

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF BANRO CORPORATION, BANRO GROUP
(BARBADOS) LIMITED, BANRO CONGO (BARBADOS)
LIMITED, NAMOYA (BARBADOS) LIMITED, LUGUSHWA
(BARBADOS) LIMITED, TWANGIZA (BARBADOS) LIMITED
AND KAMITUGA (BARBADOS) LIMITED**

(the "**Applicants**")

AFFIDAVIT OF SOPHIE MOHER


(sworn January 31, 2018)

I, Sophie Moher, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am an associate at the law firm of Cassels Brock & Blackwell LLP, lawyers for the Applicants in the above named proceedings. As such, I have knowledge of the matters to which I depose except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. On January 25, 2018, I served the Applicants' Motion Record returnable February 1, 2018, including the Affidavit of Rory James Taylor, sworn January 25, 2018 (the "**Third Taylor Affidavit**") upon the service list in these proceedings.
3. Attached as Exhibit "H" to the Third Taylor Affidavit was a draft of the Information Circular (as defined therein). Since the swearing of the Third Taylor Affidavit, the Information Circular has been updated.
4. A revised version of the Information Circular is attached hereto at **Exhibit "A"**. A blackline of the Information Circular reflecting the changes made as against the version attached to the Third Taylor Affidavit is attached hereto at **Exhibit "B"**.

5. I swear this affidavit in support of the Applicants' motion returnable February 1, 2018 and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto,
in the Province of Ontario on January 31,
2018

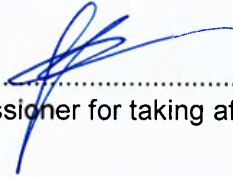


Commissioner for Taking Affidavits
(or as may be)

SOPHIE MOHER

**Florence Pui Ya Lau, a
Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 13, 2019.**

This is Exhibit "A" referred to in the Affidavit of Sophie Moher sworn before me at Toronto, Ontario this 31th day of January, 2018



.....
Commissioner for taking affidavits

**Florence Pui Ya Lau, a
Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 13, 2019.**



NOTICE OF CREDITORS' MEETINGS
AND
INFORMATION CIRCULAR
WITH RESPECT TO A
CONSOLIDATED PLAN OF COMPROMISE AND REORGANIZATION
OF

BANRO CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED, NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS) LIMITED, AND KAMITUGA (BARBADOS) LIMITED (collectively, the "Applicants" or the "Companies")

February ●, 2018

These materials are important and require your immediate attention. They require creditors of the Companies to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors.

For any questions relating to the procedures for delivering Beneficial Noteholder Voting Instructions or Registration Instructions for voting at the upcoming meetings, please contact the Company's depositary and solicitation agent, Kingsdale Advisors, at 1-866-229-8874 or by email at contactus@kingsdaleadvisors.com.

For all other questions, including questions relating to the Creditors' Meetings, proving your claim and the Recapitalization Plan generally, please contact the Monitor, FTI Consulting Canada Inc. at banro@fticonsulting.com.

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**NOTICE OF CREDITORS' MEETING AND SANCTION MOTION FOR
AFFECTED CREDITORS (OTHER THAN BENEFICIAL NOTEHOLDERS
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BANRO
CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED,
NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS)
LIMITED AND KAMITUGA (BARBADOS) LIMITED**

PLAN OF COMPROMISE AND REORGANIZATION

NOTICE OF CREDITORS' MEETINGS AND SANCTION MOTION FOR AFFECTED CREDITORS (OTHER THAN BENEFICIAL NOTEHOLDERS)

TO: The Affected Creditors (Other than Beneficial Noteholders) of Banro Corporation, Banro Group (Barbados) Limited, Banro Congo (Barbados) Limited, Namoya (Barbados) Limited, Lugushwa (Barbados) Limited, Twangiza (Barbados) Limited and Kamituga (Barbados) Limited (the "**Applicants**")

NOTICE IS HEREBY GIVEN that a meeting of the Affected Secured Creditors and a meeting of the Affected Banro Unsecured Creditors will be held on March 9, 2018 at 1:30 pm (Toronto time) and 1:45 pm (Toronto time), 2018, respectively, at the offices of McMillan LLP (the "**Creditors' Meetings**") for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "**Resolution**") approving the Consolidated Plan of Compromise and Reorganization of Banro pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 (the "**CBCA**") dated ●, 2018 (as amended, restated, modified and/or supplemented from time to time in accordance with the terms thereof, the "**Plan**"); and
2. to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Meeting Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on February 1, 2018.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan.

The Plan contemplates the compromise of Claims of the Affected Creditors. Quorum for each of the Creditors' Meetings has been set by the Meeting Order as the presence, in person or by Proxy, at the meeting of the Affected Secured Creditors one Affected Secured Creditor with a Voting Claim and at the meeting of the Affected Banro Unsecured Creditors one Affected Banro Unsecured Creditor with a Voting Claim.

In order for the Plan to be approved and binding in accordance with the CCAA and CBCA, the Resolution must be approved by that number of Affected Creditors representing at least a majority in number of Voting Claims, whose Affected Claims represent at least two-thirds in value of the Voting Claims of Affected Creditors who validly vote (in person or by Proxy) on the Resolution at each of the Creditors' Meetings or were deemed to vote on the Resolution as provided for in the Meeting Order (each a "**Required Majority**"). Each Eligible Voting Creditor will be entitled to one vote at the applicable Creditors' Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance

with the Claims Procedure Order and the Meeting Order. If approved by each of the Required Majorities, the Plan must also be sanctioned by the Court under the CCAA and the CBCA. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Forms and Proxies for Affected Creditors (other than Beneficial Noteholders)

An Affected Creditor may attend at the applicable Creditors' Meeting(s) in person or may appoint another person as its proxyholder by inserting their name or the name of such person in the space provided in the form of Proxy provided to Affected Creditors by the Monitor, or by completing another valid form of Proxy.

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., 79 Wellington Street West, Toronto Dominion Centre, Suite 2100, P.O. Box 2104, Toronto, ON M5K 1G8 (Attention: Lizzy Pearson), email: banro@fticonsulting.com prior to the Proxy Deadline. Persons appointed as proxyholders need not be Affected Creditors.

If an Affected Banro Unsecured Creditor at the applicable Creditors' Meeting specifies a choice with respect to voting on the Resolution on a Proxy, the Proxy will be voted in accordance with the specification so made. **In absence of such specification, a Proxy will be voted FOR the Resolution provided that the proxyholder does not otherwise exercise its right to vote at the applicable Creditors' Meeting(s).**

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved by each of the Required Majorities at the Creditors' Meetings, the Applicants intend to bring a motion before the Court on March [16], 2018 at 10:00 a.m. (Toronto time) or such later date as may be posted on the Monitor's website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least [seven (7)] days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least [seven (7)] days before the date set for such hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained from the Monitor's website at <http://cfcanda.fticonsulting.com/banro/> (the "**Website**") together with copies of other materials related to this process.

Should a letter of intent be received in accordance with the sale and investment solicitation process (the "**SISP**") approved by the Court by Order dated January 18, 2018 which could form the basis of a Qualified Alternative Transaction Bid, as determined by the Monitor in accordance with the SISP, it is the intention to adjourn the applicable Creditors' Meeting to permit the SISP to continue. Notice of such adjournment, if any, will be posted on the Website and sent to the Service List in the CCAA Proceedings. No other notice of such adjournment will be given to creditors, so creditors are cautioned to check the Website for notice of any adjournment.

This Notice is given by the Applicants pursuant to the Meeting Order.

DATED this ● day of ●, 2018.

**NOTICE OF CREDITORS' MEETING AND SANCTION MOTION
FOR BENEFICIAL NOTEHOLDERS
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BANRO
CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED,
NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS)
LIMITED AND KAMITUGA (BARBADOS) LIMITED**

CONSOLIDATED PLAN OF COMPROMISE AND REORGANIZATION

NOTICE OF CREDITORS' MEETINGS AND SANCTION MOTION FOR BENEFICIAL NOTEHOLDERS

TO: The Beneficial Noteholders of Banro Corporation

NOTICE IS HEREBY GIVEN that a meeting of the Affected Secured Creditors and a meeting of the Affected Banro Unsecured Creditors will be held on March 9, 2018 at 1:30 pm (Toronto time) and 1:45 pm (Toronto time), 2018, respectively, at the offices of McMillan LLP (the "**Creditors' Meetings**") for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "**Resolution**") approving the Consolidated Plan of Compromise and Reorganization of Banro pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 (the "**CBCA**") dated ●, 2018 (as amended, restated, modified and/or supplemented from time to time in accordance with the terms thereof, the "**Plan**");
2. to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "**Affected Banro Unsecured Creditors' Resolution**", collectively with the Affected Secured Creditors' Resolution, the "**Resolutions**") approving the Plan; and
3. to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Meeting Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on ●, 2018.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan.

The Plan contemplates the compromise of Claims of the Affected Creditors. Quorum for each of the Creditors' Meetings has been set by the Meeting Order as the presence, in person or by Proxy, at the meeting of the Affected Secured Creditors one Affected Secured Creditor with a Voting Claim and at the meeting of the Affected Banro Unsecured Creditors one Affected Banro Unsecured Creditor with a Voting Claim.

In order for the Plan to be approved and binding in accordance with the CCAA and CBCA, the Resolution must be approved by that number of Affected Creditors representing at least a majority in number of Voting Claims, whose Affected Claims represent at least two-thirds in value of the Voting Claims of Affected Creditors who validly vote (in person or by Proxy) on the Resolution at each of the Creditors' Meetings or were deemed to vote on the Resolution as provided for in the Meeting Order (each a "**Required Majority**"). Each Eligible Voting Creditor will be entitled to one vote at the applicable Creditors'

Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order. If approved by each of the Required Majorities, the Plan must also be sanctioned by the Court under the CCAA and the CBCA. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Beneficial Noteholders: Voting Instructions/Share Receipt Instruction Form

A Beneficial Noteholder may vote at the Creditors' Meeting for Affected Secured Creditors (the "**Secured Creditors' Meeting**") by following the procedures outlined in the Information Circular. In order to be effective at the Creditors' Meetings, Voting Instructions must be recorded FOR or AGAINST the Plan, and, for greater certainty, cannot be left to discretion of a proxyholder and must also include a Registration Election.

