

CHARTER OF
STATE ENTERPRISE
"NAVOIYURAN"

I. GENERAL REGULATIONS

1.1. This Charter is developed on basis of the Constitution of the Republic of Uzbekistan, Laws of the Republic of Uzbekistan and other legal documents, regulations considering the basis of regulatory legal documents managing the relevant field, establishing the status, main tasks, functions, activities and reporting of state enterprise "Navoiyuran" (hereinafter - the Enterprise), at the same time, it defines the functional obligations and responsibilities of the Enterprise executive body.

1.2. The enterprise established on the basis of Resolution of the President of the Republic of Uzbekistan "On measures to reform the State Enterprise "Navoi Mining and Metallurgical Combine" No. PD (Presidential Decree) №4629 dated March 6, 2020 and the Resolution of the Cabinet of Ministers "On the organization of the activities of the State Enterprise "Navoiuran", Joint Stock Company "Navoi Mining and Metallurgical Combine" and the state institution "Navoi Mining and Metallurgical Combine Fund" № 170 dated March 30 , 2021 and with the Decision of the founder of the Enterprise – The Agency for State Asset Management № 130/08 dated December 28, 2021.

1.3 The founder of the enterprise is the Ministry of Economy and Finance of the Republic of Uzbekistan (hereinafter - the Founder).

II. COMPANY NAME, LOCATION AND EMAIL POSTAL ADDRESS

2.1. Full official name of the enterprise in the state language:

"Navoiyuran" Davlat korxonasi;

Abbreviated official name of the enterprise in the state language:

"Navoiyuran" DK;

Full official name of the enterprise in the Russian language:

Государственное предприятие «Навоийуран»;

Abbreviated official name of the enterprise in Russian:

ГП «Навоийуран»;

Full official name of the company in English:

State-owned Enterprise "Navoiuranium"

Abbreviated official name of the company in English:

SOE Navoiuranium.

2.2. Region and postal address of the enterprise:

210100, Republic of Uzbekistan, Navoi city, Inspector street 7.

2.3. E-mail address of the enterprise: info@navoiyuran.uz.

2.4. Official website of the enterprise: www.navoiyuran.uz.

III. LEGAL POSITION OF THE COMPANY

3.1. The enterprise carries out its activities in accordance with the legislation of the Republic of Uzbekistan and the requirements of this Charter.

3.2. The enterprise acquires the status of a legal entity from the moment of state registration. Terms of activity of the enterprise is set without limitation - unlimited.

3.2. The enterprise is a commercial organization in the form of a state-owned enterprise, established on the basis of state property transferred to it for operational management, and exercises the right of possession, use and disposal of the property assigned to it for the purposes of its activities and in accordance with the instructions of the Founder.

3.3. The enterprise is a legal entity, has separate property, seals and letterheads with the image of the State Emblem of the Republic of Uzbekistan and its name in the state language, an independent balance sheet, bank accounts, including currency account numbers, emblems, stamps, trademarks and other requisites.

3.4. The enterprise can obtain and purchase property and personal non-property rights on its own behalf, assume obligations, be a plaintiff and defendant in court, represent interests in other bodies when resolving disputes in the manner prescribed by law.

3.5. With the consent of the founder the company can participate (member) in commercial organizations, as well as in non-commercial organizations, in which participation of legal entities is allowed in accordance with the legislation.

IV. THE GENERAL DIRECTIONS, OBJECTIVES AND OBJECTIVES OF THE COMPANY'S ACTIVITIES

4.1 The main purpose of the enterprise is as follows:

4.1.1. Determination of the strategy and prospects, tactics and objectives of the industry development facing the enterprise;

4.1.2. To obtain profits by mining, selling natural uranium and rare metals under the state programs, performing construction works and providing other works and services specified in this Statement.

