

LOAN AGREEMENT WITH OPTION FOR DEBT-TO-EQUITY CONVERSION

This LOAN AGREEMENT WITH OPTION FOR DEBT-TO-EQUITY CONVERSION (the "Agreement") is dated as of April 9th, 2021, and entered by and between (1) **TRACAJÁ INVESTMENTS LIMITED**, a limited liability company organized under the laws of the British Virgin Islands, with offices at Craigmuir Chambers, Road Town, Tortola, VG, 1110, British Virgin Islands (the "Lender"), and (2) **BUREY S.A.**, a corporation organized under the laws of the Oriental Republic of Uruguay, registered in RUT cone No. 217963910016, with tax domicile in Brandzem, 1961/905, Montevideo, Uruguay, (the "Borrower"), collectively the "Parties".

WHEREAS,

- I. Borrower desires to borrow a fixed amount of money from Lender; and
- II. Lender agrees to lend a fixed amount of money to Borrower, with an option to debt-to-equity conversion to be exercised by the Lender pursuant to the terms hereunder,

IN CONSIDERATION of the mutual promises, covenants, and conditions contained herein, the Parties agree as follows:

1. LOAN AMOUNT. The Parties hereby agree that Lender will loan to Borrower the total amount of USD 685,000.00 (six hundred and eighty five thousand dollars) (the "Loan"), in installments, as follows:

- 1st. Installment of USD 55,000 (fifty five thousand dollars) in advance, and already sent to the Borrower's Account (Caixa Geral Agrícola – Portugal);
- 2nd. Installment of USD 210,000 (two hundred and ten thousand dollars) on April 10th, 2021;
- 3rd. Installment of USD 210,000 (two hundred and ten thousand dollars) on May 10th, 2021;
- 4th. Installment of USD 210,000 (two hundred and ten thousand dollars) on June 10th, 2021;

2. INTEREST RATE. The Parties hereby agree that the interest rate for the Loan shall be 2.5% (two and a half percent) to be accrued per year.

3. LOAN TERM. This Loan shall be in effect as of the execution of this agreement until the payment date of the last installment provided bellow, wich is a period of 26 (twenty six) months and one day in total.

4. REPAYMENT. The Parties hereby agree that Borrower shall pay Lender as follows:

- 1st Repayment of USD 55,000 (fifty five thousand) plus interest on April, 9th, 2023;
- 2nd Repayment of USD 210,000 (two hundred end ten thousand dollars) plus interest on April 10th, 2023;
- 3rd Repayment of USD210,000 (two hundred end ten thousand dollars) plus interest on May 10th, 2023;
- 4th Repayment of USD210,000 (two hundred end ten thousand dollars) plus interest on June 10th, 2023;

5. USE OF LOANED FUNDS. Borrower hereby agrees that the Loan shall be used by the Borrower exclusively in order to enable its operations and the implementation of the Borrower's Business Plan (BP from March 2020) and the 03 (three) months Cash Flow (APR-JUN 2021), already informed to the Lender. The Borrower shall present to the Lender the documentation proving the achievement of each of the milestones on the Borrower's Cash Flow (as set forth in Schedule 1), with 05 (five) days in advance of the estimated date for the disbursement of a Loan installment. Once the Lender has confirmed the performance of the relevant milestone, Lender will release the amount of the Loan installment to the Borrower. Lender's satisfaction will be conditional on the Borrower providing to the Lender such evidence as the Lender may require that the relevant milestone has been achieved, and the Lender confirming (in their absolute discretion) that the relevant milestone has been achieved to its satisfaction.

6. REPRESENTATIONS AND WARRANTIES. The Borrower hereby represents and warrants to, and covenants with the Lender as follows, and acknowledges that the Lender is relying thereon, both at the date hereof and for the entire duration of this Agreement that:

(a) The execution and delivery of this Agreement is within the corporate power and authority of the Borrower and has been duly authorized by all necessary corporate action, and this Agreement constitutes a valid and binding obligation of the Borrower, enforceable against it and its successors in accordance with its terms.

(b) None of the execution and delivery of this Agreement, the consummation of the transactions contemplated herein or the fulfillment of or compliance with the terms and provisions hereof do or will, with the giving of notice, or the lapse of time or both (i) to the best of the knowledge of the Borrower, violate any provision of any

law or administrative regulation or any administrative orders, award, judgment or decree applicable to the Borrower, (ii) conflict with any of the terms, conditions or provisions of the bylaws or articles of the Borrower or any resolution of its directors or shareholders, or (iii) conflict with, result in a breach or constitute a default under, or accelerate or permit the acceleration of the performance required by, any material agreement, covenant, undertaking, commitment, instrument, judgment, order, decree or award to which the Borrower is a party or by which it is bound or to which the property of it is subject.