As at the date hereof, CDS Clearing and Depository Services Inc., is the sole registered holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. Only Beneficial Noteholders who were Beneficial Noteholders at 5:00 p.m. (Toronto time) on January 31, 2018 are entitled to vote as Affected Creditors at the Creditors' Meetings. BENEFICIAL NOTEHOLDERS SHOULD PROMPTLY CONTACT THEIR INTERMEDIARIES (AS DEFINED BELOW) AND OBTAIN AND FOLLOW THEIR INTERMEDIARIES' INSTRUCTIONS WITH RESPECT TO THE APPLICABLE VOTING PROCEDURES AND DEADLINES, WHICH MAY BE EARLIER THAN THE DEADLINES THAT ARE APPLICABLE TO OTHER AFFECTED SECURED CREDITORS. IT SHOULD BE NOTED THAT THE ONLY WAY FOR A SECURED NOTEHOLDER TO VOTE IS TO PROVIDE VOTING AND REGISTRATION ELECTION INSTRUCTIONS TO HIS/HER INTERMEDIARY. NO OTHER VOTING CHANNEL WILL BE AVAILABLE AND NO OTHER FORM OF PROXY WILL BE USED. SECURED NOTEHOLDERS SHOULD NOT ATTEMPT TO VOTE BY COMMUNICATING WITH THE COMPANY, ITS TRANSFER AGENT OR TRUSTEE, OR MONITOR.

Beneficial Noteholders who wish to vote must deliver their Voting Instructions and Registration Elections to their intermediary prior to the deadline set by the intermediary. Under no circumstances should any person deliver Secured Notes or evidences of interests in Secured Notes to the Applicants, the Canadian Trustee, or the Solicitation Agent. Beneficial Noteholders should not deliver a form of Proxy. If a Beneficial Noteholder wishes to attend the applicable Creditors' Meeting in person, please contact Kingsdale Advisors, the Solicitation Agent as soon as possible.

Any requests for assistance relating to the procedure for delivering Beneficial Noteholder Voting Instructions or Registration Elections or if you wish to attend the Creditors' Meetings may be directed to the Solicitation Agent at the address and telephone number on such documents.

Beneficial Noteholders will be deemed to vote on the Affected Banro Unsecured Deficiency Claims at the applicable Creditors' Meeting in the same way as they voted for the Affected Secured Creditors.

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved by each of the Required Majorities at the Creditors' Meetings, the Applicants intend to bring a motion before the Court on March [16], 2018 at ● (Toronto time) or such later date as may be posted on the Monitor's website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least [seven (7)] Business Days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least [seven (7)] Business Days before the date set for such Court hearing, or such shorter time as the Court, by

Order, may allow. A copy of the Service List may be obtained by from the Monitor's website at <http://cfcanada.fticonsulting.com/banro/> (the "**Website**").

Should a letter of intent be received in accordance with the sale and investment solicitation process (the "**SISP**") approved by the Court by Order dated January 18, 2018 which could form the basis of a Qualified Alternative Transaction Bid, as determined by the Monitor in accordance with the SISP, it is the intention to adjourn the applicable Creditors' Meeting to permit the SISP to continue. Notice of such adjournment, if any, will be posted on the Website and sent to the Service List in the CCAA Proceedings. No other notice of such adjournment will be given to creditors, so creditors are cautioned to check the Website for notice of any adjournment.

This Notice is given by the Applicants pursuant to the Meeting Order.

DATED this ● day of ●, 2018.

IMPORTANT INFORMATION

THIS CIRCULAR CONTAINS IMPORTANT INFORMATION THAT SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE MATTERS REFERRED TO HEREIN. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS CIRCULAR, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON. THIS CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, THE SECURITIES DESCRIBED IN THIS CIRCULAR, OR THE SOLICITATION OF A PROXY OR VOTE, IN ANY JURISDICTION, TO OR FROM ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OF AN OFFER OR PROXY SOLICITATION IN SUCH JURISDICTION.

Capitalized terms used herein, and not otherwise defined, have the meaning ascribed to them in the Glossary of Terms, which begins on page 1.

Affected Creditors should carefully consider the income tax consequences of the proposed Plan described herein. See “Certain Canadian Federal Income Tax Considerations” and “Certain United States Federal Income Tax Considerations” contained in this Circular.

All information in this Circular is given as of February 1, 2018 unless otherwise indicated.

Affected Creditors should not construe the contents of this Circular as investment, legal or tax advice. Affected Creditors should consult their own counsel, accountants and other advisors as to financial, legal, tax and related aspects of the proposed Plan. In making a decision regarding the Plan, and must rely on their own examination of the Company and the advice of their own advisors.

Descriptions in this Circular of the Plan and the Orders are merely summaries of the terms of these documents. Affected Creditors should refer to the full terms of the Plan, the Initial Order, the Meeting Order and the Claims Procedure Order (appended to this Circular as Appendix “C”, Appendix “D”, Appendix “E” and Appendix “F”, respectively) for complete details. You should rely only on the information contained in or incorporated by reference in this Circular or to which we have referred you. We have not authorized any person (including any dealer, salesman or broker) to provide you with different information. The information contained in or incorporated by reference in this Circular may only be accurate on the date hereof or the dates of the documents incorporated by reference herein. Neither delivery of this Circular nor any distribution of the securities referred to in this Circular shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Circular. You should not assume that the information contained in this Circular or incorporated by reference herein is accurate as of any other date.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

The issuance of the New Equity pursuant to the Plan will be exempt from the prospectus and registration requirements under Canadian securities legislation. As a consequence of these exemptions, certain protections, rights and remedies provided by Canadian securities legislation, including statutory rights of rescission or damages, will not be available in respect of such New Equity to be issued pursuant to the Plan. See "*Certain Legal Matters - Canadian Securities Law Matters*".

NOTICE TO HOLDERS OF AFFECTED CLAIMS IN THE UNITED STATES

NEITHER THE PLAN NOR THE SECURITIES ISSUABLE IN CONNECTION WITH THE PLAN HAVE BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION ("SEC") OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE OF THE UNITED STATES; NOR HAS THE SEC OR ANY STATE SECURITIES REGULATORY AUTHORITY PASSED UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

New Equity issued under the Plan will not be registered under the *United States Securities Act of 1933*, as amended, or the securities laws of any state of the United States. Such New Equity will instead be issued in reliance upon exemptions under the 1933 Act and applicable exemptions under state securities laws.

The New Equity have not been registered under the 1933 Act and are being issued in reliance on the exemption from registration set forth in Subsection 3(a)(10) thereof on the basis of the approval of the Court, which will consider, among other things, the fairness of the Plan to the Persons affected.

The solicitation of proxies hereby is not subject to the proxy requirements of Section 14(a) of the *United States Securities Exchange Act of 1934*, as amended. This Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Securityholders in the United States should be aware that such requirements are different than those of the United States.

The Companies' financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), which differ from the United States Generally Accepted Accounting Principles ("**U.S. GAAP**") in certain material respects, and thus the financial statements of the Companies may not be comparable to financial statements of United States companies. The Companies are not required to prepare a reconciliation of their consolidated financial statements and related footnote disclosures between IFRS and U.S. GAAP and have not quantified such differences.

In particular, information in this Circular or in the documents referred to or incorporated by reference herein concerning the properties and operations of Banro has been prepared in accordance with Canadian standards under applicable Canadian securities laws, which differ from the requirements of United States federal securities laws and the rules and regulations thereunder. National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") is a rule of the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the SEC, and reserve and resource information incorporated by reference herein may not be comparable to similar information disclosed by U.S. companies. One consequence of these differences is that "reserves" calculated in accordance with Canadian standards may not be "reserves" under the SEC standards. The terms "mineral reserve", "proven mineral reserve" and "probable mineral reserve" are Canadian mining terms as defined in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") – *CIM Definition Standards on Mineral Resources and Mineral Reserves*, adopted by the CIM Council, as amended. These definitions differ from the definitions in the SEC Industry Guide 7 ("**SEC Industry Guide 7**") under the 1933 Act. Under U.S. standards, mineralization may not be classified as a "reserve" unless a determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Under SEC Industry Guide 7 standards, a "final" or "bankable" feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow

analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and permitted to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC and by U.S. companies. Holders of Affected Claims are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Holders of Affected Claims are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this Circular and the documents incorporated by reference herein describing the Companies’ mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

The enforcement by investors of civil liabilities under the United States securities laws may be affected adversely by the fact that Banro and its material subsidiaries are incorporated or organized outside the United States, that some or all of the Officers and Directors of such Persons and the experts named herein are residents of a foreign country, and that all or a substantial portion of the assets of the Companies and said Persons are located outside the United States. As a result, it may be difficult or impossible for holders of Banro’s securities in the United States to effect service of process within the United States upon Banro, its subsidiaries and their Officers and Directors and the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. In addition, holders of Banro’s securities in the United States should not assume that the courts of Canada or any other jurisdiction: (a) would enforce judgments of United States courts obtained in actions against such Persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such Persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. See “Risk Factors – Risks Relating to the Plan”.

GLOSSARY OF TERMS

Capitalized terms used and not otherwise defined in this Circular shall have the meanings set forth below:

“1933 Act” means the *United States Securities Act of 1933*;

“Administration Charge” has the meaning given to that term in the Initial Order;

“Administrative Reserve” means a Cash reserve, in an amount to be agreed to by the Monitor, the Companies and the Requisite Consenting Parties at least three (3) Business Days prior to the Implementation Date, or failing agreement, the amount ordered by the Court, to be deposited by the Companies into the Administrative Reserve Account for the purpose of paying the Administrative Reserve Costs;

“Administrative Reserve Account” means a segregated interest-bearing trust account established by the Monitor to hold the Administrative Reserve;

“Administrative Reserve Costs” means costs incurred and payments to be made on or after the Implementation Date (including costs incurred prior to the Implementation Date which remain outstanding as of the Implementation Date) in respect of: (a) the Monitor’s fees and disbursements (including of its legal counsel and other consultants and advisors) in connection with the performance of its duties under the Plan and in the CCAA Proceedings, including without limitation, all costs associated with resolving Disputed Affected Banro Unsecured Claims; (b) the Applicant’s legal fees and disbursements in connection with the Plan and the CCAA Proceedings including, without limitation, all costs associated with resolving Disputed Affected Banro Unsecured Claims; (c) all amounts secured by the Directors’ Charge; and (d) any other reasonable amounts in respect of any other determinable contingency as the Applicants, with the consent of the Monitor and the Requisite Consenting Parties may determine in connection with the Applicants or the CCAA Proceedings;

“Affected Banro Unsecured Claim” means (a) the Listed Claims; and (b) Affected Banro Unsecured Deficiency Claims;

“Affected Banro Unsecured Class” means the class of creditors holding Affected Banro Unsecured Claims;

“Affected Banro Unsecured Creditor” means the holder of an Affected Banro Unsecured Claim in respect of and to the extent of such Affected Banro Unsecured Claim;

“Affected Banro Unsecured Creditors’ Meeting” means the meeting of Affected Banro Unsecured Creditors called for the purpose of considering and voting in respect of the Plan as described in the Meeting Order;