4.2. The subject of the enterprise's operation is the mining and processing of natural uranium and rare metals.

4.3. Following the 4.1. item of this statement, the followings are the core objectives of the enterprise in order to achieve the targets specified in paragraph:

4.3.1. mining of natural uranium;

4.3.2. mining of minerals;

4.3.3. preparation of natural uranium ores for sale and export and processing;

4.3.4. geological and exploration works to discover new uranium ore reserves;

4.3.5. mining, processing and sales of natural uranium and rare metals;

4.3.6. processing of industrial output containing natural uranium, rare and rare metals;

4.3.7. extraction, production, processing, use, storage, maintenance, transportation, neutralization, disposal and burial of ionizing radiation sources;

4.3.8. production, transportation, storage and sale of toxic substances, products with their use;

4.3.9. carrying out geological research activities related to natural uranium and associated minerals in all regions of the Republic of Uzbekistan;

4.3.10. geodetic operations;

4.3.11. deposit, transportation, storage and use of precursors for production purposes;

4.3.12. design, construction and operation of high risk facilities and potentially hazardous productions;

4.3.13. capital construction;

4.3.14. development of architectural and urban planning documentation;

4.3.15. design, development, maintenance and use of means of cryptographic protection of information;

4.3.16. design, construction, operation and provision of services of local, intercity and international telecommunication networks;

4.3.17. design, construction, operation and granting of services of private radio communication networks;

4.3.18. design, construction, operation and granting of services of data transmission networks;

4.3.19. design, construction and operation of broadcasting networks;

4.3.20. design, construction, operation and maintenance of mobile radio telephone networks;

4.3.21. Manufacture of construction materials;

4.3.22. design, installation, adjustment, repair and maintenance of fire extinguishers, security and fire alarm devices;

4.3.23. internal transportation of passengers and freight by railway transport;

4.3.24. urban, suburban, domestic, regional and international transportation of passengers and cargo by vehicles;

4.3.25. production, utilization and realization of polyethylene and polyvinylchloride pipe products;

- 4.3.26. production, utilization, transportation and distribution of sulfuric acid products.
- 4.3.27. production, supply and use of electric power for production needs;
- 4.3.28. implementation of training, retraining and advanced training of personnel at the expense of enterprise, physical and juridical persons on the basis of agreement;
- 4.3.29. in order to expand the base of uranium mineral raw materials, carrying out geological research and scientific-research activities aimed at identifying new deposits;
- 4.3.30. extraction of uranium and by product metals in deposits that are not developed and are being prepared for industrial development;

If the relevant operations provided in this article are licensed by law, the Enterprise has the right to carry out this type of activity without obtaining a license on the basis of a license agreement concluded with the relevant licensing authority.

4.4. The company also performs the following additional operations:

- 4.4.1. wholesale trade and intermediary trade activity;
- 4.4.2. establishment of customs warehouse;
- 4.4.3. provision of services to population and production of consumer goods.
- 4.4.4. production, sale and rent of measuring instruments;
- 4.4.5. production of technical products for own needs and needs of other consumers;
- 4.4.6. catering and catering services;
- 4.4.7. organization of freight convoys by railway transport;

If the relevant type of legislation provides for this article, the enterprise has the right to carry out this type of activity only on the basis of a license.

4.5. The enterprise carries out other types of operations not prohibited by law.

V. MANAGEMENT OF COMPANY OPERATION

5.1. In its activity the company observes the Constitution and Laws of the Republic of Uzbekistan, resolutions and other documents of Chambers of Oliy Majlis of the Republic of Uzbekistan, Decrees, resolutions and orders of the President of the Republic of Uzbekistan, resolutions and orders of the Cabinet of Ministers of the Republic of Uzbekistan, orders, decisions and orders of the Founder and other regulatory legal documents, and in accordance with this Charter.

5.2. The Management of the Enterprise:

Founder;

The Supervisory Board;

The General Director of the Enterprise shall act as the Executive Body.

