

Clarifications on the 2nd item of the Agenda regarding the Invitation to the Extraordinary General Meeting of PPC S.A. Shareholders to be held on January 12th, 2017.

ITEM TWO: Electricity Supply Contract between PPC S.A. and GMM LARCO S.A.

PPC's Board of Directors decided on 09.01.2017, to put forward for consideration to the Extraordinary Shareholders' Meeting scheduled for January 12, 2017, the following pricing terms for LARKO in order to take a relevant decision:

Pricing terms

The following pricing terms are in effect for the total duration of the contract, namely from 01.01.2016 until 31.12.2020.

Article 1:

Applied Tariff

The Customer will receive electricity, according to the provisions of article 6 of the Contract. The Customer's charge will be made according to the provisions of the tariff for HV customers HV-2. The energy component of the abovementioned tariff will apply for consumptions made as of 01.01.2016 until 31.12.2020.

The regulated charges as provided for in the said tariff will be adjusted each time according to the legislation in force.

Article 2:

Discounts

The following discounts are applied to the energy component of the tariff:

- i) Volume discount : 21%
- ii) Discount based on special consumer features : 6%

Total Discount: 27%

Article 3:

Discount for on time payment

On top of the abovementioned discounts, an additional discount of 11% for on time payment is applied on the energy component under the following cumulative conditions:

- i) The Customer will pay on time an amount of € 3 million against every monthly electricity bill, for electricity consumed between 01.01.2017 and 31.08.2017. For the said period, on time payment is considered to be the payment of the abovementioned amount until the expiration date of every bill.
Following the expiration of the above period, the residual due amount, till the full payment of every bill which has been issued, will be settled to 16 equal monthly installments, starting as of September 2017 and will be completed by December 2018.

- ii) Subject to the above under 3 (i), the Customer will pay each monthly electricity bill in full until the expiration date, for electricity consumed between the period 01.09.2017-31.12.2020. An amount of at least € 3 million for every monthly bill will be paid directly by the biggest customer/customers of LARKO, by virtue of assignment of equal claims of LARKO against them.
- iii) The above 11% discount for on time payment can increase to 15%, provided that the conditions allow the Customer to proceed to an advance payment against the annual consumption.

Article 4:

Surcharge on the energy component based on the nickel price as formulated in the London Metal Exchange (LME)

The charge for the energy component, as formed following the application of those mentioned above in articles 1 to 3, is increased based on the annual average official nickel price (official price-LME cash) as announced on the LME's website (www.lme.com) according to the following under (i) to (iii), (LME price) expressed in euros based on the official exchange rate €/\$, as it is announced by the European Central Bank. Especially as concerns the initial application of the present term, it is agreed that for the calculation of the surcharge, the average official nickel price (official price-LME cash) as announced on the LME's website, expressed in euros according to the official exchange rate as announced by the European Central Bank, for the period starting from 01.01.2016 until 31.12.2016, will be taken into consideration.

- i) The abovementioned charge remains stable (minimum charge) for an LME price lower or equal to 14,000 €/tn.
- ii) For LME price above 14,000 €/tn and up to 27,000 €/tn, the above mentioned resulting charge shall be increased by 2.00 €/MWh per 1,000 € increase of the LME price, as follows:

LME Ni price	€/MWh
14,000 €/tn < LME Ni price < 15,000 € /tn	2.00
15,000 €/tn < LME Ni price < 16,000 €/tn	4.00
16,000 €/tn < LME Ni price < 17,000 €/tn	6.00
17,000 €/tn < LME Ni price < 18,000 €/tn	8.00
18,000 €/tn < LME Ni price < 19,000 €/tn	10.00
19,000 €/tn < LME Ni price < 20,000 €/tn	12.00
20,000 €/tn < LME Ni price < 21,000 €/tn	14.00
21,000 €/tn < LME Ni price < 22,000 €/tn	16.00
22,000 €/tn < LME Ni price < 23,000 €/tn	18.00
23,000 €/tn < LME Ni price < 24,000 €/tn	20.00
24,000 €/tn < LME Ni price < 25,000 €/tn	22.00
25,000 €/tn < LME Ni price < 26,000 €/tn	24.00
26,000 €/tn < LME Ni price < 27,000 €/tn	26.00

- iii) For an LME price above 27,000 €/tn, the abovementioned under (ii) resulting charge remains stable.

The pricing of the surcharge based on the LME price will be made through a separate invoice, which will be issued in January of the year following the consumption year and will be paid according to the provisions of the abovementioned article 3, case (ii).

Article 5:

Settlement of the Customer's overdues from electricity consumed for the period starting from 01.07.2010 until 31.12.2016

- i) The parties agree and are bound that within 2017 they will proceed to the settlement regulation of the total resulting debt of the Customer based on the charging price concerning the energy component as determined by the Arbitration Court for the period from 01.07.2010 until 31.12.2013, plus the overdue amount for the contractual period from 01.01.2014 until 31.12.2015, also in relation with the strategic development plan of LARKO.
- ii) The Customer's debt for electricity consumed for the period from 01.01.2016 until 31.12.2016 will be paid to a maximum of 48 equal monthly installments starting from 01.01.2019, limited to 36 equal monthly installments under the condition that the LME price exceeds 18,000 €/tn.