NORONT

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED JANUARY 31, 2013 AND 2012

(EXPRESSED IN CANADIAN DOLLARS)

Noront Resources Ltd.
Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	Note	As at January 31, 2013	As at April 30, 2012
Assets			
Current Assets			
Cash and cash equivalents		**$ 2,024,706**	$ 5,066,944
Restricted cash		**385,046**	385,046
Marketable securities		**10,645**	60,987
Taxes and duties receivable	**4**	**195,995**	262,907
Supplies inventory		**174,470**	305,422
Prepaid expenses		**124,867**	336,070
Total Current Assets		**$ 2,915,729**	$ 6,417,376
Non-Current Assets			
Equipment		**1,910,402**	1,852,284
Intangible Assets		**77,440**	68,017
Mineral properties	**5**	**1,688,104**	1,863,104
Total Non-Current Assets		**$ 3,675,946**	$ 3,783,405
Total Assets		**$ 6,591,675**	$ 10,200,781
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable and accrued liabilities	**7**	**$ 1,649,064**	$ 2,052,325
Provision for environmental expenditure		**516,480**	516,480
Total Current Liabilities		**2,165,544**	2,568,805
Non-current Liability			
Provision for environmental expenditure		**708,324**	704,775
Total Liabilities		**$ 2,873,868**	$ 3,273,580
Shareholders' Equity			
Capital stock	**6b**	**$ 167,849,692**	$ 156,663,209
Warrants	**6d**	**2,575,675**	2,575,675
Contributed surplus		**29,580,312**	28,755,355
Deficit		**(196,098,516)**	(180,928,025)
Accumulated other comprehensive loss		**(189,356)**	(139,013)
Total Shareholders' Equity		**$ 3,717,807**	$ 6,927,201
Total Shareholders' Equity and Liabilities		**$ 6,591,675**	$ 10,200,781

Going Concern (Note 1)
Commitments and Contingencies (Note 9)

Noront Resources Ltd.
Consolidated Interim Statements of Loss
(Expressed in Canadian dollars)
(Unaudited)

	Note	Three Months Ended January 31, **2013**	Three Months Ended January 31, 2012	Nine Months Ended January 31, **2013**	Nine Months Ended January 31, 2012
Expenses					
Mining studies and exploration expenditures	**11a**	**$ 1,821,242**	$ 4,833,955	$ 9,324,364	$ 16,950,217
Office and general	**11b**	**1,792,570**	1,036,407	4,427,616	3,466,862
Amortization		**155,298**	101,589	484,813	304,765
Share-based compensation	**6c**	**116,262**	647,284	824,957	1,833,312
Write off of mineral property	**5a**	**-**	-	175,000	-
Loss before finance items		**$ (3,885,372)**	$ (6,619,235)	$ (15,236,750)	$ (22,555,156)
Interest income		**12,875**	30,977	68,985	135,017
Gain on sale of marketable securities		**-**	85	823	85
Flow-through share premium		**-**	80,438	-	174,808
Accretion (expense) recovery		**11,817**	(302)	(3,549)	(5,086)
Net loss		**$ (3,860,680)**	$ (6,508,037)	$ (15,170,491)	$ (22,250,332)
Loss per share - basic and fully diluted	**8**	**$ (0.02)**	$ (0.03)	$ (0.07)	$ (0.11)

Consolidated Interim Statements of Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Note	Three Months Ended January 31, **2013**	Three Months Ended January 31, 2012	Nine Months Ended January 31, **2013**	Nine Months Ended January 31, 2012
Net loss		**$ (3,860,680)**	$ (6,508,037)	**$ (15,170,491)**	$ (22,250,332)
Other comprehensive loss					
Unrealized loss on marketable securities, net of taxes		**(4,417)**	(742)	**(50,343)**	59,962
Total comprehensive loss		**$ (3,865,097)**	$ (6,508,779)	**$ (15,220,834)**	$ (22,190,370)

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Noront Resources Ltd.
Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars, unless otherwise indicated)
(Unaudited)

