Stock Company)

Section One: Incorporation

Article (1): Incorporation

In accordance with Companies Law and Regulations as well as this Bylaw, it is hereby established as a Saudi joint stock company as follows:

Article (2): Company Name:

Al-Masane Al-Kobra Mining Company (AMAK) (Listed Joint Stock Company)

Article (3): Company Purposes:

The company carries out and implements the following:

Producing silver and gold bars and alloys, producing copper concentrates, zinc concentrates, extracting granite, nickel condensates, lead condensates, manufacturing of granite, blasting rocks, and establishing factories for producing tiles and various building materials.

The company carries out its activities in accordance with the applicable laws and after obtaining the necessary licenses from the competent authorities if any.

Article (4) - Participation and Ownership in Companies

The Company may establish, by itself, other limited liability or closed joint stock companies, provided that their capital is no less than five (5) million Saudi riyals. The Company may own stocks and shares in other existing companies or merge with them. The Company may participate with others to establish joint stock or limited liability (inside or outside the Kingdom of Saudi Arabia) companies after fulfilling the requirements of the laws and instructions followed in this regard. The Company may also dispose of these stocks or shares, provided that this does not include acting as a broker in trading such stocks or shares.

Article (5) - Head Office of the Company

The head office of the Company is in Najran. The Board of directors may establish branches, offices, or agencies inside or outside the Kingdom of Saudi Arabia.

Article (6) - The Duration of the Company

The Company's term is ninety-nine (99) Gregorian years starting from the date of the Minister of Commerce announcing its establishment. The term of the Company may be extended by a resolution issued by the Extraordinary General Assembly at least one (1) year prior to the expiration of its term.

<u>Company Name</u> Al-Masane Al-Kobra Mining Company	<u>Bylaw</u>	<u>Ministry of Commerce</u> (Operations Management)
	<u>Date</u> 25/07/2022	
<u>Commercial Register</u> 5950017523		<u>Faisal Al-Balawi</u>

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Section Two: Capital and Shares

Article (7) - Capital

The company's capital was set at (660,000,000) Six hundred and sixty million Saudi riyals divided into (66,000,000) Sixty-six million shares of equal value, the value of each is (10) ten Saudi riyals, all of which are ordinary cash shares.

Article (8) – Subscription to Shares

The shareholders have subscribed to the entire capital stock amounting to (66,000,000) Sixty-six million fully paid shares.

Article (9): Preferred Shares

The Company may, by a resolution of the Extraordinary General Assembly in accordance with the Islamic Sharia and the rules set by relevant authorities, issue preferred shares, decide to purchase such shares or convert ordinary shares into preferred shares and vice versa. Preferred shares shall have no voting rights at the Shareholder General Assemblies. Such shares will entitle their holders to receive a higher percentage of the Company's net profits than ordinary shares holders after setting aside statutory reserve.

Article (10)–Non-Payment of Shares

A shareholder shall pay the value of a share at the specified dates. If a shareholder fails to pay on the due date, the Board may, after notifying such shareholder by a registered mail sent to their address as recorded in the shareholder register, sell such share in a public auction or in the capital market, as the case may be, in accordance with the rules set by the competent authority.

The Company shall receive the amounts due thereto from the sale proceeds and shall return any remaining amount to the shareholder. If the sale proceeds are insufficient to cover these amounts, the Company may satisfy such amounts from the shareholder's funds.

However, the shareholder in default up to the sale date may pay the due amount, in addition to any expenses incurred by the Company in this regard.

The Company shall cancel the sold share according to the provisions of this Article, and shall give the purchaser a new share bearing the number of the cancelled share, shall indicate in the shareholder register that the sale has taken place and shall mention the name of the new shareholder.

Article (11) – Share Issuance

The shares are nominal, and they may not be issued for a value lesser than their nominal value. The Company may issue shares for a value higher than their nominal value, provided that the difference in value is added in a separate item within the shareholder rights and may not be distributed to shareholders as dividend. A share is indivisible against the

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Company. If a share is owned by multiple persons, they shall select one of them to represent them in exercising the rights relating to the share. These persons shall be jointly liable for the obligations arising from the share ownership

Article (12) – Share Trading

Shares subscribed by the founders may not be traded except after publishing the financial statements for two fiscal years, each of which is not less than (12) twelve months from the date of incorporation of the Company. The stocks of these shares shall be endorsed indicating their type, the date of incorporation of the Company, and the period during which they are prohibited from being traded.

