

EXECUTION VERSION

COST COVERAGE LETTER

To: **Zinnwald Lithium Plc**
c/o Calculo Tax Audit Ltd
The Threshing Barn Manor Barns
Coates Lane
High Wycombe
Bucks
HP13 5UX
("Zinnwald" or "you")

From: **AMG Critical Materials N.V.**
World Trade Center
Strawinskylaan 1, 1077 XW
Amsterdam, the Netherlands
("we" or "us")

14 May 2026

Re: Cost Coverage Arrangement

1. Introduction

- 1.1 We refer to the indicative offer letter dated 30 April 2026 sent by us to you, regarding the proposed acquisition by or on behalf of us (with the relevant offeror entity for the purposes of the Code being "**Bidco**") of the entire issued and to be issued share capital of Zinnwald at a price of 10p per share, to be implemented by way of a court sanctioned scheme of arrangement in accordance with Part 26 of the Companies Act 2006 (the "**Act**") or by way of an Offer (the "**Proposed Acquisition**").
- 1.2 This letter sets out the terms upon which we are prepared to pay or reimburse you for the Costs you incur in connection with the Proposed Acquisition in such circumstances where a Trigger Event (as defined below) occurs.

2. Cost Coverage Arrangement

- 2.1 In consideration for you engaging in discussions with us in relation to the Proposed Acquisition and incurring costs in relation to the Proposed Acquisition, subject to paragraphs 2.2 and 2.3, we undertake to pay, or procure the payment of, or reimburse you or procure the reimbursement of you, all Costs to you in accordance with the terms of this letter, in the event that:
 - 2.1.1 prior to the release of the Announcement, we:
 - 2.1.1.1 notify you in writing that we have decided to cease discussions and negotiations regarding the Proposed Acquisition; or
 - 2.1.1.2 materially adversely change the terms of the Proposed Acquisition, including reducing the indicative offer price communicated to you on 30 April 2026 (the "**Offer Price**"), it being

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noted that any reduction to the Offer Price is a material adverse change;

2.1.2 Bidco announces that it does not intend to make or proceed with the Proposed Acquisition and no new, revised or replacement Scheme or Offer is announced by or on behalf of Bidco (or any person acting in concert with it) in accordance with Rule 2.7 of the Code within ten Business Days of such announcement;

2.1.3 following release of the Announcement, a Condition has become incapable of fulfilment or satisfaction, unless such Condition has become incapable of fulfilment or satisfaction primarily as a result of Zinnwald or any of its Affiliates failing to provide any information, documentation, co-operation or access to us, Bidco or any of our Affiliates or a Third Party which is within its control to provide and which is required to be provided in connection with the fulfilment or satisfaction of any Third Party clearance; or

2.1.4 if the Scheme or Offer is withdrawn or lapses in accordance with its terms, provided that this paragraph 2.1.4 shall not apply to any such withdrawal or lapse (not limited in number) which:

2.1.4.1 is a result of Bidco exercising its right, in accordance with the Code, to elect to implement the Proposed Acquisition by way of an Offer rather than by way of a Scheme or vice versa;

2.1.4.2 is followed by a new, revised or replacement Scheme or Offer announced in accordance with Rule 2.7 of the Code within ten Business Days announced by or on behalf of Bidco (or any person acting in concert with it); or

2.1.4.3 is a result of any of the events described in paragraphs 2.2.1 to 2.2.3 (inclusive),

each event described in this paragraph 2.1.1 to 2.1.4 (inclusive), being a **"Trigger Event"**.

2.2 Nothing in paragraph 2.1 shall apply and no Costs shall be payable or reimbursed by us, and any Costs that have previously been paid or reimbursed by us in accordance with paragraph 2.4.2 shall be repaid in full in accordance with paragraph 2.6, if at the time of or prior to a Trigger Event occurring:

2.2.1 any person other than us or Bidco (or any of our Affiliates) announces a firm intention to make an offer or revised offer (whether or not subject to the satisfaction or waiver of any pre-conditions) for Zinnwald under Rule 2.7 of the Code or a possible offer for Zinnwald under Rule 2.4 of the Code, which is recommended in whole or in part by the Zinnwald Directors (or for which the Zinnwald Directors have publicly announced an intention (or that they are minded) to recommend);

