

The Directors
Ganfeng International Trading (Shanghai) Limited
Building 26
Lane 4088 Luoshan Rd
Shanghai
China

.....25. August 2021

Dear Directors

1. Proposed offer for Bacanora Lithium plc

I understand that Ganfeng International Trading (Shanghai) Limited (the **Offeror**) proposes to make an offer for all the issued and to be issued ordinary shares of £0.10 each in Bacanora Lithium plc (the **Offeree**) (the **Shares**) other than those Shares already owned by the Offeror for the consideration, and otherwise substantially on the terms and subject to the conditions, set out in the draft press announcement attached to this letter (the **Announcement**), subject to such amendments or additions to such terms and conditions as may be required by the City Code on Takeovers and Mergers (the **Code**), the Panel on Takeovers and Mergers (the **Panel**) or any applicable law or regulation. The full terms of the Offer will be set out in a formal offer document (the **Offer Document**) addressed to the shareholders of the Offeree.

In this letter, the **Offer** means the proposed offer by the Offeror to acquire Shares as described above and includes any new, revised, improved or increased offer by the Offeror (or by one of its subsidiaries). Certain other terms used in this letter are defined in paragraph 10.7.

In consideration (subject to paragraph 8.2) of the Offeror agreeing to make the Offer, I undertake, confirm, represent, warrant and agree to and with the Offeror on the terms set out in this letter, which is entered into as a deed.

1. Representations and warranties

1.1 I represent and warrant to you that:

1.1.1 I am the beneficial owner of, or otherwise able to procure the transfer of and the exercise of all other rights attaching to, the number of Shares specified in the Schedule to this letter (the **Committed Shares**);

1.1.2 the Schedule sets out true, complete and accurate details of:

(a) the registration, ownership and control of the Committed Shares; and

(b) all Options (as defined in paragraph 10.7), warrants and other rights I may have to subscribe for, purchase or otherwise acquire any securities of the Offeree;

1.1.3 there are no Shares in which I am interested or taken to be interested, except for the Committed Shares;

- 1.1.4 the Committed Shares are held free of all liens, charges, options, equities, encumbrances, rights of pre-emption and any other third party rights and interests of any nature;
- 1.1.5 I am not acting in concert (as defined in the Code) with any other person other than being presumed to be acting in concert with the Offeree and the other directors of the Offeree (but disregarding for this purpose any person I may be deemed to be acting in concert with because they are giving an irrevocable undertaking to the Offeror); and
- 1.1.6 I have full power and authority to enter into this letter, to accept or procure the acceptance of the Offer in respect of the Committed Shares and to perform my other obligations in this letter.
- 1.2 The warranties and representations in paragraph 1.1 shall not be affected or extinguished by the transfer of the Committed Shares under the Offer.

2. **Acceptance of the Offer**

- 2.1 I irrevocably undertake to the Offeror that:
 - 2.1.1 I shall, no later than ten business days after the publication of the Offer Document, accept or procure the acceptance of the Offer in respect of all the Committed Shares, and shall cause the registered holder of any Committed Shares to accept the Offer, in accordance with the procedure set out in the Offer Document, and shall do or procure to be done all such things as may be required to give effect to such acceptance, whether by delivery of share certificates for the Committed Shares or otherwise;
 - 2.1.2 I shall not in any circumstances withdraw any acceptance of the Offer in respect of the Committed Shares and shall not cause or permit the registered holder of any Committed Shares to do so;
 - 2.1.3 the Committed Shares will be acquired by the Offeror free from all liens, charges, options, equities and other encumbrances and third party rights of any nature and together with all rights (including the right to all dividends and distributions) now or at any time attaching or accruing to them; and
 - 2.1.4 I shall from time to time promptly complete, execute and deliver such documents and do all such other things as may be necessary to give full effect to each of my undertakings, agreements, warranties, representations, appointments and consents as set out in this letter.
- 2.2 In this letter, the term **Committed Shares** includes any further shares of the Offeree which (notwithstanding paragraph 4) I may become the registered holder or beneficial owner of, or in respect of which I may otherwise become entitled to exercise all rights and interests, after the date of this letter, whether or not deriving from or attributable to the Committed Shares specified in the Schedule. The undertaking in paragraph 2.1.1 shall take effect in relation to any such further Shares as an undertaking to accept or procure acceptance of the Offer in respect of those Shares on or before the later of (a) two business days after I become their registered holder or beneficial owner or otherwise become entitled to exercise all rights/interests in respect of them and (b) five business days after the publication of the Offer Document.