However, it is permissible during the prohibition period to transfer the ownership of shares in accordance with the provisions of the sale of rights from one of the founders to another or from the heirs of one of the founders in the event of his death to others, or in the case of seizure of the funds of the insolvent or bankrupt founder, provided that the priority of owning those shares is given to the other founders.

The provisions of this Article shall apply to the founders' subscriptions in the event of increasing the capital prior to the expiry of the prohibition period.

Article (13): Shareholders' Register and Shares Certificates

Company shares shall be traded after recording them in the shareholder register that the Company prepares or enters into a contract with others to be prepared. The shareholder register includes names, nationalities, places of residence and occupations of shareholders in addition to share numbers and the paid-up portion thereof. Shares entered into such register shall be indicated. Ownership of a nominal share shall not be deemed transferred against the Company or others except from the date the share is recorded in the register.

The company issues share certificates so that they are with serial numbers and signed by the Chairman of the company's Board of directors or whomever he delegates among members of the Board and stamped with the company's seal. The share includes in particular the number and date of the ministry's resolution issued to license incorporation of the company, the number and date of the ministry's resolution announcing incorporation of the company, the value of the capital, the number of shares distributed to it, the nominal value of the share, the amount paid out, the company's purpose in brief, its head office and term. Shares may have coupons with serial numbers including the attached share number.

Company Name <u>Al-Masane Al-Kobra Mining Company</u>	Bylaw	Ministry of Commerce (Operations Management)
	Date <u>25/07/2022</u>	
Commercial Register <u>5950017523</u>		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Article (14) - Capital Increase

1. The Extraordinary General Assembly may decide to increase the Company's capital, provided that the original capital has been fully paid up. The capital is not required to be fully paid up if the unpaid portion of the capital relates to shares issued in exchange for the conversion of debt instruments or financing instruments into shares and the prescribed period for conversion into shares has not expired yet.
2. The Extraordinary General Assembly may, in all cases, allocate all or part of the shares issued for capital increase to employees of the Company and/or all or part of its subsidiaries. Shareholders may not exercise pre-emptive rights if the Company issues shares for employees.
3. At the time the Extraordinary General Assembly issues a resolution approving the capital increase, a shareholder will be entitled to a pre-emptive right to subscribe to the new shares issued against cash contribution. Such a shareholder shall be informed of their pre-emptive right by publishing a notice in a daily newspaper or by notifying them through a registered mail of the resolution of capital increase as well as the conditions, duration and commencement and expiry date of the subscription.
4. The Extraordinary General Assembly may stop application of the pre-emptive right vested in shareholders to subscribe to the capital increase against cash contribution or may vest such right in persons other than the shareholders in cases it believes this is appropriate for the Company's interest.
5. A shareholder may sell or assign the pre-emptive right during the period from the date the General Assembly resolution approving the capital increase is adopted until the last day of subscription to the new shares related to such right, in accordance with the controls set by the competent authority.
6. Subject to paragraph 4 above, the new shares shall be distributed to holders of pre-emptive right who requested subscription in proportionate to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the amount of new shares they requested. The remainder of the new shares shall be distributed to holders of pre-emptive right who requested more than their respective shares in proportionate to their pre-emptive right of the total pre-emptive rights resulting from the capital increase, provided that the shares they receive do not exceed the amount of new shares they requested. The remaining shares shall be

Company Name <u>Al-Masane Al-Kobra Mining Company</u>	Bylaw	Ministry of Commerce (Operations Management)
	Date <u>25/07/2022</u>	
Commercial Register <u>5950017523</u>		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

offered to third parties, unless the Extraordinary General Assembly decides or the Capital Market states otherwise.

Article (15) - Capital Reduction

The Company's capital may, by a resolution of the Extraordinary General Assembly, be reduced, if the capital exceeds the Company's need or if the Company suffers losses. In the latter case only, the capital may be reduced below the limit stipulated in Article 54 of the Companies Law. The reduction resolution may only be issued after the Extraordinary General Assembly examines the Auditor's Report explaining the reasons for the reduction, the Company's obligations and the effect of the reduction on these obligations.