2.2.2 a Zinnwald Board Adverse Recommendation Change occurs; or

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- 2.2.3 a Competing Proposal completes, becomes effective or becomes or is declared unconditional.
- 2.3 The parties to this letter irrevocably agree, having taken appropriate advice, that the payment of Costs, subject to any maximum amount, is fair and reasonable so far as the parties are concerned if a Trigger Event occurs (subject to paragraph 2.2).
- 2.4 Subject to paragraphs 2.2, 2.5 and 2.6:
- 2.4.1 if any Costs are to be paid or reimbursed by us in accordance with paragraph 2.1 in the event that a Trigger Event has occurred and provided that none of the events described in paragraph 2.2 have occurred, we shall make or procure the payment of an amount equal to the Costs to the Zinnwald Bank Account within 10 Business Days of receipt by us from you of invoices setting out in reasonable detail the breakdown and full amount of all Costs incurred or paid by you; and
- 2.4.2 prior to the occurrence of a Trigger Event and provided that none of the events described in paragraph 2.2 have occurred, you shall be entitled to submit invoices to us once each calendar month setting out in reasonable detail the breakdown and amount of all Costs incurred or paid by you during the relevant calendar month (each, a "**Monthly Invoice**"). Subject to receipt of a Monthly Invoice, we shall make or procure the payment of an amount equal to the Costs set out in such Monthly Invoice to the Zinnwald Bank Account within 10 Business Days of receipt, provided that the aggregate amount of all payments made by us pursuant to this paragraph 2.4.2 shall not exceed £400,000 (including any amounts of VAT payable thereon). Any amounts paid by us pursuant to this paragraph 2.4.2 shall, for the avoidance of doubt, reduce on a pound-for-pound basis the maximum aggregate amount of any Costs payable by us pursuant to paragraph 2.4.1 following the occurrence of a Trigger Event.
- 2.5 The parties to this letter irrevocably agree that, except in the case of fraud:
- 2.5.1.1 your right to receive the relevant Costs shall be your and your Affiliates sole and exclusive remedy (and shall constitute an adequate remedy) for any and all costs and expenses incurred by you or your Affiliates arising out of or in connection with this letter and the transactions contemplated by this letter and the Proposed Acquisition, and for any and all losses and damages suffered, arising out of or in connection with this letter and the transactions contemplated by this letter and/or the Proposed Acquisition. In no event shall we be required to pay Costs more than once (regardless of whether more than one Trigger Event occurs); and
- 2.5.1.2 other than the enforcement of your rights to receive any Costs in accordance with and subject to the terms of this letter, you undertake not to seek or enforce (and shall procure that none of your Affiliates shall seek or enforce), whether against us or any of our Affiliates, any other remedy arising out of or in connection with

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this letter and the transactions contemplated by this letter and the Proposed Acquisition, whether at law or in equity or otherwise. You shall cause any claim that is brought against us or any of our Affiliates which is inconsistent with the limitations set forth in this paragraph 2.4.2 to be dismissed promptly after it is first initiated.

2.6 If, prior to or at the time a Trigger Event occurs, any of the events described in paragraph 2.2 occur, you shall promptly (and in any event within 10 Business Days of the occurrence of such event) repay (or procure the repayment) in full to such bank account as we may nominate in writing the aggregate amount of all payments received by you under this letter, and we shall have no further obligation to make or reimburse any payments under this letter.