	Common Shares	Capital Stock	Warrants and Broker Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance, April 30, 2011	**184,141,974**	**$ 137,522,092**	**$ 1,570,455**	**$ 26,370,951**	**$ (152,175,746)**	**$ (169,497)**	**$ 13,118,255**
Issue of shares	20,234,967	16,242,608	-	-	-	-	16,242,608
Cost of issue - cash	-	(126,034)	-	-	-	-	(126,034)
Exercise of options	16,667	10,333	-	-	-	-	10,333
Fair value of options exercised	-	8,951	-	(8,951)	-	-	-
Warrants allocation	-	-	1,159,464	-	-	-	1,159,464
Share based compensation	-	-	-	1,833,312	-	-	1,833,312
Net loss for the period	-	-	-	-	(22,250,332)	-	(22,250,332)
Net change in unrealized losses on available-for-sale marketable securities, net of taxes	-	-	-	-	-	59,962	59,962
Balance, January 31, 2012	**204,393,608**	**$ 153,657,950**	**$ 2,729,919**	**$ 28,195,312**	**$ (174,426,078)**	**$ (109,535)**	**$ 10,047,568**

	Common Shares	Capital Stock	Warrants and Broker Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Income (Loss)	Total
Balance, April 30, 2012	**208,500,740**	**$ 156,663,209**	**$ 2,575,675**	**$ 28,755,355**	**$ (180,928,025)**	**$ (139,013)**	**$ 6,927,201**
Flow-through private Issue of shares (Note 6b)	21,796,920	11,334,399	-	-	-	-	11,334,399
Cost of issue - cash	-	(147,916)	-	-	-	-	(147,916)
Share based compensation (Note 6c)	-	-	-	824,957	-	-	824,957
Net loss for the period	-	-	-	-	(15,170,491)	-	(15,170,491)
Net change in unrealized gains on available-for-sale marketable securities, net of taxes	-	-	-	-	-	(50,343)	(50,343)
Balance, January 31, 2013	**230,297,660**	**$ 167,849,692**	**$ 2,575,675**	**$ 29,580,312**	**$ (196,098,516)**	**$ (189,356)**	**$ 3,717,807**

NORONT

The accompanying notes are an integral part of these consolidated financial statements.

Noront Resources Ltd.
Consolidated Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

For the nine months ended January 31,		**2013**	2012
Operating activities			
Net loss for the period		**$ (15,170,491)**	$ (22,250,332)
Amortization		**484,813**	304,765
Share-based compensation		**824,957**	1,833,312
Accretion of provision of environmental expenditure		**3,549**	5,086
Write off of mineral property		**175,000**	-
Gain on sale of marketable securities		**(823)**	(85)
Flow-through share premium		**-**	(174,808)
Net change in non-cash working capital:			
Taxes and duties receivable		**66,912**	1,486,277
Prepaid expenses		**211,203**	(161,352)
Accounts payable and accrued liabilities		**(403,261)**	11,922
Supplies inventory		**130,952**	1,382,579
Net cash used in operating activities		**$ (13,677,189)**	$ (17,562,636)
Investing activities			
Mineral properties		**-**	(7,905)
Acquisition of equipment		**(505,981)**	(61,041)
Acquisition of intangible assets		**(46,374)**	-
Proceeds on disposal of marketable securities		**823**	3,739
Net cash used in investing activities		**$ (551,532)**	$ (65,207)
Financing activities			
Issue of common shares and units, net of share issue costs	**6b**	**11,186,483**	20,520,164
Net cash provided by financing activities		**$ 11,186,483**	$ 20,520,164
Change in cash and cash equivalents		**$ (3,042,238)**	$ 2,892,321
Cash and cash equivalents, beginning of period		**5,066,944**	8,888,928
Cash and cash equivalents, end of period		**$ 2,024,706**	$ 11,781,249

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of Business and Going Concern

Noront Resources Ltd. (the "Company" or "Noront") is a resource company listed on tier 1 of the TSX Venture Exchange ("TSX-V") involved in the exploration, development and acquisition of properties prospective in base and precious metals, including: nickel, copper, platinum group metals, chromite, precious metals and vanadium. The Company's flagship asset is the Eagle's Nest nickel, copper, platinum, palladium and gold deposit, part of the Company's McFauld's Lake Project, in the Ring of Fire area ("ROF") that is located in the James Bay Lowlands, Ontario. Eagle's Nest is the Company's most advanced mineral discovery in the ROF, the first of five mineral discoveries the Company has made since August 2007. The address of Noront's head office is 110 Yonge Street, Suite 400, Toronto, ON, Canada, M5C 1T4.