If the capital reduction is a result of the capital being in excess of the Company's need, the creditors shall be invited to submit their objections to the reduction within sixty days from the date the reduction decision is published in a daily newspaper distributed in the area where the Company's head office is located. If a creditor objects to such reduction and submits to the Company their documents on the specified date, the Company shall pay their debt if already due or shall provide them with a sufficient guarantee to satisfy their debt if it is due in the future.

Section Three: Company's Buy-Back, Sale and Pledge of its Shares

Article (16) – Company's Buy-Back of its Shares

The company may buy back its ordinary or preferred shares or pledge them. The company may purchase its shares to allocate them to the company's employees within the employee shares program in accordance with the controls and procedures set by the competent authorities.

Article (17) - Company's Sale of its Shares

The company may sell treasury shares in one stage or several stages in accordance with the controls and procedures set by the competent authorities.

Article (18) –Pledge of Shares

The company may pledge its shares as security for a debt in accordance with the controls and procedures set by the competent authorities.

Article (19) – Employees' Shares

If a Company is buying-back its Shares for the purpose of allocating them to its employees within an Employees' Shares plan, the Company must, in addition to the rules of a share buy-back stipulated in Article. 16 above comply with the following rules:

1. Obtaining the extraordinary General Assembly's approval on the Employees' Shares plan. The General Assembly may authorize the Board to determine the terms of the plan including the allocation price for each Share offered to employees if offered for rate;

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

2. Non-executive Board members shall not participate in the Employees' Shares plan; and
3. Executive Board members shall not vote on Board resolutions relating to the Employees' Shares plan.

Section Four: Board of Directors

Article (20) - Company Board of Directors

The Company shall be managed by a Board composed of nine (9) members to be elected by the Shareholders' Ordinary General Assembly for a period not more than three (3) years.

Article (21) - Expiry of Board Membership

Board Membership shall expire upon the expiry of its members, according to any law or instructions applicable in KSA. However, the Ordinary General Assembly may, at any time, dismiss all or part of the Board members without prejudice to the right of a dismissed member to claim compensation if they are dismissed for an unacceptable reason or at inappropriate time. A Board member may step down, provided that this takes place at an appropriate time, otherwise such member shall be liable to the Company for the damage caused by stepping down.

Article (22) - Board Vacancies

If a position of Board Directors becomes vacant, the Board may appoint a member in the vacant position temporarily, provided that such appointment shall be as per the order of votes obtained in the meeting of the General Assembly during which the Board was appointed. Such new member must be qualified and experienced. Additionally, a notice of such appointment shall be sent to the Ministry and the Authority within a period of five (5) days as of the date of appointment, and provided also that such appointment is put forward before the first meeting of the Ordinary General Assembly for endorsement. The term of office of the new member designated to fill a vacancy shall only extend to the term of office of his predecessor. In case the number of the members of Board of Directors falls below the quorum required for the proper convening of the Board meetings as stated in the Companies Law or these Articles, the General Assembly shall be called for an Ordinary Meeting by the remaining members within a period of sixty days in order to appoint the necessary number of Board members.

Article (23) - Powers of the Board

Without prejudice to the powers conferred on the General Assembly, the Board of Directors shall be vested with full powers to manage the company and dispose its affairs inside and outside KSA in order to achieve its purposes. The Board of Directors is entitled to supervise all the company's business, funds and all its transactions, including making decisions, concluding contracts, entering into any investment for the company's benefit, purchasing

Company Name <u>Al-Masane Al-Kobra Mining Company</u>	Bylaw Date <u>25/07/2022</u>	Ministry of Commerce <u>(Operations Management)</u>
Commercial Register <u>5950017523</u>		<u>Faisal Al-Balawi</u>

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

real estate, lands and all the company's fixed and movable assets, selling, mortgaging them, accepting and releasing mortgages, transferring, receiving, handing over, renting, leasing, arresting, releasing and waiving and all other actions necessary to achieve the objectives of the company. However, with regard to the sale of the company's real estate, the minutes of the Board of Directors and the reasons for its decision to act must include the following conditions:

- 1- The Board's resolution shall clearly state the justifications and reasons of sale.
- 2- The sale shall be in equivalent price.
- 3- The price shall not be on credit except for utmost necessity and with adequate guarantees.
- 4- The sale shall be on condition that the Company's activities shall not be suspended or be shouldered with additional obligations.