3. **Voting**

- 3.1 Unless and until this letter lapses in accordance with paragraph 8.1, I shall exercise or procure the exercise of the voting rights attached to the Committed Shares in respect of any Offer Resolution (as defined in paragraph 3.4 below) in accordance with the Offeror's written instructions.
- 3.2 I shall exercise or procure the exercise of the rights attached to the Committed Shares to requisition or join in the requisition of any general meeting of the Offeree as the Offeror may request for the purpose of considering an Offer Resolution.
- 3.3 For the purposes of voting on an Offer Resolution, I shall execute (and shall procure that the registered holder of any Committed Shares shall execute) any form of proxy required by the Offeror in relation to the Committed Shares appointing any person nominated by the Offeror to attend and vote at the relevant general meeting of the Offeree.
- 3.4 An Offer Resolution is any resolution (whether or not amended) proposed at a general meeting of the Offeree (or at an adjourned meeting) or otherwise put to shareholders of the Offeree the passing of which is necessary to implement the Offer (including the Resolutions (as defined in the Announcement) and any resolution as to the adoption of new articles of Association of the Offeree) or which, if passed, might result in any condition of the Offer not being fulfilled or which might impede or frustrate the Offer in any way, and includes any resolution to adjourn a meeting at which such a resolution is to be considered and any resolution to amend a resolution falling within this paragraph 3.4.

4. Dealings

- 4.1 Unless and until the Offer closes, lapses or is withdrawn, I shall not, and shall procure that the registered holder of any of the Committed Shares which are not registered in my name shall not:
- 4.1.1 sell the Committed Shares, or transfer, charge, pledge or otherwise encumber or grant any option or other right over, or otherwise dispose of or deal with or permit any such action to occur in respect of all or any of the Committed Shares or any interest in any of them except by my acceptance of the Offer or to the Offeror;
- 4.1.2 accept (or vote any Committed Shares in favour of), or give any undertaking or other commitment to accept (or to vote any Committed Shares in favour of), any offer, scheme of arrangement, merger or business combination made or proposed to be made in respect of all or any of the Committed Shares by any person other than the Offeror;
- 4.1.3 except with the prior written consent of the Offeror and only if the Panel determines and confirms to the Offeror that, in respect of such acquisition or dealing, I am not acting in concert with the Offeror pursuant to Note 9 on the definition of "acting in concert" in the Code, but save for any Shares acquired in connection with the vesting of awards or the exercise of Options, purchase or otherwise acquire any further interest in Shares or other securities of the Offeree, or any options or other derivative securities referenced to such Shares or securities; or
- 4.1.4 enter into any agreement or arrangement, incur any obligation or give any indication of intent, or permit any agreement or arrangement to be entered into, any obligation to arise or any indication of intent to be given (in any case whether conditionally or unconditionally and whether or not legally binding) to do any of the acts referred to in this paragraph 4 or which would or might restrict or impede the Offer becoming unconditional or my ability to comply with this undertaking.

4.2 Notwithstanding paragraph 4.1, prior to my acceptance of the Offer, I shall be permitted to transfer (in one or more transactions) some or all of my Committed Shares (**Family Shares**) to one or more persons connected to me within the meaning of sections 252 to 255 of the Act (including my spouse, children and certain family trusts and family companies) provided that on the date of transfer I procure that the transferee(s) sign and deliver to you irrevocable commitments in respect of such Family Shares substantially in the form of this letter (unless any such transferee has already signed and delivered to you an irrevocable commitment on terms which extend to his or her Family Shares).

5. Consents

5.1 I consent to:

5.1.1 a copy of this letter being disclosed to the Panel;

5.1.2 the inclusion of references to me and the registered holder of any Committed Shares and particulars of this letter and my holdings of relevant securities being included in the Announcement, the Offer Document and any other announcement made, or document issued, by or on behalf of the Offeror in connection with the Offer; and

5.1.3 this letter being made be available for inspection as required by Rule 26.1 of the Code (including it being published, in redacted form, on the websites of the Offeror and the Offeree).

5.2 I shall promptly give you all information and any assistance you may reasonably require relating to me or the Committed Shares for the preparation of the Offer Document and any other document issued, by or on behalf of the Offeror in connection with the Offer in order to comply with the requirements of the Code, the Panel, the Financial Conduct Authority (the FCA), London Stock Exchange plc, or any other relevant legal or regulatory requirement in relation to the Offer. I will notify you in writing of any change in the accuracy or import of any such information previously provided by me immediately upon my becoming aware of any such change.

5.3 I further acknowledge that I am obliged to make appropriate disclosures under Rule 2.10(c) of the Code promptly after becoming aware that I will not be able to comply with the terms of this deed or no longer intend to do so.

6. Secrecy

I understand that until such time as the Offer is announced, the information I have received from you in connection with the Offer must be kept confidential. I undertake not to disclose to any third party (save for the Offeree and, to the extent reasonably necessary in connection with the Offer, its directors, officers, employees and advisers):

6.1.1 the existence or subject matter of this letter or the possibility of the Offer and/or its proposed terms; or

6.1.2 details of our discussions relating to the Offer (whether before or after the release of the Announcement),

except in each case to the extent that such matters have been made public through the issue of the Announcement or any other document published in connection with the Offer. The obligations in this paragraph 6 shall survive termination of this letter.