The Company is a development stage entity that does not generate operating revenues and has limited financial resources. The Company is subject to risks and challenges similar to companies in a comparable stage of development. These risks include the challenges of securing adequate capital in view of exploration, development and operational risks inherent in the mining industry and global economic and commodity price volatility. The underlying value of the Company's mineral properties and the recoverability of the related capitalized costs are entirely dependent on the Company's ability to obtain the necessary permits to operate and secure the required financing to complete development of and establish future profitable production from its mineral assets, or the proceeds from the disposition of, its mineral properties.

These condensed consolidated interim financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes the Company will be able to continue to operate for the foreseeable future and contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. For the nine month period ended January 31, 2013, the Company recorded a net loss of $15.3 million (January 31, 2012 – net loss of $22.3 million) and reported an accumulated deficit of $196.2 million (January 31, 2012 – $174.4 million).

The Company's sole source of funding up to January 31, 2013 has been the issuance of equity securities for cash. The Company's cash balance at January 31, 2013 is $2.0 million and working capital at January 31, 2013 is $0.8 million.

The Company's primary project is located in the James Bay Lowlands, a remote region of Northern Ontario. Over the next 12 months the Company plans to further the development of its Eagle's Nest project by incurring expenditures towards obtaining all required permits which includes completing the environmental assessment on the Eagle's Nest project, advancing infrastructure development and consulting with First Nation communities. Subsequent to the quarter end, the Company raised US$15.0 million which will enable the Company to complete its plans for the year (see note 12). On an ongoing basis, the Company examines various financing alternatives to address future funding requirements and its planned activities for the ensuing year to ensure its cash on hand is adequate to enable it to continue as a going concern.

The Company has successfully raised financing to date to continue as a going concern, however, there can be no assurance that it will be able to do so in the foreseeable future. As a result, given these material uncertainties, there may be significant doubt regarding the going concern assumption and accordingly, the use ultimately of accounting principles applicable to a going concern.

These condensed consolidated interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities, the reported expenses and balance sheet classifications that would be necessary if the going concern assumption was inappropriate. These adjustments could be material.

2. Basis of Preparation

These condensed consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. These interim financial statements should be read in conjunction with Noront's most recently issued annual financial statements for the year ended April 30, 2012, which includes information necessary or useful to understanding the Company's business and financial statement presentation.

These condensed consolidated interim financial statements were approved by the Audit Committee on behalf of the Board of Directors on March 7, 2013.

(Expressed in Canadian dollars, unless otherwise noted)

3. Significant Accounting Policies

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the preparation of the Company's annual consolidated financial statements for the year ended April 30, 2012.

4. Taxes and Duties Receivable

Taxes and duties receivable consist of:	**January 31, 2013**	April 30, 2012
Recoverable Sales Taxes	**$ 100,150**	$ 203,143
Other receivables	**95,845**	59,764
	$ 195,995	$ 262,907

5. Mineral Properties

The Company's projects consist of:

		January 31, 2013	April 30, 2012
(i)	McFauld's Lake Property - "Ring of Fire", James Bay Lowlands, Northeastern Ontario 100% interest subject to net smelter return ("NSR") of 1%	**$ 1,438,104**	$ 1,438,104
(ii)	Golden Valley Project, Ontario (a)	**-**	175,000
(iii)	Garden Island, Quebec 50% interest in the Garden Island gold-base metal property located near Val d'Or, Quebec	**250,000**	250,000
		$ 1,688,104	$ 1,863,104

(a) Under the terms of the Golden Valley option agreement, the Company had exploration expenditure commitments to be made by October 10, 2012. The Company decided to not incur these exploration expenditures and as a result, the option agreement was terminated. The Company does not retain any interest or rights in regard to the property, therefore the acquisition cost of $175,000 has been written off.