The Board may donate for charitable purposes, give and accept gifts, sign the Bylaw of the companies in which the company participates and sign amendment decisions either by increasing or reducing the capital, buying and selling shares, entering and exiting a partner, or amending the company's management or purposes, or any Article of the Bylaw before the notary public and all official bodies, as well as signing agreements of all kinds.

The Board of Directors may enter into loans whose terms exceed three (3) years, and provide the guarantees for them, taking into account the following conditions:

- 1- The Board of Directors shall specify in its decision the aspects of using the loan and how to repay it.
- 2- The value of the loans that the Board may enter into during any one fiscal year shall not exceed 50% of the company's capital.
- 3- To take into account in the terms of the loan and the guarantees, not to damage the company, its shareholders, and the general guarantees of the creditors.

The Board of Directors may issue Sukuk that are compatible with the provisions of Islamic Sharia, whether in one part or several parts, through one issuance or a series of issuances from time to time and in the amounts and conditions determined by the Board of Directors without the need to refer to the General Assembly of shareholders in this regard, provided that the value of Sukuk does not exceed over the company's capital.

The Board of Directors has full powers to take all the necessary procedures to issue Sukuk and obtain the necessary approvals from the competent authorities. The Board of directors may also delegate any person(s) according to the granted powers according to the above resolution and give them the right to delegate others.

<u>Company Name</u> Al-Masane Al-Kobra Mining Company	<u>Bylaw</u>	<u>Ministry of Commerce</u> <u>(Operations Management)</u>
	<u>Date</u> 25/07/2022	
<u>Commercial Register</u> 5950017523		<u>Faisal Al-Balawi</u>

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

The Board may also, within the limits of its competence, delegate one or more of its members or a third party to carry out certain work or works.

Article (24): Remuneration of the Board of Directors:

Remunerations for Board of Directors are consisting of cash or in-kind remunerations and benefits, that shall not exceed (500,000) Five Hundred Thousand SAR for each member, within limits of the provisions of the Companies Law and Regulations. The Board's report to be submitted to the Ordinary General Assembly shall include a comprehensive statement of all benefits received by the Board members during the financial year, including bonuses, expense allowances and other benefits. The report shall also include a statement of the amounts received by the Board members in their capacities as officers or administrators or any other amounts received thereby in consideration of technical or administrative activities or consultations. The report shall also include a statement of the number of Board meetings and the number of meetings attended by each member since the date of the last meeting of the General Assembly.

Article (25): Powers of the Chairman, Vice Chairman, Managing Director, and Secretary

The Board shall appoint, among its members, a Chairman and a Vice Chairman. The Board of Directors may also appoint a Managing Director from among its members. The person holding the Chairman position may not hold any other executive position in the Company.

The Chairman of the Board represents the company in its relationship with others, before the judiciary, all courts, judicial committees, notaries, and all official and non-official bodies. He is also entitled to defend, plead and sign contracts for the establishment of companies in which it participates and all decisions of their amendments and other contracts, obligations, instruments, transfers, opening accounts with banks, withdrawals, deposits, investment, closing and liquidating accounts, opening documentary credits, signing before the notary public and the official authorities approved by the Board of Directors, and all things required for managing the affairs of the company, achieving its objectives and all that is entrusted to him by the Board. He is entitled also to delegate any member of the Board of Directors or others in all or some of these powers. The Board of Directors determines the powers and competencies of the managing director.

The Board of Directors determines the remuneration to be received by the Chairman and the Managing Director, in addition to the remuneration prescribed for members of the Board of Directors

The Board of Directors appoints a secretary to be chosen by it among its members or from others to be responsible for recording the minutes of the Board's meetings and preparing for those meetings. The remuneration of the Secretary shall be determined in accordance with

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

the decision issued for his appointment. The term of the Chairman, his deputy, the managing director and the Secretary of the Board of Directors shall not exceed the term of their membership in the Board. They may be re-elected, and the Board at any time may dismiss them or any of them without prejudice to the right of the dismissed person to be compensated if the dismissal occurred for an unlawful reason or at an inappropriate time.

Article (26) - Board Meetings

The Board of Directors shall be convened at least four times a year upon a call by its Chairman. Such call shall be made in writing and delivered prior fifteen (15) days of the meeting. The Chairman of the Board shall call for a meeting whenever requested by any two (2) Board members. The meeting shall be held at the Company's Head Office or any other place determined by the Board.