3. Notices

3.1 A notice under or in connection with this letter (a "**Notice**") shall be:

3.1.1 In writing;

3.1.2 in the English language; and

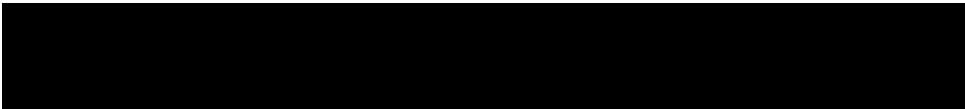
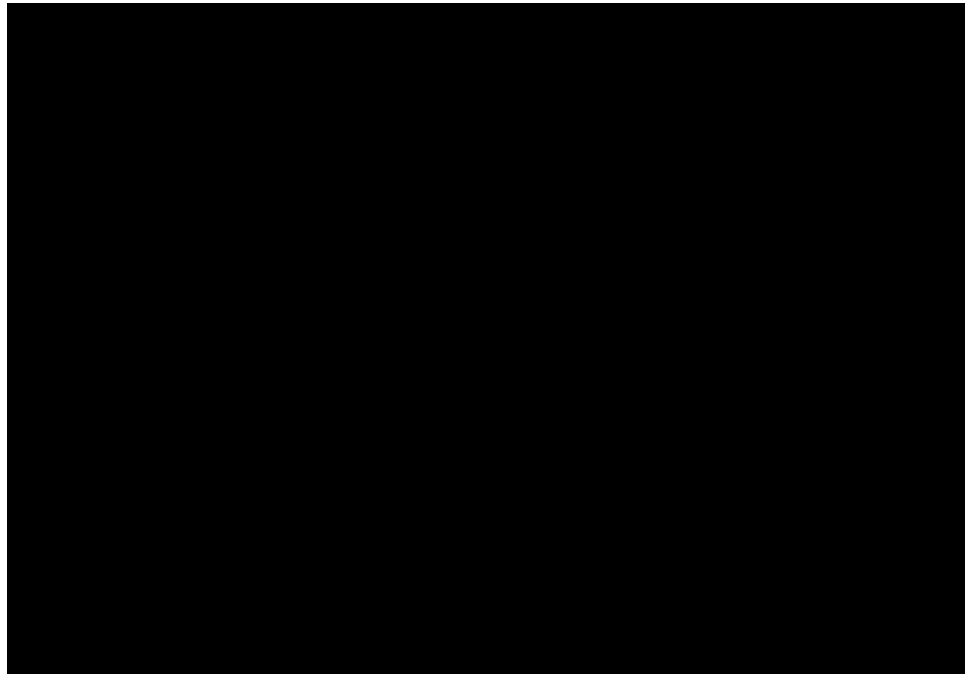
3.1.3 delivered personally or sent by first class post pre-paid recorded delivery (and air mail if overseas) or by email to the party due to receive the Notice at the address specified in paragraph 3.1.2 (or to another address specified by that party by not less than seven days' written notice to the other party).

3.2 The address referred to in paragraph 3.1.3 is:

3.2.1

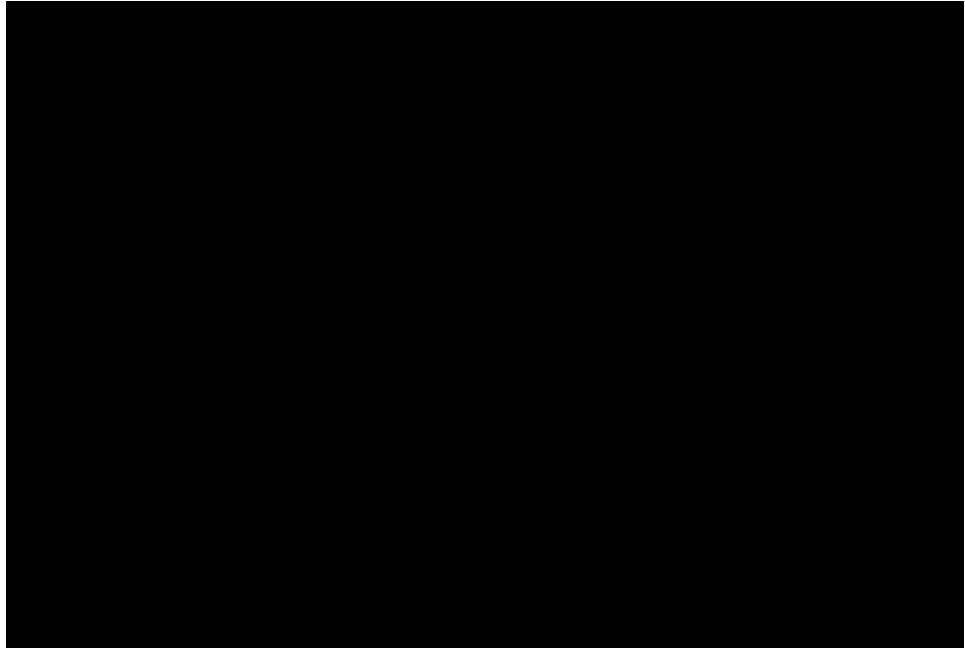
3.2.2

3.2.3 in the case of you:



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3.2.4



4. General

- 4.1 This letter should not be construed as an offer to enter into any transaction with you or any of your Affiliates or Associates.
- 4.2 This letter is strictly confidential and the terms of the non-disclosure agreement entered into between Zinnwald and AMG Lithium B.V. dated 2 May 2026 in relation to the Proposed Acquisition, shall apply *mutatis mutandis*, as if Confidential Information (as defined therein) included the existence of this letter and its contents.
- 4.3 This letter may be executed in any number of counterparts and by the parties to it on separate counterparts, but will not be effective until each party has executed at least one counterpart. Each counterpart will constitute an original of this letter, but all the counterparts will together constitute but one and the same instrument.
- 4.4 Nothing in this letter shall in any way limit your or our obligations under the Code and any uncontested rulings of the Panel as to the application of the Code in conflict with the terms of this letter shall take precedence over such terms. The parties to this letter agree that, if the Panel determines that any provision of this letter that requires Zinnwald to take or not take an action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded.
- 4.5 A person who is not a party to this letter shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.
- 4.6 No variation of this letter shall be effective unless it is in writing (which for this purpose, does not include email) and signed by, or on behalf of, each of you and us. The expression "variation" includes any variation, supplement, deletion or replacement however effected.
- 4.7 This letter and any non-contractual obligations arising out of or in connection with this letter is governed by and construed in accordance with the laws of England and Wales

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and the parties submit to the exclusive jurisdiction of the courts of England and Wales in respect of any claim, dispute or matter arising out of or relating to this letter.

4.8 Subject to paragraph 4.9, this letter shall terminate with immediate effect and all rights and obligations of the parties under this letter shall cease immediately as follows:

4.8.1 if agreed in writing between the parties, at any time prior to the Effective Date;
or

4.8.2 upon the Effective Date.

4.9 Termination of this letter shall be without prejudice to the rights of either party that have or may have arisen at or prior to termination.

5. Definitions

5.1 In this letter, the following words shall have the following meanings:

"Act" has the meaning given to it in paragraph 1.1 of this letter;

"Affiliate" any entity that controls, is directly or indirectly controlled or under common control with you or us (as applicable), including in the case of Zinnwald each member of the Zinnwald Group, **"control"** for this purpose having the meaning set out in the Code;

"Announcement" the announcement detailing the terms and conditions of the Proposed Acquisition to be made pursuant to Rule 2.7 of the Code;

"Associates" in respect of a party, that party's directors, officers, advisers, agents employees, subsidiaries and subsidiary undertakings and the directors, officers, advisers, agents and employees of that party's subsidiaries or subsidiary undertakings;

"Board" the board of directors of Zinnwald from time to time;

"Business Day" any day (excluding any Saturday or Sunday or any public holiday in England) on which banks in the City of London are generally open for business;

"Code" the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel;

"Competing Proposal" (a) an offer (including a partial offer, exchange or tender offer), merger, acquisition, dual-listed structure, scheme of arrangement, reverse takeover, Rule 9 waiver transaction and/or business combination (or any announcement or announced intention thereof), the purpose of

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which is to acquire, directly or indirectly, 30% or more of the issued or to be issued ordinary share capital of Zinnwald (when aggregated with the shares already held by the acquirer and any person acting or presumed or deemed to be acting in concert with the acquirer) or any arrangement or series of arrangements (or the announcement of any proposed arrangements or series of arrangements) which results or would result in any party acquiring, consolidating or increasing "**control**" (as defined in the Code) of Zinnwald;

- (b) the acquisition (or announcement of a proposed acquisition) or disposal, directly or indirectly, of all or a significant proportion of the business, assets and/or undertakings of Zinnwald, calculated by reference to any of its revenue, profits, value or assets taken as a whole;
- (c) a demerger, any material reorganisation and/or liquidation (or the announcement of any proposed demerger, material reorganisation and/or liquidation) involving all or a significant portion of Zinnwald, calculated by reference to any of its revenue, profits or value taken as a whole; or
- (d) any other transaction (or the announcement of a proposed transaction) which would be substantially alternative to, or inconsistent with, or would be reasonably likely materially to preclude, impede or delay or otherwise prejudice, be an alternative to, or inconsistent with, the implementation of the Proposed Acquisition (including, for the avoidance of doubt, any transaction or arrangement which would constitute a substantial transaction, reverse takeover or fundamental change of business for the purposes of the AIM Rules undertaken by Zinnwald or in the context of Rule 21.1 of the Code or the announcement of an intention to list the Zinnwald Shares on an exchange other than AIM or list any other securities of Zinnwald on any securities exchange),

