

## AMENDMENT No. 2

to the Loan Agreement (ref.no.: 27088.313) dated 6<sup>th</sup> of August, 2007 and Amendment no. 1 dated 26<sup>th</sup> of December 2008 by and between:

NLB InterFinanz AG  
whose registered office is at  
Beethovenstrasse 48  
8002 Zürich, Switzerland  
(hereinafter: the "Lender")

and

IMING d.o.o..  
whose registered office is at  
Put Vrbovnika bb  
21311 Stobreč, Croatia  
(hereinafter: the "Borrower")  
MBS: 060140988

### WITNESSETH

WHEREAS, the parties hereto have on 6<sup>th</sup> of August, 2007 entered into a Loan Agreement (hereinafter the "Loan Agreement" or "Agreement") in the aggregate principal amount of EUR 5'200'000,00 in CHF countervalue,

WHEREAS, the Loan has been fully disbursed on 31<sup>st</sup> of August, 2007 in the total amount of CHF 8'567'000.00,

WHEREAS, the amendment no.1. has been concluded on 26<sup>th</sup> of December, 2008,

WHEREAS, the outstanding principal balance of the loan is CHF 8'567'000.00 (including due and unpaid principal instalment of CHF 856'700,00 due on August 31<sup>st</sup>, 2009;

WHEREAS, the outstanding amount of due and unpaid regular and late interest as per the date of this amendment is CHF 286'715,70;

WHEREAS, due to the cash flow problems, the client approached us with the request to reschedule the principal repayments and the regular and late interest due;

WHEREAS, the Borrower obliged itself to pay the amount of due and unpaid regular and late interest of CHF 286'715,70 and the Commission fee for rescheduling by 28<sup>th</sup> of February, 2010.

WHEREAS, the Lender is willing to reschedule the agreed terms under the certain conditions stated below, which the Borrower confirmed on December 22<sup>nd</sup>, 2009 with the signing of the offer.



This being premised the parties hereto agree as follows:

1. Notwithstanding Article 3 of the Loan Agreement, the first paragraph of this Article shall, from the date next due date i.e. 26<sup>th</sup> of February, 2010 be changed to read as follows:

### 3. INTEREST

Interest on all sums disbursed and outstanding in respect of the Loan under this Agreement, shall be calculated at the rate which is the aggregate of 6.5 % p.a. (six point five percent per annum) (the "**Margin**") and CHF LIBOR, rounded upwards to the nearest higher quarter of one percent (the "**Interest Rate**").

2. Notwithstanding Article 4 (Repayment) of the Loan Agreement the parties hereto agree that the repayment of all sums disbursed and outstanding in respect of the Loan under this Agreement shall be made in the currency of disbursement according to Article 2 i.e. CHF without deduction or set-off or counterclaim in equal semi-annual instalments, first instalment falling due on 31<sup>st</sup> of August, 2010, the last one on 28<sup>th</sup> of February, 2014.
3. Notwithstanding Article 6 of the Loan Agreement, the article shall, from the date of this Amendment No. 1 be changed to read as follows:

### 6. SECURITY

As security for its obligations to the Lender under the Loan Agreement, including but not limited to those, relating to the repayment of principal of the Loan, payment of regular and delay payment interest and all other sums payable under the Loan Agreement, the Borrower will procure that the first priority mortgage ("hipoteka") over a Real Property I, II, III and second priority mortgage ("hipoteka") over a Real Property IV and V (as defined below) shall be created for the benefit of the Lender and expressly allows for such mortgage to be registered in the said Land Register of the benefit of the Lender.

#### a) Mortgage

For the purpose of this Agreement the term Real Property I means the real estate marked in land register under number 1114, registered in land register under number 3648 sub register number number 1, cadastral community Primošten – building and yard of 1'527 sq.m.

For the purpose of this Agreement the term Real Property II means the real estate marked in land register under number 1089, registered in land register under number 5523, cadastral community Donje Polje – building and yard 550 sq.m.

For the purposes of this Agreement the term Real Property III means the real estate:

marked in land register under number 3055/1, registered in land register under number 3110, cadastral community Donje Polje. Land 202 sq.m.;



marked in land register under number 3055/2, registered in land register under number 3183, cadastral community Donje Polje. Land 65 sq.m.;

marked in land register under number 3055/3, registered in land register under number 4888, cadastral community Donje Polje. Land 152 sq.m.;

marked in land register under number 3055/4, registered in land register under number 4888, cadastral community Donje Polje. Land 532 sq.m.;

marked in land register under number 3055/11, registered in land register under number 4888, cadastral community Donje Polje. Land 520 sq.m.;

marked in land register under number 3055/12, registered in land register under number 4888, cadastral community Donje Polje. Land 384 sq.m.

For the purpose of this Agreement the term Real Property IV means the real estate: marked in land register under number 1562 (building 111sq.m), 650 (garden 90 sq.m), 653 (garden 40 sq.m.), 656/2 (pasture 73 sq.m.), 658 (garden) registered in land register under number 5092, cadastral community Primošten,

For the purpose of this Agreement the Real Property V means the real estate marked in land register under number k.o. Primošten, zk.ul.br. 3667 sa kč.br. 390 ZGR kuća stojna, and expressly allows for such Mortgage to be registered in the said Land Register of the benefit of the Lender.