The Board of Directors may issue its decisions in case of urgency by individual voting by telegraph, fax or electronic means, unless two (2) members request in writing to hold a meeting of the Board for deliberation, provided that the decision taken in this way is presented to the Board in the first meeting following its approval.

Article (27) - Quorum for Board Meetings

A Board meeting shall not be a valid meeting unless attended by at least five (5) members. A Board Member may give a proxy to another member to attend the Board meetings on his behalf, provided that such proxy shall be given in accordance with the following:

- 1- A member of the Board of Directors may not act on behalf of more than one Board member as to attending the same meeting.
- 2- A proxy shall be made in writing.
- 3- A Board member acting by a proxy may not vote on resolutions on which it is prohibited from voting under the law.

The Board resolutions shall be adopted with the approval of the majority vote of the members attending in person or represented by a proxy. In case of a tie, Director presiding over the Board shall have a casting vote.

Article (28) - Board Deliberations

Deliberations and resolutions of the Board shall be documented in minutes to be signed by the Chairman of the Board, the Board members attending the meeting and the Secretary. The minutes shall be recorded in a special register to be signed by the Chairman of the Board and the Secretary.

<u>Company Name</u> Al-Masane Al-Kobra Mining Company	<u>Bylaw</u>	<u>Ministry of Commerce</u> <u>(Operations Management)</u>
	<u>Date</u> 25/07/2022	
<u>Commercial Register</u> 5950017523		<u>Faisal Al-Balawi</u>

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Section Five: Assemblies of Shareholders

Article (29) – Attending Assemblies

Every Subscriber may attend the Constituent Assembly regardless of the number of his shares. Every shareholder may attend the General Assemblies of the shareholders and may, to this end, delegate another person other than members of the Board of Directors or Company employees to attend the General Assembly.

Article (30) – The Constituent Assembly

Founders shall call all subscribers to hold a Constituent Assembly meeting within a period of 45 (forty-five) days as of the Ministry's decision approving the incorporation of the Company. For the Constituent Assembly meeting to be valid, it shall be attended by a number of Subscribers representing at least fifty percent (50%) of the Company's capital. If this quorum is not available, the second meeting shall be held an hour after the end of the period specified for the first meeting, provided that the call to the first meeting shall include that.

In all cases, the second meeting shall be valid regardless of the number of subscribers attending therein.

Article (31) - Powers of the Constituent Assembly:

The Constituent Assembly shall be concerned with the following matters:

1. Verifying the underwriting of all the Company's shares, the fulfillment of the minimum capital, and the amount due from the value of the shares According to the provisions of Law.
2. Deliberating on the report of In-kind Shares
3. Approving the final texts of the Company's Bylaw, provided that substantial amendments are not made to the Bylaw presented to it except with the approval of all subscribers represented therein.
4. Appointing the members of the first Board of Directors of the Company and the first auditor for a period not exceeding (5) five years if they have not been appointed in the Company's MOA or its Bylaw.

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

5. Discussing the founders' reports on the business and expenditures required for establishing the Company.

Article (32) – Powers of Ordinary General Assembly

Except for matters reserved for the Extraordinary General Assembly, the Ordinary General Assembly shall oversee all matters relating to the Company and shall be convened at least once a year within the six (6) months following the end of the Company’s financial year. The Ordinary General Assembly may call to hold other meetings whenever needed.

Article (33) - Powers of the Extraordinary General Assembly:

The Extraordinary General Assembly has the authority to amend the Company's Bylaw, except for the provisions that are prohibited to be amended by law, and it has the right to issue Resolutions on matters falling within the powers of the Ordinary General Assembly in the same terms and conditions established for the Ordinary General Assembly.

Article (34) - Calling for Meetings of Assemblies

Meetings of the Ordinary or Special Assemblies of shareholders shall be held by call of the Board. The Board shall call for a meeting of the Ordinary General Assembly if this is requested by the auditor, the audit committee or a number of shareholders representing at least 5% of the capital. The auditor may call for a meeting of the General Assembly if the Board fails to call for such meeting within thirty (30) days from the date of the auditor’s request.

The call for a meeting of the General Assembly shall be published in a daily newspaper distributed in the Company’s head office at least twenty-one (21) days prior to the date scheduled for the meeting. However, it may be sufficient to address the call for the meeting at the said time to all shareholders by registered mails or electronic means. A copy of the call and the agenda shall be sent to the Ministry and Authority within the period specified for publication.