“Affected Banro Unsecured Deficiency Claim” means an unsecured Claim equal to 25% of the amount of the Claim under each of: (a) the Proven Secured Notes Claim; (b) the Proven Doré Loan Claim; and (iii) the Proven Namoya Forward II Claim;

“Affected Banro Unsecured Cash Pool” means cash in the amount of \$10,000.00;

“Affected Banro Unsecured Pro Rata Share” means the proportionate share of the Listed Claim of a Proven Affected Banro Unsecured Creditor to the total of all Listed Claims of Proven Affected Banro Unsecured Creditors after final determination of all Disputed Affected Banro Unsecured Claims in accordance with the Claims Procedure Order;

“Affected Banro Unsecured Creditors’ Resolution” means the resolution of the Affected Banro Unsecured Creditors to be considered at the Affected Banro Unsecured Creditors’ Meeting to approve the Plan;

“Affected Banro Unsecured Required Majority” means a majority in number of Affected Banro Unsecured Creditors representing at least two thirds in value of the Voting Claims of Affected Creditors who actually vote (in person or by Proxy) at the Creditors’ Meeting;

“Affected Claims” means all Claims against any of the Applicants that are not Excluded Claims;

“Affected Creditor” means the holder of an Affected Claim in respect of and to the extent of such Affected Claim;

“Affected Secured Claim” means secured Claims under (a) the Secured Notes in the amount equal to 75% of the Proven Secured Notes Claim; (b) the Doré Loan in an amount equal to 75% of the Proven Doré Loan Claim; and (c) the Namoya Forward II Agreement in an amount equal to 75% of the Namoya Forward II Claim;

“Affected Secured Class” means the class of creditors holding Affected Secured Claims;

“Affected Secured Creditor” means the holder of an Affected Secured Claim;

“Affected Secured Pro Rata Share” means, as to: (a) each of Baiyin and Gramercy in their capacity as Affected Secured Creditors, the proportionate share of Proven Affected Secured Claims held by it on the Distribution Record Date of all Proven Affected Secured Claims held by Baiyin and Gramercy together on the Distribution Record Date; and (b) in respect of any other Affected Secured Creditor, the proportionate share of Proven Affected Secured Claims held by it on the Distribution Record Date of all Proven Affected Secured Claims held by all Affected Secured Creditors other than Baiyin and Gramercy, on the Distribution Record Date;

“Affected Secured Creditors’ Meeting” means the meeting of Affected Secured Creditors called for the purpose of considering and voting in respect of the Plan as described in the Meeting Order;

“Affected Secured Creditors’ Resolution” means the resolution of the Affected Secured Creditors to be considered at the Affected Secured Creditors’ Meeting to approve the Plan;

“Affected Secured Required Majority” means a majority in number of Affected Secured Creditors representing at least two thirds in value of the Voting Claims of Affected Secured Creditors who actually vote (in person or by Proxy) at the Creditors’ Meeting;

“AIF” means Banro’s annual report on Form 20-F for the fiscal year ended December 31, 2016;

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter, including, where appropriate, any interpretation of the Law (or any part thereof) by any Person, court or tribunal having jurisdiction over it, or charged with its administration or interpretation;

“Applicants” means Banro Corporation, Banro Group (Barbados) Limited, Banro Congo (Barbados) Limited, Namoya (Barbados) Limited, Lugushwa (Barbados) Limited, Twangiza (Barbados) Limited, and Kamituga (Barbados) Limited;

“Baiyin” means Baiyin International Investment Limited and affiliates thereof within the direct or indirect control of Baiyin Nonferrous Group Company, Limited;

“**Banro**” means Banro Corporation;

“**Banro Group**” and “**Banro Parties**” means the Applicants and the Non-Applicant Subsidiaries;

“**Banro Released Parties**” has the meaning ascribed to that term in the section entitled “*Releases*”;

“**Beneficial Noteholder**” means a beneficial or entitlement holder of Secured Notes holding such Secured Notes in a securities account with a depository participant or other securities Intermediary including, for greater certainty, such depository participant or other securities Intermediary only if and to the extent such depository participant or other securities Intermediary holds the Secured Notes as a principal for its own account;

“**Beneficial Noteholder Voting Instructions**” means the voting instructions of Beneficial Noteholders entitled to vote at the Creditors’ Meeting for Affected Secured Creditors, to be submitted in accordance with the Meetings Order;

“**BGB**” means Banro Group (Barbados) Limited;

“**Business Day**” means any day, other than a Saturday, or a Sunday or a statutory or civic holiday, on which banks are generally open for business in Toronto, Ontario;

“**Canadian Trustee**” means TSX Trust Company in its capacity as Canadian Trustee under the Note Indenture;

“**Cash**” means cash, certificates of deposit, bank deposits, commercial paper, treasury bills and other cash equivalents;

“**Cassels**” means Cassels Brock & Blackwell LLP, legal counsel to the Applicants and the Banro Parties;

“**Cayman Law**” means the laws of the Cayman Islands, as in effect at the relevant time;

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

“**CCAA Proceedings**” means the proceedings commenced by the Applicants under the CCAA as contemplated by the Initial Order;

“**CDS**” means the Canadian Depository for Securities or its nominee, which at the date of this Circular is CDS & Co. or any successor thereof;

“**Charges**” has the meaning ascribed to that term in the Initial Order;

“**CIM**” means the Canadian Institute of Mining, Metallurgy and Petroleum;

“**Circular**” means this information circular of the Company dated as of February •, 2018, including all Schedules and Appendices hereto, as it may be amended, restated or supplemented from time to time;

“**Claim**” means:

- (a) any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against any of the Applicants, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever of any of the Applicants, and any interest accrued thereon or costs payable in respect thereof, in existence on the Filing Date, or which is based on an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, whether at law or

in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, un-liquidated, fixed, contingent, matured, un-matured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any claim arising from or caused by the termination, disclaimer, rescission, assignment or repudiation by any of the Applicants of any contract, lease or other agreement, whether written or oral, any claim made or asserted against any of the Applicants through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, and including any other claims that would have been claims provable in bankruptcy had any of the Applicants become bankrupt on the Filing Date, any Equity Claim, and any claim against any of the Applicants for indemnification by any Director or Officer in respect of a Director/Officer Claim; and

- (b) any right or claim of any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any of the Applicants to such Person arising out of the restructuring, disclaimer, rescission, termination or breach by any of the Applicants on or after the Filing Date of any contract, lease, warranty obligation or other agreement whether written or oral;

"Claims Bar Date" has the meaning ascribed to that term in the Claims Procedure Order;

"Claims Procedure Order" means the Order made in the CCAA Proceedings on February 1, 2018 entitled "Claims Procedure Order";

"Claims Procedure" means the Claims Procedure to be conducted in accordance with the Claims Procedure Order;

"Class A Common Share" means a Class A Common Share of Newco, each of which shall have the right to one vote at any meeting of the shareholders of Newco and shall also have attached to it such other rights and restrictions as are acceptable to the Applicants, the Monitor and the Requisite Consenting Parties, acting reasonably;

"Class B Common Share" means a Class B Common Share of Newco, which shall have attached to it such rights and restrictions as are acceptable to the Applicants, the Monitor and the Requisite Consenting Parties, acting reasonably, other than the right to vote at any meeting of the shareholders of Newco, except as required by Cayman Law;

"Companies" has the same meaning as the term "Applicants";

"Companies Law" means the Companies Law of the Cayman Islands;

"Company" or **"Banro"** means Banro Corporation;

"Consent Agreement" means an agreement by a Person to consent to the Support Agreement;

“Consenting Party” means either Baiyin or Gramercy, as applicable and **“Consenting Parties”** means both;

“Contracts” means all agreements, contracts, leases (whether for real or personal property), purchase orders, undertakings, covenants not to compete, employment agreements, confidentiality agreements, licenses, instruments, obligations and commitments to which a Person is a party or by which a Person or any of its assets are bound or affected, whether written or oral;

“Court” means the Ontario Superior Court of Justice (Commercial List);

“Court-appointed Monitor” means FTI, in its capacity as Monitor;

“Creditor” means any Person having a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with the Claims Procedure Order or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;

“Creditors’ Meetings” or **“Meetings”** means the meetings of the Affected Banro Unsecured Creditors and of the Affected Secured Creditors called for the purpose of considering and voting in respect of the Plan as described in the Meeting Order;

“Crown” means Her Majesty the Queen in right of Canada or a province of Canada;

“Crown Priority Claim” means any Claim of the Crown, for all amounts that were outstanding at the Filing Date and are of a kind that could be subject to a demand under:

- (a) subsection 224(1.2) of the ITA;
- (b) any provision of the Canada Pension Plan or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts;
- (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection;

“DIP Claims” means the claims secured by the DIP Lender’s Charge;

“DIP Facility” has the same meaning as “Interim Facility”;

“DIP Lender” means Baiyin and Gramercy, in their role as lenders in connection with the Interim Facility;

“DIP Lender’s Charge” has the meaning ascribed to that term in the Initial Order;

“Director” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of any of the Companies;

“Director/Officer Claim” means any right or Claim of any Person against one or more of the Directors or Officers, howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer (collectively, the **“Director/Officer Claims”**);

“Director/Officer Indemnity Claim” means any existing or future right of any Director or Officer of any of the Applicants against any of the Applicants that arose or arises as a result of any Person filing a Proof of Claim in respect of a Director/Officer Claim or otherwise, in respect of such Director or Officer of any of the Applicants for which such Director or Officer of any of the Applicants is entitled to be indemnified by any of the Applicants;

“Directors’ Charge” has the meaning ascribed to it in the Initial Order;

“Disputed Affected Banro Unsecured Claim” means an Affected Banro Unsecured Claim which has not been allowed, in whole or in part, as a Proven Affected Banro Unsecured Claim, which is validly disputed for distribution purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with the Claims Procedure Order;

“Disputed Voting Claim” means an Affected Claim or such portion thereof which has not been allowed as a Voting Claim, which is validly disputed for voting purposes in accordance with the Meeting Order or Claims Procedure Order and which remains subject to adjudication for voting purposes in accordance with the Meeting Order or Claims Procedure Order;

“Distribution Record Date” means the Implementation Date or such earlier date as the Applicants, the Monitor and the Requisite Consenting Parties may agree;

“Doré Loan”; means a loan in the total principal amount of US\$10.0 million advanced pursuant to a letter agreement dated July 15, 2016 among Baiyin International Investment Ltd and Twangiza Mining SA;

“DRC” means the Democratic Republic of the Congo;

“Effective Time” means 12:01 am on the Implementation Date (or such other time as the Applicants, the Monitor and the Requisite Consenting Parties may agree);