6. Capital Stock

(a) Authorized

Unlimited common shares without par value

(b) Issued

	Number of Shares	Value
Balance, April 30, 2012	208,500,740	$ 156,663,209
Issue of shares (i)	21,796,920	11,334,399
Share issue costs	-	(147,916)
Balance, January 31, 2013	**230,297,660**	**$ 167,849,692**

(Expressed in Canadian dollars, unless otherwise noted)

6. Capital Stock (Continued)

(i) On May 10, 2012 the Company completed a private placement with Resource Capital Fund V L.P. ("RCF"), pursuant to which RCF subscribed for 19,230,769 common shares in the capital of the Company (the "Common Shares") at a purchase price of $0.52 per Common Share, representing gross proceeds to the Company of approximately $10 million.

On May 25, 2012, the Company completed a private placement with Baosteel Resources International Co. Ltd. ("Baosteel"), pursuant to which Baosteel has exercised its right to maintain its 9.9% interest in the Company. Baosteel acquired an additional 2,566,151 Common Shares at a purchase price of $0.52, representing gross proceeds to the Company of approximately $1.33 million.

(c) Stock Options

Under the provisions of the Company's 2007 Incentive Stock Option Plan, an aggregate maximum of 10% of the issued and outstanding common shares may be issued for granting of options to directors, senior officers, full time employees of the Company, affiliates or subsidiaries, or any consultants to the Company. The terms of the awards under the Plan are determined by the Board of Directors.

For the three and nine months ended January 31, 2013, stock based compensation of $116,262 and $824,957 (three and nine months ended January 31, 2012 - $647,284 and $1,833,312) was charged to net loss.

(i) On July 17, 2012, the Company granted 2,500,000 incentive stock options to employees and directors of the Company at an exercise price of $0.46. The share price on July 17, 2012 was $0.46.

The fair value assigned was estimated using the following assumptions:

Dividend yield	0%
Expected volatility	93.56%
Risk free interest rate	1.14%
Expected life	5 years
Forfeiture rate	7%

The stock options were assigned a value of $820,000.

(ii) On October 12, 2012, the Company granted 300,000 incentive stock options to employees and directors of the Company at an exercise price of $0.35. The share price on October 12, 2012 was $0.34.

The fair value assigned was estimated using the following assumptions:

Dividend yield	0%
Expected volatility	89.54%
Risk free interest rate	1.31%
Expected life	5 years
Forfeiture rate	7%

The stock options were assigned a value of $70,200.

(Expressed in Canadian dollars, unless otherwise noted)

6. Capital Stock (Continued)

(c) Stock Options (Continued)

The weighted-average remaining contractual life and weighted average exercise price of options outstanding and options exercisable as at January 31, 2013 are as follows:

Number of Stock Options Outstanding	Black-Scholes Value	Exercise Price	Remaining Contractual Life (Years)	Number of Stock Options Exercisable	Expiry Date
590,000	1,952,900	$ 3.90	0.36	590,000	June 2013
1,600,000	1,001,600	$ 0.80	0.78	1,600,000	November 2013
2,500,000	1,342,500	$ 0.62	1.41	2,500,000	June 2014
100,000	194,400	$ 2.15	1.61	100,000	September 2014
900,000	1,480,500	$ 1.84	1.71	900,000	October 2014
390,000	710,580	$ 2.09	1.86	390,000	December 2014
250,000	251,000	$ 1.36	2.33	166,667	June 2015
180,000	130,392	$ 1.25	2.90	180,000	December 2015
2,783,333	1,893,780	$ 0.88	3.26	1,461,111	May 2016
300,000	179,400	$ 0.86	3.76	300,000	November 2016
200,000	108,800	$ 0.86	3.85	200,000	December 2016
100,000	41,900	$ 0.86	4.12	16,667	March 2017
2,333,333	765,333	$ 0.46	4.46	1,177,778	July 2017
300,000	70,200	$ 0.35	4.70	300,000	October 2017
12,526,666	**$ 10,123,285**	**$ 1.00**	**2.53**	**9,882,223**	

The fair value of unvested options as at January 31, 2013 is $1,397,245.