Article (35) - Assemblies Attendance Register:

<u>Company Name</u> Al-Masane Al-Kobra Mining Company	<u>Bylaw</u>	<u>Ministry of Commerce</u> <u>(Operations Management)</u>
	<u>Date</u> 25/07/2022	
<u>Commercial Register</u> 5950017523		<u>Faisal Al-Balawi</u>

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Shareholders who wish to attend the General or Private Assembly shall register their names in the Company's head office or the place of convening the General Assembly prior to the time specified for the meeting.

Article (36)- Quorum for Meetings of the Ordinary General Assembly

A meeting of the Ordinary General Assembly shall be valid only if attended by shareholders representing at least one-quarter of the capital. If such quorum is not attained in the first meeting, a second meeting shall be held one hour after the lapse of time set for the first meeting, provided that the call for holding the first meeting indicates the possibility of holding such meeting.

In all cases, the second meeting shall be valid regardless of the number of shares represented therein.

Article (37)- Quorum for Meetings of the Extraordinary General Assembly

A meeting of the Extraordinary General Assembly shall be valid only if attended by shareholders representing at least one-half of the capital. If such quorum is not attained in the first meeting, a second meeting shall be held one hour after the lapse of time set for the first meeting, provided that the call for holding the first meeting indicates the possibility of holding such meeting.

In all cases, the second meeting shall be valid if attended by a number of shareholders representing at least one-quarter of the capital.

If quorum is not attained in the second meeting, a call shall be made for a third meeting to be held under the same conditions provided for in Article (34) herein. The third meeting shall be valid regardless of the number of shares represented therein after obtaining the approval of the competent authority.

Article (38) - Voting at Meetings of the Assemblies

Each Subscriber shall have one vote per share in the Constituent Assembly and one vote per share in the General Assemblies. Cumulative voting shall be applied to elect the Board members.

Article (39)- Resolutions of the Assembly

<u>Company Name</u> Al-Masane Al-Kobra Mining Company	<u>Bylaw</u>	<u>Ministry of Commerce</u> <u>(Operations Management)</u>
	<u>Date</u> 25/07/2022	
<u>Commercial Register</u> 5950017523		<u>Faisal Al-Balawi</u>

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Resolutions of the Constituent Assembly and Ordinary General Assembly shall be issued by absolute majority of the shares represented at the meeting. Resolutions of the Extraordinary General Assembly shall be issued by two-third majority of the shares represented at the meeting unless the resolution relates to increase or reduction of capital, extension of the Company's term, dissolution of the Company prior to the term set in its articles or merger of the Company with another company, in which case such resolution shall only be valid if issued by a three-quarters majority of the shares represented at the meeting.

Article (40) - Deliberations at Meetings of Assemblies

Each shareholder shall have the right to discuss the subjects listed on the agenda of the Assembly and may address questions in respect thereof to the Board members and the auditor. The Board members or the auditor shall answer questions of the shareholders to the extent that does not expose the Company's interest to harm. If a shareholder deems the answer to his question is unsatisfactory, he may raise the issue with the Assembly whose resolution in that regard shall be effective and enforceable.

Article (41) – Chairmanship of Assemblies and Preparation of Minutes

General Assemblies of Shareholders shall be chaired by the Chairman of the Board or his deputy, in case of absence of the Chairman, or by whomever the Board delegates from its members for this purpose, in case of absence of the Chairman or its deputy.

Minutes shall be written for the meeting including the numbers of the Shareholders present in person or represented by a proxy, the number of the shares held by each, the number of votes attached to such shares, the resolutions adopted at the meeting, the number of votes assenting or dissenting to such resolutions and a comprehensive summary of the discussions that took place at the meeting. Such minutes shall be regularly recorded after each meeting in a special register to be signed by the Chairman of the Assembly, the Secretary, and the canvasser.

Section Six: Audit Committee

Article (42) – Audit Committee Formation

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Under a resolution of the Ordinary General Assembly, an Audit Committee composed of non-executive board members, whether shareholders or others, shall be formed, provided that the number of its members shall not be less than three (3) and not more than five (5). The resolution defines the committee's tasks, its work controls, and the remuneration of its members.

Article (43) - Quorum of the Committee Meetings

An audit committee meeting shall be valid only if attended by majority of its members, and its resolutions shall be passed by a majority vote of attending members. In case of a tie, the Chairman of the meeting will have a casting vote.