“Eligible Voting Creditors” means Affected Banro Unsecured Creditors and Affected Secured Creditors, holding Voting Claims or Disputed Voting Claims;

“Employee Priority Claims” means, with respect to Listed Creditors who are or were employees of Banro, the following claims:

- (a) Claims of the Applicants’ employees and former employees equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(l)(d) of the *Bankruptcy and Insolvency Act* (Canada) if the Applicants had become bankrupt on the Filing Date;

- (b) Claims of the Applicants' employees and former employees for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the date of the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the Applicants' business during the same period; and
- (c) any amounts in excess of (a) and (b) above, that the Applicants' employees or former employees may have been entitled to receive pursuant to the *Wage Earner Protection Program Act* if Banro had become bankrupt on the Filing Date;

"Encumbrances" has the meaning ascribed to that term in the Initial Order;

"Equity Claim" has the meaning set forth in subsection 2(1) of the CCAA;

"Equity Interest" has the meaning set forth in subsection 2(1) of the CCAA;

"Event of Default" has the meaning ascribed to that term in the Support Agreement;

"Excluded Claim" means:

- (a) any Claims secured by any of the Charges;
- (b) any Claims that cannot be compromised pursuant to subsection 19(2) of the CCAA;
- (c) all secured Claims against the Applicants other than the Affected Secured Claims;
- (d) all unsecured Claims against the Applicants other than the Affected Banro Unsecured Claims;
- (e) Intercompany Claims;
- (f) any Priority Claims;
- (g) any Post-Filing Claims; and
- (h) any Claim entitled to the benefit of any applicable insurance policy, excluding any such Claim or portion thereof that is directly recoverable as against an Applicant;

"Excluded Creditor" means a Person who has an Excluded Claim, but only in respect of and to the extent of such Excluded Claim;

"Exit Transaction" has the meaning ascribed to that term in the Restructuring Term Sheet;

"Filing Date" means December 22, 2017;

"Forward Agreements" means, collectively, the Namoya Forward I Agreement, the Namoya Forward II Agreement, the Twangiza Forward I Agreement and the Twangiza Forward II Agreement;

"FTI" means FTI Consulting Canada Inc.;

"Gold Streams" means collectively, the Namoya Streaming Agreement and the Twangiza Streaming Agreement;

"Gold Transfer Price" has the meaning ascribed to that term in the Stream Agreements;

“Governmental Entity” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“Gramercy” means Gramercy Funds Management LLC, as agent for and on behalf of the funds and accounts for which it acts as investment manager or advisor;

“IFRS” means the international financial reporting standards as issued by the International Accounting Standards Board as in effect from time to time;

“Implementation Date” means the Business Day on which this Plan becomes effective, which shall be the day indicated on the certificate which the Monitor has filed with the Court contemplated in Section 9.6 of the Plan;

“Initial Order” means the Order of the Court dated December 22, 2017 granted in respect of the Applicants (as such Order may be amended, restated or varied from time to time) pursuant to the CCAA;

“Intercompany Claim” means any Claim, including Equity Claims, by any of the Banro Parties against other Banro Parties;

“Interim Facility” means a senior secured super priority (debtor-in-possession) interim, non-revolving credit facility up to a maximum principal amount of US\$20,000,000 dated as of December 22, 2017;

“Interim Financing Term Sheet” has the meaning ascribed to that term in the Support Agreement;

“Interim Lenders” has the meaning ascribed to that term in the Support Agreement;

“Intermediary” means a broker, custodian, trustee, nominee or other intermediary through which a Beneficial Noteholder holds its Secured Notes;

“ITA” means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.), as amended and any regulations thereunder;

“Kingsdale” means Kingsdale Advisors, the Depositary and Solicitation agent in connection with the Creditors’ Meetings and the Plan;

“Law” means any law, statute, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law whether in Canada or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity;

“Listed Claims” means the Claims of Listed Creditors as defined in the Claims Procedure Order;

“Majority Consenting Noteholders” means Consenting Noteholders holding at least a majority of the aggregate principal amount of all Secured Notes held by the Consenting Noteholders at the time that a consent, approval waiver or agreement is sought pursuant to the terms of this Plan;

“Material Adverse Change” means any change, condition, event or occurrence (including, without limitation, a change in commodity or metals prices), which, when considered individually or together with all other changes, conditions, events or occurrences, could reasonably be expected to have a material adverse effect (or a series of adverse effects, none of which is material in and of itself but which, cumulatively, result in a material adverse effect) on: (a) the condition (financial or otherwise), business,

performance, prospects, operation, assets or property of Banro (including a material adverse qualification (other than a 'going concern' qualification resulting from the CCAA Proceedings) to any of the financial statements of Banro; a material adverse misstatement of the financial statements of Banro; or if after the Filing Date, it is determined by Banro, its auditors or accountants that a restatement of Banro's financial statements is or is likely to be necessary or there is a material adverse restatement of Banro's financial statements); (b) the ability of Banro to carry on its business as presently conducted; (c) the ability of Banro or Consenting Parties to timely and fully perform any of their obligations under the Recapitalization as contemplated in the Support Agreement; or (d) the validity or enforceability of the Recapitalization as contemplated in the Support Agreement;

"MD&A" means Annual Management's Discussion and Analysis;

"Meeting Order" means the Order made in these proceedings on February 1, 2018 entitled "Meeting Order";

"MI 61-101" means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*;

"Milestones" has the meaning ascribed to that term in the Interim Financing Term Sheet;

"Monitor" means FTI, in its capacity as Court-appointed Monitor of the Companies in the CCAA Proceedings;

"Monitor's Certificate" has the meaning ascribed to that term in section 9.6 of the Plan;

"Monitor's Website" means <http://cfcanada.fticonsulting.com/banro/>;

"Namoya" means Banro's Namoya mine at the southern end of the Twangiza-Namoya gold belt in Maniema province, approximately 210 kilometers southwest of Twangiza and consists of one PE covering an area of 174 square kilometres;

"Namoya DRC" means Namoya Mining S.A.;

"Namoya Forward I Agreement" means the gold purchase and sale agreement dated April 19, 2017 among Namoya Gold Forward Holdings LLC, RFW Banro II Investments Limited and Banro and Namoya Mining S.A. (as amended or restated from time to time) in the secured amount of US\$42 million;

"Namoya Forward II Agreement" means the Purchase and Sale Agreement dated July 12, 2017 among Namoya Gold Forward Holdings II LLC, Baiyin International Investment Ltd, Banro and Namoya Mining S.A. (as amended from time to time) in the secured amount of US\$20.0 million;

"Namoya Stream Equity Warrants" has the meaning given to it in the section entitled "*Issuance of Stream Equity Warrants*";

"Namoya Streaming Agreement" means the Gold Purchase and Sale Agreement dated February 27, 2015 among Namoya GSA Holdings, Banro and Namoya Mining S. A. (as amended or restated from time to time);

"New BGB Common Shares" means the 100 common shares in the capital of BGB to be issued to Newco on the Implementation Date;

"New Board" means the board of directors of each of Banro and Newco immediately following completion of the Recapitalization;

“Newco” means an exempted company to be organized under the laws of the Cayman Islands;

“Newco/BGB Subscription Agreement” means a subscription agreement to be entered into by Newco and BGB on or prior to the Implementation Date in form and substance reasonably acceptable to the Applicants and the Requisite Consenting Parties pursuant to which BGB agrees to issue to Newco, and Newco agrees to subscribe for, the New BGB Common Shares on the Implementation Date;

“Newco Equityholder Information” means such information and documentation as the Transfer Agent and/or Newco may require from recipients of the New Equity in order to comply with any anti-money laundering, “know your client”, proceeds of crime and other Laws applicable to the Transfer Agent and Newco, respectively, which shall be communicated to the Proven Affected Secured Creditors by the Transfer Agent and/or Newco in the information provided in such Proven Affected Secured Creditors’ Registration Instructions;

“Newco Share Terms” means the rights and obligations of holders of the New Equity as set forth in the Restructuring Term Sheet, as described under the heading “*Newco Share Terms*”, and as otherwise may be agreed to by the Companies, the Monitor and the Requisite Consenting Parties, acting reasonably;

“New Equity” means, collectively, the Class A Common Shares and the Class B Common Shares of Newco which, immediately following the issuance thereof, will constitute all of the issued and outstanding shares of Newco;

“New Secured Facility” means a new secured loan facility, which facility shall have refinanced the obligations owing by the Banro Parties to the DIP Lender under the DIP Term Sheet;

“New Secured Facility Credit Agreement” means the secured term loan agreement to be entered into by the Banro Parties on the terms substantially as described in this Circular and/or as may otherwise be agreed by the Applicants and the DIP Lender, each acting reasonably, pursuant to which the New Secured Facility will be issued;

“New Secured Facility Warrants” means warrants for common shares in the capital of Newco to be issued to the DIP Lender on the Implementation Date as consideration for providing the New Secured Facility, on the terms and conditions as described in this Circular and/or as may otherwise be agreed by the Applicants and the DIP Lender, each acting reasonably;

“NI 43-101” means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*;

“Non-Applicant Subsidiaries” means, collectively, Banro Congo Mining S.A., Namoya DRC, Lugushwa Mining S.A., Twangiza Mining S.A., and Kamituga Mining S.A.;

“Note Indenture” means the indenture dated as of April 19, 2017 among Banro, the Guarantors and Obligors and therein, the Canadian Trustee and the U.S. Trustee;

“Noteholder” means the holders of the Secured Notes as determined in accordance with the Claims Procedure Order, including a Beneficial Noteholder;

“Noteholder Voting Record Date” means 5:00 p.m. (Toronto time) on January 31, 2018

“Officer” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of any of the Applicants;

“Outside Date” means April 30, 2018 (or such other date as the Companies, the Monitor and the Required Consenting Parties may agree);

“Person” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Governmental Entity or any agency, Officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

“Plan” means the Consolidated Plan of Compromise and Reorganization in the form filed with the Court and any amendments, restatements, modifications or supplements made from time to time in accordance with the terms of the Plan or made at the direction of the Court in the Sanction Order or otherwise;

“Post-filing Claim” means any claims against any of the Applicants that arose from the provision of authorized goods and services provided or otherwise incurred on or after the Filing Date in the ordinary course of business;

“Priority Claim” means a Crown Priority Claim or an Employee Priority Claim;

“Priority Claim Reserve” means a Cash reserve, equal to the amount of the Priority Claims, to be deposited by the Applicants into the Priority Claim Reserve Account for the purpose of paying the Priority Claims;

“Priority Claim Reserve Account” means a segregated interest-bearing trust account established by the Monitor to hold the Priority Claim Reserve;

“Priority Lien Debt” means: (i) the Twangiza Forward I Agreement; (ii) the Twangiza Forward II Agreement; and (iii) the Namoya Forward I Agreement;