5.3. The Enterprise shall be accountable to the Founder.

5.4. The founder has the following rights in accordance with the legislation:

- 5.4.1. determination of objectives, subject and types of corporate activities;
- 5.4.2. making decisions on amendments and additions to the Charter of the enterprise;
- 5.4.3. organizational structure of the enterprise, also, approval of changes to it after approval by the Supervisory Board of the enterprise;
- 5.4.4. early termination of the employment contract with the executive body of the enterprise, established by the legislation and legal documentation;
- 5.4.5. making decisions on reorganization and liquidation of the enterprise, appointment of the liquidation commission and approval of the liquidation balance sheet;
- 5.4.6. to apply to the court with the claim on recognition of transactions with the enterprise property as invalid;
- 5.4.7. confiscate and dispose of unnecessary, unused or used property of the enterprise;
- 5.4.8. to sue the executive body of the enterprise for compensation of the damage caused to the enterprise;
- 5.4.9. after the end of the financial year, distribution of the net profit of the enterprise on the basis of current standards.
- 5.4.10. Hear reports of the supervisory board of the enterprise on issues within its competence, including compliance with the requirements established by normative documents on the management of the enterprise.
- 5.4.11. determination of the fee paid to the executive body of the enterprise and their maximum amount after approval by the Supervisory Board of the enterprise.
- 5.5. The founder undertakes the following obligations:
 - 5.5.1. appointment of the head of the enterprise, conclusion of the labor contract with him in accordance with labor legislation;
 - 5.5.2. within three months from the moment of the state registration of the enterprise formation of the statutory fund of the enterprise by transfer of the state property to its operational management;
 - 5.5.3. approval of the business plan of the enterprise, which provides an evaluation indicator of the activity of the executive body on a quarterly basis, hearing the report of the executive body - the general director of the enterprise on its implementation;
 - 5.5.4. the targeted use of the state property transferred to the enterprise and control its preservation, as well as its transfer;
- 5.6. The composition of the Supervisory Board consists of 7 people, the enterprise is approved by the Founder's decision and 30% of the Supervisory Board may be independent members.
- 5.7. Activity of the Supervisory Board is regulated by the Regulation on the Supervisory Board of the Company, approved by the decision of the Founder. If necessary, the Supervisory Board may create appropriate committees.
- 5.8. The responsibilities of the Supervisory Board include:

- 5.8.1. determination of the priority areas of the Enterprise, regular hearing of the report of the Executive Body of the Enterprise on the measures taken to implement the development strategy of the Enterprise;
- 5.8.2. approval of medium and long-term development programs for the development and expansion of natural uranium and rare metal mining at the newly opened and operating mines;
- 5.8.3. development of programs and projects for modernization, technical and technological renovation, implementation of new production technologies in accordance with the modern scientific and technological achievements and control over their implementation;
- 5.8.5. approval of annual production business plans, investment programs and other organizational and technical measures of the enterprise, as well as consideration of reports on their implementation;
- 5.8.6. organization of study of financial and economic activities of the enterprise with involvement of independent experts and auditors or internal audit service;
- 5.8.7. examination of issues related to the establishment of joint ventures;
- 5.8.8. hearing the Executive Body's report on the production and financial performance of the Enterprise on a quarterly basis;
- 5.8.9. in coordination with the Cabinet of Ministers of the Republic of Uzbekistan to conclude an employment contract on behalf of the Founder on hiring the General Director of the Enterprise and its termination;
- 5.8.10. organize the Internal Audit Service and appoint its employees, as well as hold quarterly hearings of its reports;
- 5.8.11. approval of the documents specifying the order of activity of the executive body;
- 5.8.12. approval of transactions related to purchasing and transfer of property, the amount of which is more than 10 percent of the assets of the company;
- 5.9. By resolution of the Supervisory Board, members of the Supervisory Board shall have the right to inspect the documents related to the activities of the company and to request them from the Executive Body in order to perform the duties imposed on the Supervisory Board. The documents received shall be used by the Supervisory Board and its members only for official purposes.
- 5.10. Matters referred to the competence of the Supervisory Board may not be delegated to the Executive Body for decision.
- 5.11. Current operations of the enterprise are managed by the Director General of the enterprise.
- 5.12. General director of the enterprise is a solo executive body.
- 5.13. The General Director of the enterprise is assigned and deployed by the Founder in coordination with the Cabinet of Ministers of the Republic of Uzbekistan.
- 5.14. The Director General of the Enterprise in coordination with the Supervisory Board assigns and dismisses the First Deputy Director General of the Enterprise - the Chief Engineer, as well as his deputies in the order, established by the legislation.