(c) Borrower is a company duly organized under the laws of the Oriental Republic of Uruguay and is presently in good standing thereunder with full corporate power to own its properties and carry on its business as now being conducted.

(d) The Borrower undertakes to the Lender that it will not, unless approved in writing by the Lender:

- Issue Securities: issue or create (by classification or otherwise) any new shares or options having rights, preferences or privileges senior to or on parity with the current shares;
- Change Capital Structure: increase or reduce the share capital of the Borrower, or in any way change the capital structure of the Borrower;
- Change in Ownership: approve any change in the ownership or control of the Borrower's shares;
- Dispose of Assets: sell or dispose by any method a material proportion of the Borrower's assets; and
- Borrowings and Security: enter into any borrowings, guarantees, indemnities or other contingent commitments or the granting of any security over the assets of the Borrower.

7. EVENTS OF ACCELERATION. The entire unpaid principal balance of the Loan, together with all accrued and unpaid interest, shall become immediately due and payable prior to the specified due date(s) of this Agreement upon the occurrence of any of the following events:

(a) In case of breach of any of the obligations assumed by the Borrower in this Agreement; and

(b) In case of falsehood or insufficiency of any statement, representation or warranty made by the Borrower in this Agreement, without prejudice to the Lender's right to be indemnified for any losses and damages arising from falsehood or insufficiency of any such statements, representations or warranties.

8. OPTION FOR DEBT-TO-EQUITY CONVERSION. The Lender may by notice in writing to the Borrower convert all amounts under the Loan, or any part of the Loan outstanding at a relevant time, into equity participation in the Borrower's share capital. As such, as an alternative to the receipt of any amounts due under this Agreement, and at the sole and exclusive option of the Lender, the Parties hereby agree that the Lender shall have the right, but not the obligation, to convert any or all outstanding Loan amounts due under this Agreement into equity participation in the Borrower's share capital. If the Lender chooses to do so, the percentage of share capital equivalent to the outstanding loan amounts the Lender wishes to convert into equity must be based on the Borrower's current valuation which is USD 55,000,000.00 (fifty five million US dollars), whose percentage equivalence of the Borrower's share capital shall be based on the actual Current Valuation of 100% (one hundred percent) of the Borrower, agreed by common agreement between the Parties thereafter. Shares issued on conversion will be credited as fully paid and rank *pari passu* with all other shares of the Borrower then on issue.

9. DEFAULT. If any sum is not paid to the Lender when due, the Borrower shall be liable to pay to the Lender interest on the overdue sum from the due date for payment until the date of payment of that sum to the Lender. Interest under this section will accrue on a daily basis and be calculated by reference to successive periods of such duration as the Lender may select at the rate of 2% per cent per year.

10. OBSERVATION. The Lender may nominate any person to attend all meetings and proceedings of the Borrower's board as an observer, and to receive all papers provided to the board, provided that such person signs a confidentiality agreement in a form reasonably acceptable to the board if requested by the board.

11. INFORMATION AND REPORTS: The Borrower will provide to the Lender such information and reports as the Lender may reasonably request from time to time.

12. GENERAL PROVISIONS.

(a) **Survival.** The agreements, undertakings, representations, warranties, and obligations contained in this Agreement shall survive the consummation of all transactions contemplated by this Agreement, and this Agreement shall be binding upon and inure to the

benefit of the Parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

(b) Further Assurances. The Parties agree (i) to furnish upon request to each other such further information, (ii) to execute and deliver to each other such other documents, and (iii) to do such other acts and things, all as the other Party may reasonably request for the purpose of carrying out the intent of this Agreement.

(c) Counterparts. This Agreement may be executed in any number of counterparts, and all of which taken together will constitute one instrument. The parties acknowledge that copies of this Agreement, including signatures to the Agreement, which are reproduced or transmitted via facsimile, by electronic mail in PDF form, or by any other electronic means designed to preserve the original graphic and pictorial appearance of a document, will be deemed to have the same effect as physical delivery of the paper document bearing the original signatures.