“Proof of Claim” has the meaning ascribed to such term in the Claims Procedure Order;

“Proven Affected Banro Unsecured Claim” means the amount of the Affected Banro Unsecured Claim of an Affected Banro Unsecured Creditor as finally accepted and determined for distribution purposes in accordance with the Claims Procedure Order and the CCAA;

“Proven Affected Banro Unsecured Creditor” means a holder of a Proven Affected Banro Unsecured Claim;

“Proven Affected Secured Claim” means the amount of an Affected Secured Claim as finally accepted and determined for distribution purposes in accordance with the Claims Procedure Order and the CCAA;

“Proven Affected Secured Creditor” means a holder of a Proven Affected Secured Claim as at the Distribution Record Date;

“Proven Doré Loan Claim” means the Proven Affected Secured Claim in respect of the Doré Loan in the amount of US\$10,247,120;

“Proven Namoya Forward II Claim” means the Proven Affected Secured Claim in respect of the Namoya Forward II Agreement in the amount of US\$20,000,000;

“Proven Secured Notes Claim” means the Proven Affected Secured Claim in respect of the Secured Notes in the amount of US\$203,506,170;

“Proxy” or **“Proxies”** means the proxy for voting at the Creditors’ Meetings for use by Affected Creditors that are not Beneficial Noteholders, substantially in the form attached as Schedule “D” to the Meeting Order;

"Proxy Deadline" means 12:00 p.m. (Toronto time) on March 8, 2018 or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors' Meeting;

"Qualified Alternative Transaction Bid" has the meaning ascribed to that term in the SISP;

"Recapitalization" means a transaction on the terms set forth in the Restructuring Term Sheet;

"Record Time Secured Noteholder" means a person who is a Beneficial Noteholder as of the Noteholder Voting Record Date;

"Registered Holder" means the holders of Secured Notes as recorded on the books and records of the Canadian Trustee;

"Registration Election Deadline" means 5:00 pm on March 5, 2018 (or such other date as the Companies, the Monitor and the Required Consenting Parties may agree)

"Registration Instructions" means the instructions provided by Beneficial Noteholder to its Intermediary for the registration and issuance of its New Equity submitted in accordance with the VIEF and the Meeting Order;

"Released Party" means each of the Banro Released Parties and the Third Party Released Parties;

"Releases" has the meaning given to that term in the section entitled "*Releases*";

"Released Claims" means the matters that are subject to release and discharge as described in the section entitled "*Releases*";

"Required Majorities" means the Affected Secured Required Majority and the Affected Banro Unsecured Required Majority;

"Requisite Consenting Parties" means, collectively, Gramercy and Baiyin;

"Requisite Consenting Party Advisors" means, collectively, Goodmans LLP and McCarthy Tétrault LLP;

"Restructuring Term Sheet" means the Restructuring Term Sheet attached as an exhibit to the Support Agreement;

"RFW" means, collectively, Resource FinanceWorks Limited, RFW Banro Investments Limited, Baiyin International Investment Limited and affiliates thereof within the direct or indirect control of Baiyin Nonferrous Group Company, Limited;

"RFW Banro Investments" means RFW Banro Investments Limited;

"Sanction Order" has the meaning ascribed to that term in section 9.2 of the Plan;

"SEC" has the meaning ascribed thereto under "*Notice to Security Holders in the United States*";

"SEC Industry Guide 7" has the meaning ascribed thereto under "*Notice to Security Holders in the United States*";

"Section 5.1(2) Director/Officer Claims" means any Director/Officer Claims that may not be compromised pursuant to subsection 5.1(2) of the CCAA;

“Secured Notes” means the 10% Secured Notes due March 1, 2021 in the principal amount of US\$197.5 million, for which Banro Group (Barbados) Limited is the obligor and the other Banro Parties are guarantors;

“SEDAR” means the System for Electronic Document Analysis and Retrieval;

“Shareholders Agreement” means a shareholders’ agreement made between and among the shareholders of Newco on the Implementation Date which shall contain the Newco Share Terms and otherwise be acceptable to the Companies and the Requisite Consenting Parties, acting reasonably;

“SISP” means the Sale and Investment Solicitation Process in respect of the Companies to be conducted in accordance with the SISP Procedures;

“SISP Approval Order” means the SISP Approval Order granted by the Court on January 18, 2018;

“SISP Procedures” means the Procedures for the Sale and Investment Solicitation Process attached as Schedule “A” to the SISP Approval Order;

“Solicitation Agent” means Kingsdale;

“Special Committee” has the meaning ascribed to that term in *“Background to the Recapitalization”*;

“Stay Extension & CCAA Charges Priority Order” means the Stay Extension & CCAA Charges Priority Order granted by the Court on January 18, 2018;

“Stream Agreements” means the Namoya Streaming Agreement and the Twangiza Streaming Agreement;

“Twangiza Streaming Agreement” means the Gold Purchase and Sale Agreement dated December 31, 2015 among RFW Banro Investments Limited, Banro and Twangiza DRC (as amended or restated from time to time);

“Stream Equity Warrants” means the Namoya Stream Equity Warrants and the Twangiza Stream Equity Warrants;

“Stream Purchaser” shall have the meaning given to such term in the section entitled *“Amendments to Streaming and Forward Agreements”*;

“Successful Bid” has the meaning ascribed to that term in *“SISP”*;

“Support Agreement” means the agreement dated December 22, 2017 (as it may be amended, restated and varied from time to time in accordance with the terms thereof) between the Banro Parties, Baiyin, Gramercy, and each other Person who may execute a Consent Agreement thereto, a copy of which has been posted on Banro’s profile on SEDAR;

“Tax” or **“Taxes”** means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions;

“Tax Claim” means any Claim by a Taxing Authority against the Applicant regarding any Taxes in respect of any taxation year or period;

“Taxing Authority” means Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, any municipality of Canada, the Canada Revenue Agency, the Canada Border Services Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof and any Canadian or foreign government, regulatory authority, government department, agency, commission, bureau, minister, court, tribunal or body or regulation making entity exercising taxing authority or power, and **“Taxing Authority”** means any one of the Taxing Authorities;

“Transfer Agent” means the transfer agent in respect of the New Equity, which shall be acceptable to the Applicants and the Requisite Consenting Parties, acting reasonably;

“Third Party Released Parties” has the meaning given to it in the section entitled *“Releases”*;

“Trustees” means, collectively, the Canadian Trustee and The Bank of New York Mellon in its capacity as U.S. Trustee under the Note Indenture;

“Twangiza” means Banro’s Twangiza mine located 45 kilometres south-southwest of Bukavu in South Kivu Province of the DRC and consists of six Exploitation Permits covering 1,164 square kilometres in the highly-prospective 210km long Twangiza-Namoya gold belt;

“Twangiza DRC” means Twangiza Mining S.A.;

“Twangiza Forward I Agreement” means the amended and restated Gold Purchase and Sale Agreement Tranche 2/3 dated September 17, 2015 among Twangiza GFSA Holdings, Banro and Twangiza Mining DRC (as amended or restated from time to time);

“Twangiza Forward II Agreement” means the purchase and sale agreement dated July 12, 2017 (as amended or restated from time to time) among Baiyin International and Twangiza DRC in the amount of US\$6.0 million;

“Twangiza Stream Equity Warrants” has the meaning given to it in the section entitled *“Issuance of Stream Equity Warrants”*;

“Twangiza Streaming Agreement” means the Gold Purchase and Sale Agreement dated December 31, 2015 among RFW Banro Investments Limited, Banro and Twangiza Mining DRC (as amended or restated from time to time);

“U.S.” or **“United States”** means United States of America, its territories and possessions, any State of the United States and the District of Columbia;

“U.S. GAAP” means United States Generally Accepted Accounting Principles;

“U.S. Trustee” means The Bank of New York Mellon, in its capacity as Trustee under the Note indenture;

“VIEF” means the Voting Information and Registration Election Form (or other applicable instruction) provided to a Beneficial Noteholder by its Intermediary;

“Voting Claim” means the amount of the Affected Claim of an Affected Creditor against the Applicant as finally accepted and determined for purposes of voting at the Creditors’ Meeting, in accordance with the provisions of the Meeting Order and the CCAA;

“Voting Instruction” means the instructions provided by Beneficial Noteholder to its Intermediary for its vote on the Plan in accordance with the VIEF and the Meeting Order.

CIRCULAR

This Circular is furnished in connection with the solicitation of voting instruments by and on behalf of the management of the Companies to be used at the meeting of the Affected Secured Creditors and the meeting of the Affected Banro Unsecured Creditors to be held on March 9, 2018 at 1:30 pm (Toronto time) and 1:45 pm (Toronto time), 2018, respectively, at the offices of McMillan LLP at 181 Bay Street, Suite 4400, Toronto, Ontario, Canada, M5J 2T3, and at any adjournments or postponements thereof.

All capitalized terms used in this Circular that are not otherwise defined have the respective meanings set forth under "*Glossary of Terms*".

Information in this Circular is given as at February 1, 2018, unless otherwise indicated.

CURRENCY

In this Circular, references to US\$ are to United States dollars, and references to \$ are to Canadian dollars. The nominal daily rate of exchange on February 1, 2018, as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars, was US\$1.00 = C\$●.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION AND RISKS

Certain statements and other information in this Circular may constitute forward-looking information within the meaning of applicable Canadian and United States securities laws. This forward-looking information reflects the current beliefs of management of the Companies and is based on assumptions and information currently available to management of the Companies. In some cases, forward-looking information can be identified by terminology such as "may", "will", "expect", "plan", "anticipate", "believe", "intend", "estimate", "predict", "forecast", "outlook", "potential", "continue", "should", "likely", "project", "future" or the negative of these terms or other comparable terminology.

In particular, this Circular contains forward-looking information pertaining to:

- the anticipated benefits and effects of the Plan, including the entitlements of various security holders;
- the potential effects on the Companies and various stakeholders if the Plan is not concluded;
- the timing of the Creditors' Meetings and of the completion of the Plan;

Forward-looking information respecting:

- the anticipated benefits of the Recapitalization are based upon a number of facts, including the terms and conditions of the Plan (including receipt of required stakeholder, regulatory and Court approvals), current industry, economic *and* market conditions and the current financial condition and prospects of the Companies;
- the structure and effect of the Recapitalization are based upon the terms of the Plan and the transactions contemplated thereby; and
- the steps and timing of the Recapitalization are based upon the terms of the Plan and the expected timing to receive the required Court approvals and to otherwise satisfy the conditions to effectiveness of the Plan

Although management of the Companies believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking information in this Circular are based upon reasonable assumptions and expectations, readers of this Circular should not place undue reliance on such forward-looking information because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Companies to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such assumptions include, without limitation: political instability in the eastern DRC where the Twangiza and Namoya mines are located; potentially adverse economic, social and political developments in the DRC, interest and exchange rates; the price of gold; financing and funding requirements; general economic, political and market conditions; and changes in laws, rules and regulations applicable to the Companies. Forward-looking information are statements about the future and are inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. The forward-looking information speaks only as of the date of this Circular.