- 5.15. The powers (rights) and responsibilities of the general director of the enterprise include:
- 5.15.1. direct the work of the Enterprise within the limits of his authority;
 - 5.15.2. act on behalf of the Enterprise without power of attorney, including representation of its interests;
 - 5.15.3. Organization of implementation of the tasks set for the Enterprise;
 - 5.15.4. conclusion and execution of transactions on behalf of the enterprise in the established order;
 - 5.15.5. approval of the staff schedule and organizational structure of subdivisions, hiring of employees, signing employment contracts with them, amendment and termination of employment contracts, application of disciplinary penalties to them and exercise of other rights, duties and powers of the employer provided for by the current Labor Law, employees to monitor compliance with labor and performance discipline;
 - 5.15.6. approval of salaries of the company's employees.
 - 5.15.7. implementation of training and education of personnel, improvement of their qualification;
 - 5.15.8. publication of orders and decrees, obligatory for execution by all employees of the enterprise;
 - 5.15.9. approval of the internal rules of enterprise and documents, regulating the business operations;
 - 5.15.10. opening bank accounts (accounts in national and foreign currency) and to have the right to sign bank and other financial documents of the Company;
 - 5.15.11. organization and supervision of observance of normative-legal acts of the Republic of Uzbekistan by the enterprise;
 - 5.15.12. Granting the power of attorney in the order, established by the legislation;
 - 5.15.13. organization of performance of production programs;
 - 5.15.14. implementation of perspective development of the main type of activity, improvement of production management system, implementation of measures related to introduction of achievements of scientific and technical development;
 - 5.15.15. organization of development and application of new equipment and technologies;
 - 5.15.16. Organization of elaboration of proposals on new directions of activity;
 - 5.15.17. organization of elaboration and realization of measures, directed to realization of requirements of normative-legal documents on labor protection of employees of the company and improvement of working conditions, environmental protection and observance of norms and rules in the field of rational use of natural resources;
 - 5.15.18. Report on the Company's activities to the Founder and the Supervisory Board of the General Director of the Company in the manner prescribed by the Company's Charter;
 - 5.15.19. Perform other functions required for the economic activities of the Company;
 - 5.15.20. the general director of the company has other powers (rights) and duties in accordance with the legislative acts of the Republic of Uzbekistan, the present Statement

5.16. General director of the enterprise acts in the interests of the enterprise when performing his rights and duties.

5.17. General director of the enterprise can transfer a part of his powers to other managers and employees of the enterprise on the basis of power of attorney.

5.18. General Director of the enterprise is responsible for the timely payment of all payments to the budget, the payment of wages, satisfaction of claims arising from legal relations related to employment and equivalent payments, the transfer of funds for the needs directly related to production activities delivered to the enterprise by his actions (inaction) is responsible for damages, including loss of state property, transferred to the enterprise, in accordance with the procedure established by law.

VI. THE SIZE OF THE STOCK OF THE ENTITY

6.1. The statutory fund of the enterprise is the amount of money, property and other assets transferred to it by the Founder for the implementation of production and economic activities of the enterprise.

6.2. The amount of the statutory fund of the enterprise is 1 193 916 681 120,16 UZS (one trillion one hundred ninety three billion and six hundred eighty one million one hundred twenty UZS and 16 tiyins).

6.3. Within three months from the date of state registration the enterprise shall be formed by transferring the state property of the authorized fund of the enterprise into its operational management and, if necessary, amendments and additions shall be made to paragraph 6.2 of this Charter.

VII. ORDER OF INCREASE AND DECREASE OF AUTHORISED FUND OF A CORPORATION

7.1. Increase and decrease of the authorized fund of the corporation is carried out in the manner prescribed by law, by making appropriate changes in the charter of the company on the basis of the decision of the founder.

VIII. CONSUMPTION OF ENTERPRISE PROPERTY

8.1. Fixed assets and working capital are assigned to the Enterprise by the Founder with the right to operationally manage the property of the Enterprise.

8.2. Fixed assets and working capital of the enterprise are indivisible and cannot be distributed according to contributions.

8.3. The founder exercises control over the intended use and safety of state property transferred to the Enterprise, as well as its transfer to other persons.