The parties hereto agree to enter, through their legal representatives or their duly authorised representatives, into an agreement before a Notary Public, in form of notarial act or deed pursuant to Article 269 of the Croatian Law on Enforcement and Security ("*Ovršni zakon*") ("*sporazum vjerovnika I dužnika za osiguranje novčane tražbine*") on ascertainment of the existence of the Borrower's obligations to the Lender under this Agreement and on their agreement that such obligations are to be secured by registering the Mortgage in the land register and on the Borrower's consent that, upon its obligations under this Agreement becoming due and unpaid, the enforcement for the fulfilment of such Borrower's obligations may be sought from the Real Property I, II, III, IV and V. (the "Mortgage Agreement/s")

(b) Pledge of stake of the Borrower

For the purposes of this Agreement the term Stake means:

- Equity stake of the Company IMING d.o.o. Put Vrbovnika bb, 21311 Stobreč, Croatia, subscribed and paid in full, and totaling 100% of the total capital and held by the owner Mr. Rustem Zogaj.

The Lender and the owner of the Company IMING d.o.o. Mr. Rustem Zogaj will enter into a Stake Pledge Agreement on ascertainment of the existence of the Borrower's obligations toward the Lender under this Loan Agreement and on their agreement that such obligations are to be secured by registering the Stake Pledge Agreement in the Pledge Register of the movable objects and right over the stake in the Company and on the Stakeholder's consent that, upon Borrower's obligations under the Loan Agreement becoming due and unpaid the enforcement for the satisfaction of such Borrower's obligations may be sought directly on the basis of such settlement through the sale of stake in the Company and otherwise.



(c) Promissory Notes and Debenture

In addition to the above security, the Borrower shall provide to the Lender a set of 3 (three) promissory notes, duly signed by the Borrower, in form and with substance in accordance with Exhibit I hereto (hereinafter: the "Promissory Notes") with personal aval of the owner Mr. Rustem Zogaj. The maturity date and the amount of the Promissory Notes shall be left blank. The Promissory Notes shall be delivered to the Lender as Trustee together with corresponding trustee letter authorising the Trustee for the completion and release of the Promissory Notes (hereinafter: the "Trustee Letter"), in form and with substance in compliance with Exhibit II hereto.

The Borrower is also obliged to provide 1 (one) blanco debenture ("*bjanko zadužnica*") (the "Debenture"), with personal aval of the owner Mr. Rustem Zogaj issued and duly signed by the Borrower, in the form and with substance in compliance with Exhibit V hereto. The maturity date and the amount of the Debenture shall be left blank. The Debenture shall be delivered to the Lender as Trustee.

(d) Additional Security

Primošten Prima Centar d.o.o., Croatia (the "Guarantor") shall provide a set of 3 (three) promissory notes issued by the Guarantor (the "Guarantor Promissory Notes") with personal aval of the owners and shall be issued in form and with substance in compliance with Exhibit III hereto. The maturity date and the amount of the Guarantor Promissory Notes shall be left blank. The Guarantor Promissory Notes shall be delivered to the Lender as Trustee together with corresponding Trustee Letter (hereinafter: the "Guarantor Trustee Letter"), in form and substance in compliance with Exhibit IV hereto.

The Guarantor is also obliged to procure 1 (one) blanco debenture ("*bjanko zadužnica*") (the "Guarantor Debenture") with personal aval of the owner Mr. Rustem Zogaj, issued and duly signed by the Guarantor, in the form and with substance in compliance with Exhibit V hereto. The Guarantor Debenture shall be delivered to the Lender as Trustee.

(e) Letter of NEWCO MINE AND INSTUSTRY OF MAGNESITE GOLESHI L.L.C, Kosovo ("Goleshi")

confirming the awareness of the Loan Agreement signed on August 06, 2008 as amended by Amendment No. 1 between the Borrower and the Lender and also it's financial obligations toward the Borrower. With signing company Goleshi undertake irrevocable obligation to pay it's due obligations toward the Borrower directly to the Lender. The obligation for payment under this letter will be activated only if the Borrower fails to effect payments in accordance with the Loan Agreement as amended by this Amendment No. 1.

All securities set out in this Article 6 shall be hereafter together referred to as the "Security Documents".

At the request of the Lender the Borrower shall at its own expense promptly execute and deliver all other agreements, deeds, instruments, notices, authorisations, proxies or any other documents and do such other acts and things as the Lender may from time to time require for perfecting, protecting and/or realisation of any of the securities set out herein and the Security Documents respectively.



Each Promissory Note released in case of non-payment of the Borrower by the Lender in accordance with the Trustee Letter shall be immediately replaced by an adequate new Promissory Note accompanied by the corresponding Trustee Letter in form and substance satisfactory to the Lender.

4. Notwithstanding Article 7 (Fees and Expenses) of the Loan Agreement the parties agree that the following sub-clause should be added at the end of the article:

The Borrower shall pay to the Lender a restructuring fee at the rate of 0,33% (zero point thirty three percent) flat, calculated on the amount of the loan i.e. CHF 28'271,00 to its account no. 1100-4922.370 (IBAN CH82 0070 0110 0049 2237 0) with Zürcher Kantonalbank, Zürich. The said amount is due by 28<sup>th</sup> of February, 2010.

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All other provisions of the Loan Agreement and Amendment no. 1 remain unchanged and apply to this Amendment No. 2 as well.

This Amendment is made in three identical copies in English language.

In witness thereof, the parties hereto have entered into this amendment on 30<sup>th</sup> of December, 2009.

**Borrower: IMING d.d., Stobreč**

by:

name:

Ruđer Zogaj

title:

**IMING** d.o.o.  
Director  
STOBREČ, Put Vrbovnika bb

**Lender: NLB InterFinanz AG, Zürich**

by:

name: Tomaž Lavrič

title: Deputy Managing Director

by:

name: Zdenka Koron

title: Prokurist