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in each case which is not effected (or proposed to be effected) by or on behalf of us or an entity ultimately controlled by us or our Affiliates (or a person acting in concert with either) or with the prior written agreement of us or an entity ultimately controlled by us or our Affiliates and, in each case, whether implemented (or proposed to be implemented) in a single transaction or a series of transactions and whether conditional or otherwise;

"Condition" a condition to implementation of the Proposed Acquisition set out in the Announcement;

"Costs" the reasonable documented legal and financial fees, costs and expenses of your professional and other advisers and suppliers (including, but not limited to, Allenby Capital Limited, DWF Law LLP, counsel in connection with the Scheme, Share Registrars Limited (as registrars and receiving agent), CREST in relation to any issue of CREST Depository Interests, any other registrar or settlement agent in connection with any arrangement for the issue of CREST Depository Interests or as provider of any CSN Facility and printers) that in each case were reasonably and properly incurred by you or paid by you in connection with the Proposed Acquisition up to and including the date of the relevant Trigger Event, up to a maximum aggregate amount of either:

- (a) prior to the release of the Announcement, £300,000 (including any amounts of VAT payable thereon); or
- (b) following the release of the Announcement, £1,000,000 (including any amounts of VAT payable thereon),

and, for the avoidance of doubt, the maximum amounts in paragraphs (a) and (b) above are each exclusive aggregate monetary caps and shall not be aggregated;

"Court Meeting" shall have the meaning set out in the Announcement;

"CSN Facility" a nominee service to be provided for Shareholders who hold their shares in certificated form;

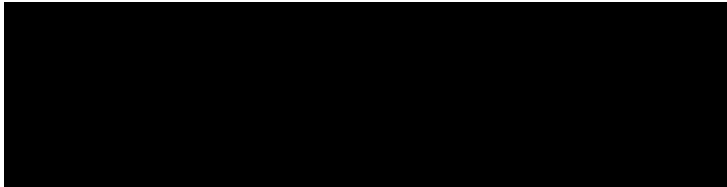
"Effective Date" the date upon which the Scheme becomes effective in accordance with its terms or, if we elect to implement

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	the Proposed Acquisition by means of an Offer, such Offer is declared unconditional in all respects;
"General Meeting"	shall have the meaning set out in the Announcement;
"Notice"	has the meaning given to it in paragraph 3.1 of this letter;
"Offer"	a contractual takeover offer, as defined in Chapter 3 of Part 28 of the Act;
"Offer Document"	should the Proposed Acquisition be implemented by way of an Offer, the document to be sent to Zinnwald Shareholders which will contain, amongst other things, the terms and conditions of the Offer;
"Long Stop Date"	shall have the meaning set out in the Announcement;
"Panel"	the UK Panel on Takeovers and Mergers;
"Proposed Acquisition"	has the meaning given to it in paragraph 1.1 of this letter;
"Scheme"	has the meaning given to it in paragraph 1.1 of this letter and reference to "Scheme" also includes any modified, renewed or revised scheme;
"Scheme Document"	the circular to be sent to (among others) Zinnwald Shareholders setting out (among other things) details of the Proposed Acquisition, the full terms and conditions of the Scheme and the explanatory statement required pursuant to Part 26 of the Act and incorporating the notices convening the Court Meeting and the General Meeting, including any revised or supplementary circular;
"Third Party"	each of a central bank, state, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, professional, fiscal or investigative body, court, trade agency, association, institution, body, employee representative body, any entity owned or controlled by any government or state, or any other body or person whatsoever in any jurisdiction;
"Trigger Event"	has the meaning given to it in paragraph 2.1 of this letter;
"VAT"	any value added tax imposed by the Value Added Tax Act 1994; and