(d) Successors and Assigns. This Agreement shall be binding upon and inure solely to the benefit of each Party and its respective successors and assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement. This Agreement may not be assigned without the prior written consent of the Parties, which consent may not be unreasonably withheld.

(e) Governing Law, Jurisdiction and Venue. All issues and questions concerning the application, construction, validity, interpretation and enforcement of this Agreement shall be governed by and construed in accordance with the laws of the Oriental Republic of Uruguay, without giving effect to any choice or conflict of law provision or rule. The Parties hereby agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby, whether in contract, tort or otherwise, shall be brought in the courts of the Oriental Republic of Uruguay. Each of the Parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum.

(f) Confidentiality. Each Party shall keep the terms and conditions of this Agreement strictly confidential and shall not disclose any such terms to a third party, nor issue any press release or otherwise make any statement with respect to this Agreement without the written consent of the other Party. Each Party shall keep the other Party's Confidential

Information confidential and shall not use such Confidential Information except for the purpose of exercising or performing its rights and obligations under this Agreement, or disclose such Confidential Information in whole or in part to any third party, except as expressly permitted by this section. Unless expressly stated otherwise, all information exchanged by the Parties shall be deemed as Confidential Information, except that the term "Confidential Information" does not include any information that: (i) is or becomes generally available to the public (other than as a result of its disclosure by the recipient or its representatives in breach of this section); (ii) was available to the recipient on a non-confidential basis prior to disclosure by the discloser; (iii) was, is or becomes available to the recipient on a non-confidential basis from a person who, to the recipient's knowledge, is not bound by a confidentiality agreement with the discloser or otherwise prohibited from disclosing the information to the recipient; (iv) was known to the recipient before the information was disclosed to it by the discloser; or (v) the Parties agree in writing is not confidential or may be disclosed. A Party may disclose Confidential Information to the extent required by law, by any governmental or other regulatory authority or by a court or other authority of competent jurisdiction provided that, to the extent it is legally permitted to do so, it gives the other Party as much notice of such disclosure as possible and, where notice of disclosure is not prohibited and is given in accordance with this section 12 (f), it takes into account the reasonable requests of the other Party in relation to the content of such disclosure. This section 12 (f) shall remain in force for 5 (five) years after the termination of this Agreement irrespective of termination reason.

(g) Amendments. This Agreement may be amended, supplemented or changed only by an agreement in writing which makes specific reference to this Agreement. Any amendments to this Agreement shall only be valid and effective if properly formalized and executed by legal representatives of the Parties.

(h) Entire Agreement. This Agreement sets forth the entire agreement among the Parties hereto pertaining to the specific subject matter hereof and replaces and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties hereto, and there are no warranties, representations or other agreements, whether oral or written, express or implied, statutory or otherwise, between the Parties hereto in connection with the subject matter hereof except as specifically set forth herein. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

(i) Additional Covenants. The parties agree to execute and deliver to each other such further instruments and other written assurances or agreements, and to do or cause to be done such further acts or things as may be necessary or convenient to carry out and give effect to the intent of this Agreement, or as any of the Parties may reasonably request in order to carry out the transactions contemplated herein.

(j) **Timeliness.** Time shall in all respects be of the essence of this Agreement.

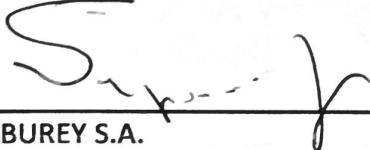
(k) **Severability.** In case any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired thereby, and any such invalid, illegal or unenforceable provision shall be deemed to be severable, and the remainder of the provisions of this Agreement shall nevertheless remain in full force and effect.

EACH OF THE PARTIES HERETO ACKNOWLEDGES AND AGREES THAT IT HAS HAD ADEQUATE OPPORTUNITY AND TIME TO READ AND REVIEW THIS AGREEMENT AND THE INSTRUMENTS AND AGREEMENTS REFERENCED HEREIN, TO CONSIDER THEIR EFFECT, AND TO HAVE THEM REVIEWED BY LEGAL COUNSEL. EACH PARTY IS, THEREFORE, KNOWINGLY AND VOLUNTARILY ENTERING INTO THIS AGREEMENT.

IN WITNESS WHEREOF, the Parties hereby have caused this Agreement to be executed by their duly authorized representatives.

TRACAJÁ INVESTMENTS LIMITED

By:



BUREY S.A.

By: Sergio Merota Jr.

Passport number

FR504152