8.4. The general director of the enterprise, in agreement with the founder, may dispose of the property of the enterprise in the following cases:

- 8.4.1. sale, lease or pledge of fixed assets;
- 8.4.2. purchase and sale of shares (shares) of other business companies;
- 8.4.3. Special disposal of property that does not meet the goals of the enterprise.

IX. DISTRIBUTION OF INCOME (PROFIT) AND LOSSES COVERAGE PROCEDURE

- 9.1. Net profit remaining in the Enterprise after paying all taxes and obligatory payments to the budget, remains at the disposal of the Enterprise and is used by decision of the Founder or, if the Founder grants this right to the Supervisory Board, the Supervisory Board will decide.
- 9.2. The founder, by his decision, transfers the right of disposal to the general director of the enterprise and determines the limited amount of funds to be directed to other legal entities and individuals for charitable purposes and as sponsorship, in which case the funds, spent on sponsorship, should not exceed the amounts specified in the current regulatory documents.
- 9.3. Compensation for losses caused by the economic activities of an enterprise can be made from the funds of the reserve fund created for these purposes.

X. ESTABLISHMENT OF A RESERVE FUND AND OTHER FUNDS DELIVERY ORDER

- 10.1. An enterprise may create a reserve fund, the size and procedure for the formation of which are approved by the Founder, as well as other funds at the expense of the net profit remaining at his disposal.

The available value of property can also be used to replenish the reserve fund when there is no other source.

XI. REPORTING PROCEDURE

- 11.1. Enterprise to the Founder at the end of the reporting period, list of financial statements and other documents established by law, is presented to the Supervisory Board and authorized bodies and is responsible for the safety of documents and their transfer to state storage in the prescribed manner.
- 11.2. The owner of the company, the subject of the enterprise, supervision of production, safety in accordance with the law, the association of founders and other authorized bodies.

XII. DUTIES OF THE ENTERPRISE

- 12.1. The company pays for its products with its own property. If the property of the enterprise does not produce products, the founder bears subsidiary liability for the obligations of the enterprise.
- 12.2. The company does not guarantee the performance of the Founder.

XIII. BRANCHES AND REPRESENTATIVE OFFICES OF THE ENTERPRISE

13.1. By agreement with the Founder, the enterprise can create branches and open representative offices on the territory of the Republic of Uzbekistan and abroad in compliance with legal requirements.

13.2. Branches and representative offices of the enterprise act on its behalf on the basis of the Charter, approved by order of the enterprise.

13.3. Representative offices and branches, located outside the territory of the Republic of Uzbekistan, act on the basis of the Regulations approved by order of the Enterprise and in accordance with the legislation of the countries where they are located.

13.4. The head of a branch or representative office of an enterprise is appointed by the general director of the enterprise in agreement with the founder and acts on the basis of a power of attorney issued to him. In case of termination of the employment contract with the head of a branch or representative office of the enterprise, this power of attorney must be canceled by the general director of the enterprise.

13.5. The Enterprise is liable for the obligations of the branches and representative offices created by the Enterprise.

XIV. TERMINATION AND REORGANIZATION OF THE ENTERPRISE

14.1. The enterprise may be liquidated or reorganized by decision of the Founder or the court in the manner prescribed by law.

14.2. Liquidation of an enterprise entails the suspension of the enterprise's activities without the transfer of rights and obligations to other persons in the order of legal succession, and in case of reorganization, rights and obligations are transferred to the legal successor.

XV. FINAL RULES

15.1. All changes and additions to this Charter made by the founder of the enterprise within the limits of his powers, are subject to registration with the relevant state body of the Republic of Uzbekistan in the prescribed manner.

15.2. Changes and additions to the Charter of the Enterprise or the Charter of the Enterprise in the new edition come into force for third parties from the moment of their state registration or from the moment of notification of the state registration authority in the manner, established by law.

15.3. If any provision of these Charter becomes invalid, that provision shall not prejudice the application of the other provisions.

15.4. If the legislation of the Republic of Uzbekistan establishes rules other than those provided for by this Charter of the Enterprise, the provisions of the current legislation of the Republic of Uzbekistan apply, and appropriate changes and additions are made to the Charter of the Enterprise.

15.5. Relations not regulated by this Constitution are regulated by the legislation of the Republic of Uzbekistan.