Forward-looking information is subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: the completion of the Plan being subject to conditions that must be satisfied or waived; and risks related to the Companies.

This list is not exhaustive of the factors and assumptions that may affect any of the forward-looking information. Additional risks and uncertainties that could affect forward-looking information are described further under the heading "*Risk Factors*" in this Circular and under the heading "*Risk Factors*" in the AIF. The forward-looking information contained in this Circular is expressly qualified by this cautionary statement, and the Companies do not undertake any obligation to update it to reflect new information or future developments, except to the extent required by law.

SUMMARY OF CIRCULAR

The following is a summary of certain information contained elsewhere in this Circular. It is not, and is not intended to be, complete in itself. This is a summary only, and is qualified in its entirety by the more detailed information appearing elsewhere in this Circular and incorporated by reference herein. Affected Creditors are urged to carefully review this Circular, including the Appendices, and the documents incorporated by reference, in their entirety. Capitalized terms used in this Circular that are not otherwise defined have the respective meanings set forth under "Glossary of Terms".

Banro Corporation

Banro Corporation is a Canadian gold mining company focused on production from the Twangiza and Namoya mines, which began commercial production in September 2012 and January 2016 respectively. The Company's longer-term objectives include the development of two additional major, wholly-owned gold projects, Lugushwa and Kamituga. The four projects, each of which has a mining license, are located along the 210 kilometres long Twangiza-Namoya gold belt in the South Kivu and Maniema Provinces of the DRC.

On December 22, 2017, Banro and the other Applicants filed for creditor protection under the CCAA.

Description of the Plan

This Circular describes the proposed Recapitalization, which will be effected through the Plan. The Plan will be considered by the Affected Secured Creditors and the Affected Banro Unsecured Creditors at the Creditors' Meetings. If completed as contemplated, the Plan will effect a number of significant changes to the capital structure of Banro and the terms of its existing obligations, as more particularly described below and elsewhere in this Circular.

As described in further detail in this Circular, upon implementation of the Plan:

- (a) the obligations under the Secured Notes, the Doré Loan and the Namoya Forward II Agreement will be exchanged for New Equity;
- (b) current equity holders of Banro will have their interests extinguished and Banro will become a wholly-owned, indirect subsidiary of Newco;
- (c) Affected Banro Unsecured Creditors will have their claims compromised in exchange for their Affected Banro Unsecured Pro Rata Share of the Affected Banro Unsecured Cash Pool;
- (d) the Interim Facility will be replaced by the New Secured Facility and Newco shall issue the New Secured Facility Warrants to the DIP Lender;
- (e) the amendments to the Namoya Streaming Agreement, the Twangiza Streaming Agreement, the Namoya Forward I Agreement, the Twangiza Forward I Agreement and the Twangiza Forward II Agreement as described under "*Amendments to Streaming and Forward Agreements*" will continue in effect as described therein and Newco will issue the Stream Equity Warrants.

Outstanding debt at the DRC level, including the equipment financing agreements at Twangiza DRC and Namoya DRC, including the guarantees of such by Banro, will remain unaffected.

Sale and Investment Solicitation Process

As part of the CCAA Proceedings, and subject to the terms of the SISP Approval Order, including the SISP Procedures appended thereto, Banro is conducting the SISP, pursuant to which any interested parties are afforded the opportunity to acquire Banro pursuant to a "Successful Transaction", meaning an alternative transaction to the Recapitalization which, among other things: (i) is on terms that Banro, in its business judgment and in consultation with the Monitor and the DIP Lenders, determines is superior to the terms of the Recapitalization; and (ii) indefeasibly repays in full in immediately available funds (x) all of the outstanding DIP Facility obligations, and (y) at least 75% of the principal amount of each of the obligations that form part of the Affected Parity Lien Debt, and (z) all claims ranking in priority to the DIP Obligations and the Affected Parity Lien Debt; and (iii) indefeasibly repays all amounts due under the Stream Agreements or provides for treatment of the Stream Agreements on the same terms as the Recapitalization.

If a Successful Transaction is identified in accordance with the SISP, the Recapitalization will not proceed.

Effect of the Plan

Effect on Affected Secured Claims

The Recapitalization contemplates an equitization of 75% of all Affected Secured Claims pursuant to the Plan, pro-rata with their claim value, into 100% of the New Equity (subject to subsequent dilution on account of the Stream Equity Warrants (as defined in the Restructuring Term Sheet). The balance of 25% of the Affected Secured Claims shall participate in and be compromised with the Affected Banro Unsecured Class. Holders of Affected Banro Unsecured Deficiency Claims shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

Based upon relative holdings of Affected Secured Claims as at the date hereof, it is anticipated that immediately following the Implementation Date, Baiyin would hold New Equity representing approximately 34.07% of the total outstanding equity of Newco (i.e. both Class A Common Shares and Class B Common Shares), Gramercy would hold approximately 40.28% of the total outstanding equity of Newco, and the remaining Affected Secured Creditors would hold approximately 25.65% of the total outstanding equity of Newco (subject to dilution for third parties down to 23.1% of the New Equity in the event that the Stream Equity Warrants and the New Secured Facility Warrants are exercised at full value). Baiyin and Gramercy will hold, between them, 100% of the voting equity of Newco.

Effect on Affected Banro Unsecured Claims

All holders of Affected Banro Unsecured Claims will vote as a separate class under the Plan. Included in this class will be the holders of the Affected Banro Unsecured Deficiency Claims. The Plan provides for a US\$10,000 distribution *pro rata* among the holders of Affected Banro Unsecured Claims other than holders of Affected Banro Unsecured Deficiency Claims, who shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

Effect on Equity

All Affected Equity Interests in Banro will be extinguished under the Plan for no consideration and Banro will become an indirect, wholly-owned, subsidiary of Newco.

Effect on Banro

Upon completion of the Recapitalization, Banro will be an indirect, wholly owned subsidiary of Newco and BGB will be a direct, wholly-owned subsidiary of Newco. The Applicants (other than Banro) and the Non-Applicant Subsidiaries will remain as direct and indirect subsidiaries of BGB.

The Gold Streams, the Twangiza Forward I Agreement, the Twangiza Forward II Agreement and the Namoya Forward I Agreement will remain in effect, subject to the amendments described herein under "Amendments to Streaming and Forward Agreements". The Interim Facility will be replaced by the New Secured Facility.

Support Agreement

On December 22, 2017, the Companies entered into the Support Agreement with Gramercy and Baiyin, who currently hold in excess of 74% of the Affected Secured Claims. Pursuant to the Support Agreement, and subject to the terms and conditions thereof, the Banro Group will seek to comply with the terms of the SISP and, if no Successful Transaction (as defined in the SISP) is identified as a result of the SISP, to proceed to complete the Recapitalization. In addition, Baiyin, Gramercy and parties related thereto agreed to support the SISP and, if no Successful Transaction is identified as a result of the SISP, to support the Recapitalization.

Approval of the Plan

For the purposes of considering and voting on the Resolutions, there will be two classes of Affected Creditors consisting of the Affected Secured Creditors and the Affected Banro Unsecured Creditors.

At the Creditors' Meetings, Affected Creditors will be asked to consider and, if thought advisable, approve the Affected Secured Creditors' Resolution, or the Affected Banro Unsecured Creditors' Resolution (collectively, the "**Resolutions**"), as applicable. Subject to any order of the Court, the Resolutions must be approved by the Required Majorities of Affected Creditors present in person or represented by proxy at each of the Creditors' Meetings with each Eligible Voting Creditor entitled to one vote at the applicable Creditors' Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order.

Procedures for Voting at the Creditors Meetings

The only Persons entitled to notice of, to attend or to speak at the Creditors' Meetings are Record Time Secured Noteholders, other Affected Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Companies, the Requisite Consenting Parties and all such parties' financial and legal advisors, the Chair, the Secretary and their respective legal counsel and advisors. Any other person may be admitted to the Meeting only by invitation of the Companies or the Chair.

Voting by Affected Creditors other than Beneficial Noteholders

Affected Creditors other than Beneficial Noteholders must use the Proxy to vote on the Resolution(s).

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., 79 Wellington Street West, Toronto Dominion Centre, Suite 2010, P.O. Box 2104, Toronto, ON M5K 1G8 (Attention: Lizzy Pearson), email: banro@fticonsulting.com prior to the Proxy Deadline. Persons appointed as proxyholders need not be Affected Creditors.

Voting by Affected Creditors who are Beneficial Noteholders

As at the date hereof, CDS Clearing and Depository Services Inc., is the sole Registered Holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. Beneficial Noteholders who were Beneficial Noteholders at 5:00 pm (Toronto time) on January 31, 2018 are "Record Time Secured Noteholders" and are entitled to vote as Affected Secured Creditors at the Affected Secured Creditors' Meeting and as Affected Banro Unsecured Creditors at the Affected Banro Unsecured Creditors Meeting in respect of their Affected Banro Unsecured Deficiency Claims.

RECORD TIME SECURED NOTEHOLDERS SHOULD PROMPTLY CONTACT THEIR INTERMEDIARIES AND OBTAIN AND FOLLOW THEIR INTERMEDIARIES' INSTRUCTIONS WITH RESPECT TO THE APPLICABLE VOTING PROCEDURES AND DEADLINES, WHICH MAY BE EARLIER THAN THE DEADLINES THAT ARE APPLICABLE TO OTHER AFFECTED SECURED CREDITORS. Record Time Beneficial Noteholders who sell their holdings of Secured Notes will be deemed to have transferred the right to vote and the entitlement to New Equity to the purchasing party.

Pursuant to the Meeting Order, the Company has caused copies of this Circular and the accompanying materials relating to the Creditors' Meetings to be distributed to CDS and Intermediaries (or their agents) for onward distribution to Record Time Secured Noteholders. Record Time Secured Noteholders are required to provide both Voting Instructions and Registration Instructions to their Intermediary in advance of the Creditors' Meetings. Every broker or other nominee or agent has its own procedures which should be carefully followed by Beneficial Noteholders in order to ensure that their Secured Notes are voted at the Creditors' Meetings.

New Equity

The Recapitalization contemplates an equitization of 75% of all Affected Secured Claims pursuant to the Plan, pro-rata with their claim value into 100% of the New Equity (subject to subsequent dilution on account of the Stream Equity Warrants (as defined in the Restructuring Term Sheet).