7. Power of attorney

In order to secure the performance of my obligations under paragraphs 2 and 3, I irrevocably appoint any director for the time being of the Offeror to be my attorney to execute in my name and on my behalf such deeds and documents, and to take such other action, as may be necessary for or incidental to the acceptance of the Offer and/or the performance of my other obligations under paragraphs 2 and 3 (including to execute any form of acceptance of the Offer or any form of proxy required by the Offeror appointing any person nominated by it to attend and vote on an Offer Resolution), provided that this appointment shall not take effect unless I fail to comply with any such obligation within the relevant time specified for compliance. I undertake to ratify any act properly performed by my attorney in accordance with the terms of this paragraph 7. This power of attorney is given by way of security and is irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 until such time as this letter lapses under paragraph 8.1.

8. Lapse of obligations

8.1 This letter will lapse and my obligations under this letter will cease to have effect if:

8.1.1 a press announcement substantially on the terms and conditions set out in the Announcement is not released by 5.00 p.m. on 25 August 2021 (or such later date as the Offeror and the Offeree may agree);

8.1.2 the Offer Document is not published within 28 days of the date of release of the Announcement (or within such longer period as the Offeror, with the consent of the Panel, may determine); or

8.1.3 any competing offer for the issued and to be issued Shares is made which is declared unconditional (if implemented by way of a takeover offer) or otherwise becomes effective (if implemented by way of a scheme of arrangement); or

8.1.4 the Offer lapses or is withdrawn.

8.2 If this letter lapses, no party shall have any claim against any other save in respect of any prior breach and (subject to the requirements of the Code, the Panel and any applicable law or regulation) nothing in this letter shall oblige the Offeror to announce the Offer or, if announced, to make the Offer.

9. Scheme of arrangement

I note that the Offeror reserves the right to implement the acquisition of the Offeree by way of scheme of arrangement (a **Scheme**) under Part 26 of the Act. If the acquisition is so implemented, I confirm and agree that I will enter into an irrevocable undertaking in analogous terms to those contained in this letter in respect of the Scheme.

10. General

10.1 I confirm that I am not the customer of your financial adviser, Teneo Restructuring Limited (**Teneo**), and that Teneo owes me no duties or responsibilities whatsoever in relation to the Offer or this letter as its customer or deemed customer.

- 10.2 Nothing in this undertaking shall restrict my duties as a director, including my ability as a director of the Offeree to change my recommendation to shareholders of the Offeree in accordance with my duties as a director of the Offeree.
- 10.3 Notwithstanding paragraph 10.11 below, I acknowledge and agree that if the Panel determines any provision of this undertaking that requires the Offeree to take or not to take any 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.
- 10.4 I confirm that I have been given an adequate opportunity to consider whether or not to enter into this letter and to obtain independent advice.
- 10.5 I agree that if I should fail to accept or procure the acceptance of the Offer in accordance with my obligations under this letter or should otherwise breach any of such obligations, damages would not be an adequate remedy and that, without prejudice to any other remedies you may have, you shall be entitled to seek the remedies of injunction, specific performance and other equitable relief.
- 10.6 Any time, date or period referred to in this letter may be varied by mutual agreement between the parties but, as regards any time, date or period originally fixed or so varied, time shall be of the essence.
- 10.7 In this letter:
- 10.7.1 Act means the Companies Act 2006;
- 10.7.2 acting in concert, business day, offer and offer period have the meanings set out in the Code;
- 10.7.3 being interested in or having interests in shares or securities shall be interpreted in accordance with the Code and Part 22 of the Act; and
- 10.7.4 Options means any rights in respect of Shares pursuant to the Incentive Schemes (as defined in the Announcement).
- 10.8 This letter shall be binding on my estate and personal representatives.
- 10.9 In respect of any Committed Shares not registered in my name, I undertake to procure that their registered holder complies with my obligations under this letter.
- 10.10 No term of this letter is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to it.
- 10.11 The invalidity, illegality or unenforceability of any provision of this letter shall not affect the continuation in force of the remainder of this letter.
- 11. Governing law**
- 11.1 This letter and any dispute or claim arising out of, or in connection with, it, its subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England and Wales.

11.2 I agree that the courts of England and Wales shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the subject matter of this letter or its formation (including non-contractual disputes or claims).

I intend this letter to be a deed and sign and deliver it as a deed.

Executed and Delivered as a Deed by
EILEEN CARR



Witness Signature:

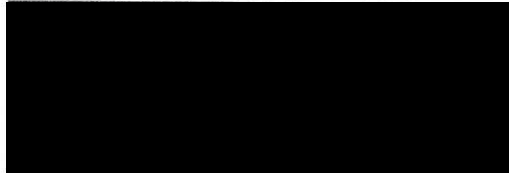


Witness Name:

Address:

Occupation:

Executed and Delivered as a Deed by
GANFENG INTERNATIONAL TRADING
(SHANGHAI) LIMITED acting by one
director in the presence of:



Director

Witness Signature:

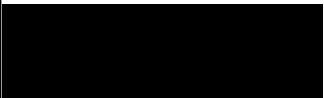
Witness Name:

Address:

Occupation:

Schedule 1

The Committed Shares

Registered holder	Beneficial owner	Number of Shares
	Eileen Carr	88,888

Options

Registered holder	Description of Option	Number of Shares to which the Option relates
N/a	N/a	N/a