The following table summarizes the stock option transactions for the nine months ended January 31, 2013:

	Number of Options	**Weighted-Average Exercise Price**
April 30, 2012	**11,551,668**	$1.27
Granted	**2,800,000**	$0.45
Exercised	**-**	$ -
Expired	**(275,000)**	$(5.08)
Forfeited	**(1,550,002)**	$(1.29)
Balance, January 31, 2013	**12,526,666**	$1.00

(d) Warrants

The following table lists the Company's warrants as at January 31, 2013. There were no changes during the three and nine month period ended January 31, 2013.

	Number of Warrants	Weighted Average Exercise price	Fair Value
Issued December 11, 2009	722,150	$ 4.00	1,416,211
Issued June 2, 2011	10,117,483	$ 1.16	1,159,464
At April 30, 2012 and January 31, 2013	**10,839,633**	$ 1.35	**$ 2,575,675**

(Expressed in Canadian dollars, unless otherwise noted)

7. Related Party Transactions

The Company engaged Penguin Automated Systems ("Penguin") after completing an independent tendering process, under the direction of Micon International, Lead Consultant for certain technical studies. The Company's Chief Operating Officer has a 38.5% ownership interest in Penguin. Professional fees paid to Penguin for the three and nine months ended January 31, 2013 were $64,667 and $202,925. (three and nine months ended January 31, 2012 - $242,383 and $598,829) and the amount payable to Penguin as at January 31, 2013 is $64,667 (April 30, 2012 - $392,292).

The above noted transaction is in the normal course of business or normal commercial terms and conditions, as agreed by the parties.

8. Loss Per Share

	Three Months Ended January 31, **2013**	Three Months Ended January 31, 2012	Nine Months Ended January 31, **2013**	Nine Months Ended January 31, 2012
Net loss attributable to common shareholders	**$ (3,860,680)**	$ (6,508,037)	**$ (15,170,491)**	$ (22,250,332)
Weighted average shares outstanding - basic and fully diluted	**230,297,660**	206,276,211	**229,368,452**	202,601,080
Loss per share - basic	**$ (0.02)**	$ (0.03)	**$ (0.07)**	$ (0.11)

As result of the net loss for the three and nine months ended January 31, 2013 and 2012, the potential effect of the exercise of stock options and warrants was anti-dilutive. Thus, basic loss per share and diluted loss per share are equal for the periods presented.

9. Commitments and Contingencies

a) Under the terms of leases for office space, vehicles and equipment, the Company is obligated to minimum annual rent payments of $100,093 in fiscal 2013, $376,371 in fiscal 2014, $368,610 in fiscal 2015, $353,553 in fiscal 2016 and $353,055 in fiscal 2017 and $264,791 in fiscal 2018.

b) The Company has secured a letter of credit in favour of the Quebec Government in the amount of $385,046, to cover a portion of the estimated cost of work under a corresponding site remediation plan submitted thereto.

10. Compensation of Key Management

	Three Months Ended January 31, **2013**	Three Months Ended January 31, 2012	Nine Months Ended January 31, **2013**	Nine Months Ended January 31, 2012
Salaries, benefits and directors' fees	**$ 398,737**	$ 341,050	**$ 1,158,841**	$ 1,325,790
Severance and consulting	**$ 430,650**	$ -	**$ 430,650**	$ -
Share-based compensation	**179,314**	620,445	**776,032**	1,624,523
	$ 1,008,701	$ 961,495	**$ 2,365,523**	$ 2,950,313

Key management includes the 7 directors and 6 members of the executive management team.