It is anticipated that the groups of shareholders represented by each of Baiyin and Gramercy (each of which group will collectively hold in excess of 30% of the New Equity at the Effective Time (a "**Major Shareholder**") will have certain rights and obligations that differ from the other shareholders of Newco (the "**Minority Shareholders**").

The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Newco Board.

The Minority Shareholders will hold Class B Common Shares, which will be non-voting common shares of Newco with rights to information, pre-emptive rights and a right to "tag along" in the context of certain transactions, and certain obligations in the context of transfers of New Equity, as described.

There will be no distinction in the economic rights of the Class A Common Shares (voting) and the Class B Common Shares (non-voting),

Each Beneficial Noteholder is required to provide Registration Instructions to Kingsdale through their Intermediaries as per the VIEF and must also provide the Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable in order to receive New Equity.

No holder of Affected Secured Claims shall be entitled to the rights associated with the New Equity and all such New Equity shall be held solely by the Transfer Agent and recorded on the books and records of Newco by the Transfer Agent until such time as the holder of such Affected Secured Claim has delivered its Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable. In the event that an Affected Secured Creditor fails to deliver its Newco Equityholder Information on or before the date that is 6 months following the Implementation Date, Newco shall be entitled to cancel the entitlement to, and

Newco and the Transfer Agent shall have no further obligation to deliver, any New Equity otherwise issuable to such Affected Secured Creditor(s) that have not delivered their Newco Equityholder Information.

Court Approval of the Plan

Following the Creditors' Meetings, and provided that the Plan is approved by the Required Majorities at the Creditors' Meetings, the Companies intend to bring a motion before the Court on March [16], 2018 at ● (Toronto time) or such later date as may be posted on the Monitor's website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least seven (7) Business Days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least seven (7) Business Days before such Court hearing, or such shorter time as the Court, by Order, may allow.

Conditions to the Recapitalization Becoming Effective

The implementation of the Recapitalization will be subject to the following conditions precedent, among others:

- (a) the Plan shall have been approved by the Required Majorities;
- (b) the Court shall have granted the Sanction Order the operation and effect of which shall not have been stayed, reversed or amended and in the event of an appeal or application for leave to appeal, final determination shall have been made by the appellate court;
- (c) the Administrative Reserve shall have been funded by the Applicants;
- (d) the Priority Claim Reserve shall have been funded by the Applicants;
- (e) the conditions precedent to the implementation of the Recapitalization set forth in Article 8 of the Support Agreement shall have been satisfied or waived;
- (f) the Priority Lien Debt, the Gold Streams, the Shareholder Agreement and the Interim Facility and all related agreements and other documents necessary in connection with the amendments thereto contemplated by the Recapitalization and the implementation of the Plan, shall be in form and substance acceptable to the Applicants, the Monitor and the Requisite Consenting Parties and shall have become effective, subject only to the implementation of the Plan;
- (g) the Implementation Date shall have occurred no later than the Outside Date; and
- (h) the constating documents of Newco and the composition of the board of Newco effective on and after the Implementation Date shall be consistent with the Restructuring Term Sheet and otherwise acceptable to the Applicants and the Requisite Consenting Parties, acting reasonably.

The Companies, in consultation with the Monitor, may at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such

terms as such parties may agree to, provided however that the conditions set out in the above clauses, (e), (f), (g), and (h) may only be waived with the consent of the Requisite Consenting Parties.

Canadian Income Tax Considerations

For a description of the Canadian income tax consequences resulting from the Plan, please refer to "*Certain Canadian Federal Income Tax Considerations*".

United States Income Tax Considerations

For a description of the United States federal income tax consequences resulting from the Plan, please refer to "*Certain United States Federal Income Tax Considerations*".

Risk Factors

Affected Creditors should carefully consider the risk factors concerning implementation and non-implementation, respectively, of the Plan and the business of Banro and Newco described under "Risk Factors".

MATTERS TO BE ACTED UPON AT THE MEETING

At the Creditors' Meetings, Affected Creditors will be asked to consider and, if thought advisable, approve the Affected Secured Creditors' Resolution, or the Affected Banro Unsecured Creditors' Resolution (collectively, the "**Resolutions**"), as applicable. Subject to any order of the Court, the Resolutions must be approved by the Required Majorities of Affected Creditors present in person or represented by proxy at each of the Creditors' Meetings with each Eligible Voting Creditor entitled to one vote at the applicable Creditors' Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order.

The form of the Affected Secured Creditors' Resolution is set out at Appendix "A" to this Circular. The form of the Affected Banro Unsecured Creditors' Resolution is set out at Appendix "B" to this Circular.

ENTITLEMENT TO VOTE

Classification of Affected Creditors

For the purposes of considering and voting on the Resolutions, there will be two classes of Affected Creditors consisting of the Affected Secured Creditors and the Affected Banro Unsecured Creditors.

Claims Procedure Order

The procedure for determining the validity and value of the Claims of Affected Creditors for voting and distribution purposes will be as set forth in the Claims Procedure Order, a copy of which is attached as Appendix "F" to this Circular, the Meeting Order, a copy of which is attached as Appendix "E" to this Circular, the CCAA and the Plan. The Monitor (in consultation with the Companies) will have the right to seek the assistance of the Court in valuing any Disputed Banro Unsecured Claim in accordance with the Claims Procedure Order, the Meeting Order, the CCAA and the Plan and, if required, to ascertain the result of any vote on the Resolutions.

If you are the holder of a "Listed Claim" or an "Affected Banro Unsecured Deficiency Claim" you are an "Affected Banro Unsecured Creditor". All holders of "Listed Claims" should receive a Claims Package from the Monitor which will include a Notice of Claim. If you are the holder of a Listed Claim and have not received a Claims Package, please contact the Monitor at banro@fticonsulting.com. The submission of a Proxy will not constitute a Notice of Claim for the holder of a Listed Claim.

Affected Secured Creditors are not required to submit a Notice of Claim. However, Affected Secured Creditors who are Beneficial Noteholders are required to submit an instruction in accordance with the VIEF through their Intermediary, as described below, and other Affected Secured Creditors are required to submit a Proxy in order to be entitled to vote at the Creditors' Meetings. In order to receive the New Equity, Affected Secured Creditors must provide the Registration Instructions and the Newco Equityholder Information.

All Affected Creditors should refer to the Claims Procedure Order and the Meeting Order for a complete description of these procedures.

Any Claims denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the Bank of Canada daily exchange rate that was in effect on the Filing Date, which rate is US\$1.00 to C\$1.2759.

Entitlement to Vote and Voting

The validity and value of Affected Claims will be determined for voting purposes in accordance with the procedures set forth in the Claims Procedure Order, the Meeting Order and the Plan.

The only Persons entitled to notice of, to attend or to speak at the Creditors' Meetings are Record Time Secured Noteholders, other Affected Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Companies, the Requisite Consenting Parties and all such parties' financial and legal advisors, the Chair, the Secretary and their respective legal counsel and advisors. Any other person may be admitted to the Meeting only by invitation of the Companies or the Chair.

The quorum for each of the Creditors' Meeting has been set by the Meeting Order as one Eligible Voting Creditor present at such meeting in person or by proxy.

The record time for determining which Beneficial Noteholders are Record Time Secured Noteholders is 5:00 p.m. (Toronto time) on January 31, 2018.

Only the Record Time Secured Noteholders will be entitled to provide instructions relating to voting their Secured Notes and/or attending the Creditors' Meetings as Affected Secured Creditors. The solicitation of votes from and the procedures for voting by the Record Time Secured Noteholders will be conducted in accordance with the Meeting Order. Each Record Time Secured Noteholder will be entitled to one vote having the value of its Voting Claim held by such Record Time Secured Noteholder, and each Affected Banro Unsecured Creditor will have one vote having the value of its Voting Claim.

Each Affected Creditor holding a Disputed Voting Claim will be entitled to attend the Creditors' Meetings and will be entitled to one vote at the applicable Creditors' Meeting(s). The Monitor will keep a separate record of votes cast by Affected Creditors with Disputed Voting Claims and will report to the Court with respect thereto at the motion in respect of the Sanction Order. The votes cast in respect of any Disputed Voting Claims will not be counted toward a Required Majority unless otherwise ordered by the Court. Any Person having an Excluded Claim will not be entitled to vote at the Creditors' Meetings in respect of such Excluded Claim. Holders of Equity Claims will not be entitled to vote at the Creditors' Meetings in respect of such Equity Claims.

Entitlement to Receive Distributions

The validity and value of Affected Claims will be determined for distribution purposes in accordance with the Claims Procedure Order, the Meeting Order, the CCAA and the Plan. For Disputed Claims, Affected Creditors should refer to the Claims Procedure Order in order to ascertain the treatment of such Disputed Affected Banro Unsecured Claim under the Plan.

The Plan does not compromise Excluded Claims as against the Companies. Persons with Excluded Claims will not be entitled or receive any distributions under the Plan in respect of such claims. Nothing in the Plan will affect any of the Company's rights and defenses, both legal and equitable, with respect to any Excluded Claims, including all rights with respect to legal and equitable defenses or entitlements to set-off or recoupment against such claims.

Transfer or Assignment of Claims

If an Affected Creditor (other than a Beneficial Noteholder) transfers or assigns the whole of its Affected Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Claim at the Meeting unless sufficient prior notice of and proof of transfer or assignment has been delivered to the Monitor in accordance with the Claims Procedure Order and the Meeting Order. Notwithstanding the foregoing, Affected Creditors, including Beneficial Noteholders shall not be restricted from transferring or assigning such Claim in whole or in part.

Solicitation of Voting Instruments

Solicitation of Proxies from Affected Creditors other than Beneficial Noteholders will be primarily by mail, and may be supplemented by telephone or other personal contact by the current Directors, Officers,

employees or agents of the Company, and the costs of such solicitation will be borne by the Company as a cost of the CCAA Proceedings.

As at the date hereof CDS is the sole registered holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. As such, solicitation of Voting Instructions and Registration Instructions from Beneficial Noteholders will be effected through the facilities of CDS.

In addition, the Company has retained Kingsdale to act as Solicitation Agent and Depositary for the Meeting for a fee of approximately C\$70,000.00 in connection with the identification of, and communication to, Affected Creditors and the issue of the New Equity.

The Companies are not relying on the notice-and-access delivery procedures outlined in National Instrument 54-101-*Communication with Beneficial Owners of Securities of a Reporting Issuer* to distribute copies of proxy-related materials in connection with the Creditors' Meetings.

Appointment of Proxyholders, Voting and Revocation Appointment of Proxyholders and Voting for Affected Creditors other than Beneficial Noteholders

Affected Creditors other than Beneficial Noteholders must use the Proxy to vote on the Resolution(s). The Affected Creditor may appoint themselves or another person as proxyholder by inserting their name or the name of such person in the space provided in the Affected Creditor Proxy or may attend the Creditors' Meeting(s) and vote in person with their complete proxy.