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**"Zinnwald Bank
Account"**



**"Zinnwald Board Adverse
Recommendation
Change"**

- (a) If Zinnwald makes an announcement prior to the publication of the Scheme Document that:
- (i) the Zinnwald Directors no longer intend to make the Zinnwald Board Recommendation or intend to adversely modify or qualify such recommendation;
 - (ii) it will not convene the Court Meeting or the General Meeting;
 - (iii) it intends not to post the Scheme Document or (if different) the document convening the General Meeting;
- (b) if Zinnwald fails to publish the Scheme Document within the timeframe set out in section 3(a) of Appendix 7 of the Code (or such later date as may be agreed in writing between Bidco and Zinnwald with the consent of the Panel and with the approval of the Court (if such consent and/or approval is required));
- (c) if the Zinnwald Board Recommendation is not included in the Scheme Document or (if different) the document convening the General Meeting or (if applicable) the Offer Document;
- (d) If the Zinnwald Directors withdraw or adversely modify or qualify the Zinnwald Board Recommendation without our consent,

provided in each case that we have not materially adversely changed the terms of the Proposed Acquisition;

- (e) If Zinnwald makes an announcement that it will delay the convening of, or will adjourn, the Court Meeting or the General Meeting to beyond the Long Stop Date, in each case, unless:

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- (i) a supplementary circular is required to be published in connection with the Scheme, and as a result, the Court Meeting and/or the General Meeting cannot be held by such date in compliance with the Code and any other applicable law (but provided Zinnwald has used reasonable endeavours to publish the supplementary circular as soon as reasonably practicable after the date on which the requirement to publish a supplementary circular arises); or
 - (ii) in any other circumstances, where we have provided our prior written consent for such delay or adjournment; or
 - (iii) where such delay or adjournment is for reasons outside of Zinnwald's control (including, for example but not limited to, where regulatory clearances and/or consents are still outstanding and/or where there is insufficient availability of court dates);
- (f) if Zinnwald or any of its Affiliates enters into (or announces an intention to enter into) any Competing Proposal, save where each we have given our prior written consent to such Competing Proposal;
- (g) if, after the Scheme has been approved by Zinnwald Shareholders and/or the Zinnwald shareholder resolutions required to implement the Proposed Acquisition have been approved at the General Meeting, the Zinnwald Directors announce that they shall not implement the Scheme (other than in connection with an announcement of an Offer or revised offer by us or Bidco (or any of our respective concert parties) for Zinnwald, or where a Condition has become incapable of satisfaction or fulfilment); or
- (h) other than where the Proposed Acquisition is being implemented by way of any Offer, if the court sanction hearing for the Scheme is not

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held on or before the date falling thirty calendar days after all Conditions (other than the Condition relating to the sanction of the Scheme by the Court) have been satisfied or waived (or such later date as may be agreed in writing between Bidco and Zinnwald with the consent of the Panel and the approval of the Court (if such consent and/or approval is required));

"Zinnwald Board Recommendation"

a unanimous and unqualified recommendation from the Zinnwald Directors to the Zinnwald Shareholders in respect of the Proposed Acquisition:

- (a) to vote in favour of the Zinnwald shareholder resolutions to be proposed at the General Meeting for the purposes of approving and implementing the Proposed Acquisition and to vote in favour of the Scheme at the Court Meeting; or
- (b) if we elect to implement the Proposed Acquisition by means of an Offer in accordance with the terms of this letter, to accept the Offer;

"Zinnwald Directors"

the directors of Zinnwald from time to time;

"Zinnwald Group"

Zinnwald and its subsidiaries and subsidiary undertakings from time to time;

"Zinnwald Share"

the ordinary shares of £0.01 each in the capital of Zinnwald; and

"Zinnwald Shareholders"

the registered holders of the Zinnwald Shares from time to time.

In this letter, unless the context otherwise requires, references to time are to London, United Kingdom time. Please confirm your agreement to the terms of this letter by signing and returning to us the enclosed copy.

Yours faithfully

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Signed by **AMG CRITICAL MATERIALS N.V.** acting by the following authorised signatories

_____ 

Name: Dr. Heinz C. Schimmelbusch

Title: Chairman and Chief Executive Officer

Authorised Signatory

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Agreed and accepted by:

Name: Osman Cherif Rifaat

Title: Director, CFO

For and on behalf of **Zinwald Lithium Plc**