(Expressed in Canadian dollars, unless otherwise noted)

11. Supplementary Expense Information

a) Mining Studies and Exploration Expenditures

	Three Months Ended January 31, 2013	Three Months Ended January 31, 2012	Nine Months Ended January 31, 2013	Nine Months Ended January 31, 2012
Camp operations	**$ 693,450**	$ 1,370,922	**$ 2,221,122**	$ 4,208,115
Drilling	**202,053**	1,299,134	**2,220,547**	6,893,718
Technical studies	**300,568**	1,054,493	**1,417,226**	2,043,635
Environmental studies and consultation	**454,067**	509,450	**2,094,215**	2,803,316
Other	**171,104**	599,956	**1,371,254**	1,001,433
	$ 1,821,242	$ 4,833,955	**$ 9,324,364**	$ 16,950,217

Included in mining studies and exploration expenditures expenses for the three and nine months ended January 31, 2013 is $392,280, and $1,104,305 of salaries and benefits (three and nine months ended January 31, 2012 - $310,071 and $1,218,189), and $232,001 and $749,115 of fuel (three and nine months ended January 31, 2012 - $519,657 and $1,571,720).

Included in other costs for the nine months ended January 31, 2013 is $650,245 for exploration expenditures incurred in fiscal years 2008 and 2009 which were previously refunded by the Government of Quebec as tax credits. The Company received a notice of assessment disallowing the inclusion of the underlying expenditures in the refundable tax credit calculation. The Company has accrued the full potential liability of $895,748 as a result.

b) Office and General:

	Three Months Ended January 31, 2013	Three Months Ended January 31, 2012	Nine Months Ended January 31, 2013	Nine Months Ended January 31, 2012
Salaries, benefits and directors' fees	**$ 521,537**	$ 545,831	**$ 1,553,455**	$ 1,841,447
Employee severance	**434,933**	-	**434,933**	-
Donations & sponsorships	**32,520**	28,515	**138,892**	89,323
Administrative and other expenses	**302,147**	135,879	**776,200**	555,624
Professional fees	**335,700**	130,875	**937,813**	445,927
Communications & travel	**165,733**	195,307	**586,323**	534,541
	$ 1,792,570	$ 1,036,407	**$ 4,427,616**	$ 3,466,862

12. Subsequent Event

Subsequent to the quarter end, the Company entered into a loan facility with Resource Capital Fund V L.P. ("RCF") in the aggregate principal amount of US$15.0 million (the "Facility"). The Facility is a one year bridge loan (the" Bridge Loan") which matures on February 25th, 2014. If the Facility is not repaid prior to the Bridge Loan maturity date, it automatically rolls into a convertible loan ("the "Convertible Loan") with a maturity date of December 31, 2015. The proceeds from the Facility will be used to further the development of the Company's advanced stage Eagle's Nest nickel, copper, platinum, palladium project; for working capital and for corporate requirements.

The Facility will bear interest at 10% per annum during the Bridge Loan period and at 8% per annum during the Convertible Loan period. Interest will be paid quarterly, in arrears, in common shares of the Company based on the volume weighted average trading price of the Company's common shares during the 20 days prior to the date of each interest period determination, or at RCF's option, in cash. The Facility will be secured by a first ranking perfected lien over all assets associated with the Company's projects, initially excluding the Company's interest in the Windfall Lake gold project; all shares or equity interests in subsidiaries of the Company and all intercompany debt. An Establishment Fee of 2% of the principal amount of the Facility was paid to RCF in common shares of the Company. The shares were valued using the volume weighted average trading price for the twenty days prior to November 28th, 2012, resulting in the issuance of 977,954 common shares.

12. Subsequent Event (Continued)

The Convertible Loan may be converted into common shares of the Company at the option of RCF at a price of $0.45 cents per share at any time subsequent to the Bridge Loan maturity date and prior to December 31, 2015 (the “Conversion Rights”). RCF has an existing equity ownership interest in Noront of approximately 18%. If the Bridge Loan rolls into the Convertible Loan then, on a partially diluted basis, RCF’s equity ownership interest will exceed 20% of the total number of outstanding shares of the Company. Shareholder approval is, therefore required to grant the Conversion Rights and is a condition to entering into the Facility (which includes the Conversion Rights) after closing. The Facility requires the Company to hold a special meeting of shareholders’ to approve the Convertible Loan before the end of April 2013. If the Company's shareholders do not approve the Convertible Loan, then the Facility will mature on the Bridge Loan maturity date and the interest rate will increase to 15% per annum for the period beginning on the date of the special meeting of shareholders and the Bridge Loan maturity date.