

SETTLEMENT AGREEMENT

THIS AGREEMENT is made this 11th day of ~~April~~^{May} 1999 between the following:

- (1) Oba Enterprises Limited
- (2) Cerasus Investments Limited
- (3) Pascani Holdings Limited
- (4) Gabriel Capital LP
- (5) International Real Returns LLC
- (6) Apricus Investments Limited
- (7) Andersen Group Inc
- (8) Greencastle Enterprises Limited
(collectively "the Plaintiffs")
- (9) TMC (Holdings) Limited ("Holdings")
- (10) TMC Trading Limited ("Trading")
- (11) Valmet Isle of Man Limited ("Valmet")
- (12) Altham Limited ("Altham")
(collectively "the Defendants")
- (13) Peter Michael Bond ("Mr Bond")
- (14) TMC Trading International Limited ("International")
- (15) TMC USA Inc
- (16) Tarver Limited ("Tarver")
- (17) Mencey Investments Limited ("Mencey")
- (18) Avisma Titano-Magnesium Kombinat ("Avisma")
- (19) Verkhne Saldinskoye Metallurgicheskoye Proizvodstvennoye Obedinerie
("VSMPO")
- (20) Philean Trust Company Limited as trustee of the LCM Trust ("Philean")
- (21) Parton Limited ("Parton")
- (22) Callin Limited ("Callin")
- (23) Hawklane Limited ("Hawklane")
- (24) Risk Capital Limited ("Risk Capital")
- (25) Jurby Lake Limited ("Jurby Lake")

In this Agreement the following definitions are used:

- "Avisma's Account" - S.W.I.F.T. SABRRUMMPC1, Savings Bank of Russian Federation (Perm Office) Branch 1793 Motovilixa account number 40702840749500250092.
- "Avisma's Solicitors" - McDermott Will & Emery of 7 Bishopsgate, London EC2N 3AQ.
- "Avisma's Solicitors' Client Account" - Lloyds Bank plc, 30 Threadneedle Street, London EC2 8AU, Sort Code 30-00-09 US dollar client account number 11284193 (ref: Avisma).
- "Barclays Bank Douglas" - Barclays Bank plc of Victoria Street, Douglas, Isle of Man.
- "Barclays Bank Dublin" - Barclays Bank plc of 47/48 St Stephen's Green, Dublin 2, Ireland.
- "Creditanstalt" - Creditanstalt Investment Bank and/or CA-IB Investment Bank and/or CIS Emerging Growth Limited, or any of their directors, officers or employees or affiliates or associates.
- "Court" - The High Court of Justice of the Isle of Man.
- "Defendants' Advocates" - Cains of Old Bank Chambers, 15-19 Athol Street, Douglas, Isle of Man.
- "Interpleader Monies" - Monies currently the subject of the Interpleader Proceedings.
- "Interpleader Proceedings" - The legal proceedings commenced by Barclays Bank Douglas by Petition dated 1st December 1998 in the Isle of Man Proceedings in respect of a sum of monies

held at Barclays Bank Douglas in account number 45942022.

- "Irish Proceedings" - The legal proceedings (including any interlocutory proceedings relating thereto) serial number 1998/12535 commenced in the Irish High Court by the Plaintiffs against International.
- "Isle of Man Proceedings" - The legal proceedings (including any interlocutory proceedings relating thereto) serial number CLA 1998/220 commenced in the Common Law Division of the Court by the Plaintiffs against the Defendants but excepting the Third Party Proceedings and the Interpleader Proceedings.
- "Other Interested Parties" - International, TMC USA Inc, Parton, Callin, Hawklane, Risk Capital and Jurby Lake and employees and/or officers of the aforesaid and/or the Defendants including Mr Bond.
- "Plaintiffs' Advocates" - Gough & Co, Fifth Floor, Anglo International House, Bank Hill, North Quay, Douglas, Isle of Man IM1 4QE.
- "Plaintiffs' Solicitors" - Rakisons of Clements House, 14-18 Gresham Street, London, EC2V 7JE.
- "Plaintiffs' Solicitors' Client Account" - Coutts & Co, Roberts Office, 15 Lombard Street, London EC3V 9AU Sort Code 18-00-01 US dollar account number 31097140.
- * "Settlement Sum" - The sum of US\$10 million to be paid by TMC in full and final settlement of the Irish Proceedings, the Isle of Man Proceedings, the Third Party Proceedings and all claims arising out of trading between Avisma and