Article (44) - Powers of the Committee

The Audit Committee shall monitor the Company's activities. To this end, the Committee shall have access to the Company's records and documents and may acquire any clarification or statement from members of the Board or the executive management. The Committee may ask the Board to call for a meeting of the Company's General Assembly if the Board obstructs its work or if the Company suffers substantial damage or loss.

Article (45)- Reports of the Committee

The Audit Committee shall examine the Company financial statements, reports, and notes submitted by the Auditor and shall give its opinion thereon, if any. The Committee shall also prepare a report including its opinion on the efficiency of the Company's internal audit system and the other activities it performed within its powers. The Board shall keep sufficient copies of the Committee's report at the Company's head office at least twenty-one (21) days prior to the date the General Assembly convenes to provide any interested shareholder with a copy of the report. The report shall be recited at the Assembly meeting.

Section Seven: The Auditor

Article (46) - Appointment of Auditor

The Company shall have one or more auditors among the auditors licensed to work in the KSA. The Ordinary General Assembly shall annually appoint the auditor and shall specify their compensation and term of office. The Assembly may also, at all times, change the

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

auditor without prejudice to their right to claim compensation if the change occurred at inappropriate time or for an illegitimate reason.

Article (47) - Powers of the Auditor

The auditor may, at any time, have access to the books and records of the Company and any other documents, may ask for any statements or clarifications they deem necessary to verify the assets and liabilities of the Company and may perform any other function within the scope of his work. The Chairman of the Board shall enable the auditor to perform its duties. If the auditor faces any difficulty in this regard, he shall state that fact in a report to be submitted to the Board. If the Board does not facilitate the job of the auditor, the auditor shall ask the Board to call for a meeting of the Ordinary General Assembly to consider the issue.

Section Eight: Company's Accounts and Distribution of Profits

Article (48) - Fiscal Year

The Company's Fiscal Year will commence on January, 01 and will end by the end of December of each year. The first Fiscal Year will commence from the date the Minister of Commerce and Investment Resolution to establish the Company is adopted and will end by the end of December of the following year.

Article (49) - Financial Documents

- 1- The Board of Directors shall prepare the Company's financial statements at the end of each fiscal year together with a report of its business and financial position for the preceding financial year. This report shall include the proposed method for distributing profits. The Board of Directors shall place such documents at the disposition of the Auditor at least 45 (forty-five) days prior to the date set for convening the General Assembly.
- 2- The Company's Chairman of the Board, CEO and CFO shall sign the documents referred to in paragraph 1 of this Article. Copies of these documents shall be kept at the Company's head office at the disposal of the shareholders at least twenty-one (21) days prior to the date scheduled for the convening of the General Assembly.

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

- 3- The Chairman of the Board shall provide the shareholders with the Company's financial statements, the Board report and the auditor's report, unless they are published in a daily newspaper distributed in the area where the Company's head office is located. The Board shall also send copies of these documents to the Ministry of Commerce and Investment Authority at least fifteen (15) days prior to the date scheduled for the convening of the General Assembly.

Article (50) - Distribution of Profits

The Company's annual net profits shall be allocated as follows:

1. Ten percent (10%) of the net profits shall be retained to form a statutory reserve. The Ordinary General Assembly may decide to discontinue such retention when such reserve reaches 30% of the paid capital.
2. The Ordinary General Assembly may, based on a proposal by the Board, retain a Ten percent (10%) of the net profits to form an agreed-up reserve to be allocated to benefit the Company.
3. The Ordinary General Assembly may decide to retain other reserves to the extent that serves the Company's interest or ensures, as far as possible, the consistent distribution of dividends to shareholders. The Mentioned Assembly may also deduct from the net profits amounts to establish social institutions for the Company's employees or to assist such existing institutions.
4. The remainder shall then be distributed to the shareholders at a percent no less than 5% of the company's paid-up capital.
5. Subject to the provisions of Article (24) herein, and Article (76) of Companies Law, Ten percent (10%) of the remaining amount shall be allocated as compensations to the Board of Directors with a maximum of (500,000) Fifty Thousand SAR for each one, provided that entitlement of such remuneration shall be in proportion to number of sessions the member has attended.
6. The company may distribute interim dividends to its shareholders on a semi-annual or quarterly basis, in accordance with the regulatory controls and procedures issued to implement the Companies Law.

Company Name <u>Al-Masane Al-Kobra Mining Company</u>	Bylaw	Ministry of Commerce (Operations Management)
	Date <u>25/07/2022</u>	
Commercial Register <u>5950017523</u>		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Article (51) - Entitlement to Profits

Shareholders shall be entitled to their share of profits pursuant to the General Assembly resolution adopted in this regard. Such resolution shall specify the entitlement and distribution date. Shareholders registered in the shareholders' register shall be entitled to their shares of profit by the end of the day of their entitlement.

Article (52) – Distribution of Dividends of Preferred Shares

- 1- In the event of non-distribution of profits in any fiscal year, profits of forthcoming years shall not be distributed before the portion specified in Article (114) of Companies Law is paid to the owners of preferred shares for that year.
- 2- If the Company fails to pay this portion of the profits for a period of three consecutive years, in accordance with specified in Article (114) of Companies Law, the Private Assembly of these interest holders may, in accordance with Article (89) of the Companies Law, resolve to either attend the General Assemblies of the Company and participate in the voting thereof, or to designate representatives on their behalf in the Board of Directors, in accordance with their share of the Company capital. This shall remain the case until the Company manages to fully pay the initial profits for past years specified for the owners of such shares.

Article (53) - Company Losses

1. If losses of a joint stock company reach one-half of the paid capital, at any time during a Fiscal year, any officer of the Company or the auditor shall, upon being aware of such losses, notify the Chairman of the Board of such losses. The Chairman of the Board shall notify the Board members of such losses forthwith. Within fifteen (15) days from the date of being aware of the losses, the Board shall call for a meeting of the Extraordinary General Assembly within forty-five (45) days from the date the Board is aware of the losses in order to decide either to increase or reduce the Company's capital in accordance with the provisions of the Companies Law to the extent the losses fall below one-half of the paid capital or to dissolve the Company prior to the term set herein.
2. The Company shall be deemed to have expired by operation of the Companies Law if the General Assembly does not meet within the time specified in paragraph 1 of this

Company Name <u>Al-Masane Al-Kobra Mining Company</u>	Bylaw	Ministry of Commerce (Operations Management)
	Date <u>25/07/2022</u>	
Commercial Register <u>5950017523</u>		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Article, or if the Assembly meets and is unable to pass a resolution in this regard or if the Assembly decides to increase the capital according to the conditions stipulated in this Article but not all of the capital increase shares have been subscribed to within ninety (90) days from the date the Assembly's resolution to increase the capital is passed.

Section Nine: Disputes

Article (54) - Liability Action

Each shareholder has the right to file a liability action, which is vested in the Company, against the Board members if they committed a fault which has caused special damage to the shareholder. A shareholder may not file such action unless the Company is still entitled to file such an action. A shareholder shall inform the Company of their intent to file the action.

Section Ten: Dissolution and Liquidation

Article (55) - Expiration of the Company

The Company shall be liquidated upon the expiry of its term or existence, and shall retain its legal personality to the extent needed for liquidation. Voluntary liquidation shall be made pursuant to a resolution by the Extraordinary General Assembly whose resolution shall appoint one or more liquidators and specify their powers and fees in addition to the restraints on his powers and the duration needed for liquidation. The duration of voluntary liquidation shall not exceed five years and may not be extended except with a judicial order. Besides, the powers of the Board of Directors shall cease upon the Company's winding up. However, the Board of Directors shall remain responsible for the management of the Company until the liquidators are specified and shall be considered as liquidators for third parties until liquidators are appointed. The Shareholders' Assemblies shall remain through the liquidation period and shall maintain their powers to the extent that they do not interfere with the powers of the liquidators.

Section Eleven: Final Provisions

Article (56):

The Companies Law and its regulations shall apply to all other matters not specifically provided for herein.

Company Name Al-Masane Al-Kobra Mining Company	Bylaw	Ministry of Commerce (Operations Management)
	Date 25/07/2022	
Commercial Register 5950017523		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022

Article (57):

This Bylaw shall be filed and published in accordance with the provisions of the Companies Law and its regulations.

Company Name <u>Al-Masane Al-Kobra Mining Company</u>	Bylaw	Ministry of Commerce (Operations Management)
	Date <u>25/07/2022</u>	
Commercial Register <u>5950017523</u>		Faisal Al-Balawi

This Bylaw has been issued based on the Resolution of the Extraordinary Assembly on 26/06/2022