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., 79 Wellington Street West, Toronto Dominion Centre, Suite 2010, P.O. Box 2104, Toronto, ON M5K 1G8 (Attention: Lizzy Pearson), facsimile: 416.649.8101, email: banro@fticonsulting.com, prior to the Proxy Deadline, which is 12:00 p.m. (Toronto time) on March 8, 2018 or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors' Meeting.

If an Affected Creditor (other than a Beneficial Noteholder) specifies a choice with respect to voting on the Resolution(s) on a Proxy, the Proxy will be voted in accordance with the specification so made. In the absence of such specification, all duly signed and validly delivered Proxies will be voted **FOR** the Resolution(s).

The individuals named in the accompanying proxy forms are representatives of the Monitor. If you are an Affected Creditor other than a Beneficial Noteholder, you have the right to appoint a person or company other than either of the Persons designated in such form of proxy, who need not be an Affected Creditor, to attend and act for you and on your behalf at such Meeting or any adjournment or postponement thereof. You may do so either by inserting the name of that other person in the blank space provided in applicable proxy form or by completing and delivering another suitable form of proxy.

The Proxy Deadline may be waived or extended by the Chair of the applicable Creditors' Meeting at his discretion, without notice. The Chair of the applicable Creditors' Meeting is under no obligation to accept or reject any particular late Proxy.

The Proxy provides the Affected Creditors with the option to grant (or provide instructions in respect of the grant of) discretionary authority to the individuals designated in it with respect to amendments or variations to matters identified in the Notice of Meeting and other matters that may properly come before the Creditors' Meeting(s). As of the date hereof, the Companies know of no such amendment, variation or other matters to come before the Creditors' Meetings.

In addition to any other manner permitted by law, a Proxy may be revoked by an instrument in writing executed by an Affected Creditor (other than a Beneficial Noteholder) that has given a form of Proxy or such Affected Creditor's attorney duly authorized in writing or, in the case of an Affected Creditor that is

not an individual, by an instrument in writing executed by a duly authorized officer or attorney thereof, and delivered to the Monitor prior to the commencement of the Creditors' Meetings (or any adjournment or postponement thereof).

The Persons named in the Proxy will have discretionary authority to vote on amendments or variations to the business matters identified in the Notice of Meeting of Creditors and Sanction Motion and on other matters that may properly come before the Creditors' Meeting(s) and any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Creditors' Meeting is routine and whether or not the amendment, variation or other matter that comes before the Creditors' Meeting is contested. As of the date of this Circular, the Companies are not aware of any amendments, variations or additional matters to come before the Creditors' Meetings.

Voting by Affected Secured Creditors who are Beneficial Noteholders

As at the date hereof, CDS Clearing and Depository Services Inc., is the sole Registered Holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. Beneficial Noteholders who were Beneficial Noteholders at 5:00 pm (Toronto time) on January 31, 2018 are "Record Time Secured Noteholders" and are entitled to vote as Affected Secured Creditors at the Affected Secured Creditors' Meeting and Affected Banro Unsecured Creditors at the Affected Banro Unsecured Creditors Meeting in respect of their Affected Banro Unsecured Deficiency Claims.

RECORD TIME SECURED NOTEHOLDERS SHOULD PROMPTLY CONTACT THEIR INTERMEDIARIES AND OBTAIN AND FOLLOW THEIR INTERMEDIARIES' INSTRUCTIONS WITH RESPECT TO THE APPLICABLE VOTING PROCEDURES AND DEADLINES, WHICH MAY BE EARLIER THAN THE DEADLINES THAT ARE APPLICABLE TO OTHER AFFECTED SECURED CREDITORS. Record Time Beneficial Noteholders who sell their holdings of Secured Notes will be deemed to have transferred the right to vote and the entitlement to New Equity to the purchasing party.

Pursuant to the Meeting Order, the Company has caused copies of this Circular and the accompanying materials relating to the Creditors' Meetings to be distributed to CDS and Intermediaries (or their agents) for onward distribution to Record Time Secured Noteholders. **Record Time Secured Noteholders are required to provide both Voting Instructions and Registration Instructions to their Intermediary in advance of the Creditors' Meetings.** The form of the VIEF is attached to the Meeting Order as Schedule "E". The Meeting Order is appended to this Circular as Appendix "E". **Record Time Secured Noteholders should not complete voting instructions in the form of VIEF that is attached to the Meeting Order. In order to be valid, it must be completed electronically by the Record Time Secured Noteholder's Intermediary.** Every broker or other nominee or agent has its own procedures which should be carefully followed by Record Time Noteholders in order to ensure that their Secured Notes are voted at the Creditors' Meetings.

Beneficial Noteholders who wish to vote for or against the Resolutions should promptly contact their Intermediaries and obtain and follow their Intermediaries' instructions with respect to the voting procedures and deadlines, which may be earlier than the deadlines that are applicable to other Affected Creditors. Beneficial Noteholders may only provide Voting Instructions and Registration Instructions through their Intermediary – no other voting channel will be available to Beneficial Noteholders. Under no circumstances should any person deliver Secured Notes or evidences of interests in Secured Notes to the Companies, the Monitor, the Canadian Trustee, or the Solicitation Agent. Beneficial Noteholders should not deliver a form of Proxy.

If a Beneficial Noteholder wishes to vote in person at a Creditors' Meeting, the Beneficial Noteholder must contact their Intermediary or Kingsdale immediately and make such alternative arrangements. Each intermediary will compile a master list of all Registration Instructions and Voting Instructions received and

provide it to the Depository and Solicitation Agent prior to the Creditors' Meetings directly and through the facilities of CDS. In order to be effective, Beneficial Noteholders are required to provide both their Voting Instructions and Registration Instructions to their Intermediaries on or prior to 5:00 p.m. on March 5, 2018, or such later date as the Applicants, the Monitor and the Requisite Consenting Parties may agree in the event of an adjournment, postponement or other rescheduling of the Creditors' Meetings.

Any requests for assistance relating to the procedure for delivering Voting Instructions or Registration Instructions may be directed to Kingsdale by email: contactus@kingsdaleadvisors.com or by calling the toll-free number 1-866-229-8874.

DESCRIPTION OF THE RECAPITALIZATION

The following description of the Recapitalization is qualified in its entirety by reference to the full text of the Plan, a copy of the form of which is attached as Appendix "C" to this Circular.

If approved, the Plan will become effective at the Effective Time (which is expected to be at 12:01 am (Toronto Time) on the Implementation Date, which date is expected to take place as soon as reasonably practicable following the receipt of the Sanction Order) and will be binding at and after the Effective Time on each of the Companies, the Requisite Consenting Parties, the Released Parties, the Directors and Officers of the Companies and all other Persons named or referred to in, or subject to, the Plan.

In summary, the Recapitalization is comprised of the following components:

- (a) the obligations under the Secured Notes, the Doré Loan and the Namoya Forward II Agreement will be exchanged for New Equity;
- (b) current equity holders of Banro will have their interests extinguished and Banro will become a wholly-owned indirect subsidiary of Newco;
- (c) Affected Banro Unsecured Creditors will have their claims compromised in exchange for their Affected Banro Unsecured Pro Rata Share of the Affected Banro Unsecured Cash Pool;
- (d) the Interim Facility will be replaced by the New Secured Facility and Newco shall issue the New Secured Facility Warrants to the DIP Lender;
- (e) the amendments to the Namoya Streaming Agreement, the Twangiza Streaming Agreement, the Namoya Forward I Agreement, the Twangiza Forward I Agreement and the Twangiza Forward II Agreement as described under "*Amendments to Streaming and Forward Agreements*" will continue in effect as described therein and Newco will issue the Stream Equity Warrants.

Outstanding debt at the DRC level, including the equipment financing agreements at Twangiza DRC and Namoya DRC, including the guarantees of such by Banro, will remain unaffected.

Exchange of Obligations pursuant to Secured Notes, the Doré Loan, and the Namoya Forward II Agreement

The claim value of the parity Secured Notes and Doré Loan will be recognized at par plus accrued interest through the Filing Date, being approximately US\$203,506,170 and US\$10,247,120, respectively.

The claim value of the parity Namoya Forward II Agreement will be recognized at US\$20,000,000.

The restructuring contemplates an equitization of 75% of all Affected Secured Claims pursuant to the Plan, pro-rata with their claim value as set forth above, into 100% of the New Equity (subject to subsequent dilution on account of the Stream Equity Warrants and the New Secured Facility Warrants). The balance of 25% of the Affected Secured Claims shall participate in and be compromised with the Affected Banro Unsecured Class. Holders of Affected Banro Unsecured Deficiency Claims shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

Based upon relative holdings of Affected Secured Claims as at the date hereof, it is anticipated that immediately following the Implementation Date, Baiyin would hold New Equity representing approximately 34.07% of the total outstanding equity of Newco (i.e. both Class A Common Shares and Class B Common Shares), Gramercy would hold approximately 40.28% of the total outstanding equity of Newco, and the remaining Affected Secured Creditors would hold approximately 25.65% of the total outstanding equity of Newco (subject to dilution for third parties down to 23.1% of the New Equity in the event that the Stream Equity Warrants and the New Secured Facility Warrants are exercised at full value). Baiyin and Gramercy will hold, between them, 100% of the voting equity of Newco.

Delivery of New Equity

Each Beneficial Noteholder is required to provide Registration Instructions to Kingsdale through their Intermediary as per the VIEF and must also provide the Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable, in order to receive New Equity. The form of the VIEF is attached to the Meeting Order as Schedule "E". The Meeting Order is appended to this Circular as Appendix "E". **Beneficial Noteholders should not complete the Registration Instructions in the form of VIEF that is attached to the Meeting Order. In order to be valid, it must be completed electronically by the Beneficial Noteholder's Intermediary.**

On the Implementation Date, or as soon as practicable thereafter, Newco, on account of Affected Secured Claims, shall issue the New Equity to the Transfer Agent to be held for the benefit of (i) Affected Secured Creditors that are not Beneficial Noteholders as of the Distribution Record Date, in the name of and to the address as recorded in the books and records of the Companies or as otherwise communicated to the Companies not less than three Business Days prior to the Distribution Record Date, (ii) to Beneficial Noteholders that have validly provided Registration Instructions to their Intermediaries and received by Kingsdale through the facilities of CDS in accordance with the VIEF and Meeting Order prior to the Distribution Record Date, in accordance with their Registration Instructions provided by such Beneficial Noteholders, and (iii) Beneficial Noteholders that have not delivered Registration Instructions to their Intermediaries on or prior to the Distribution Record Date, in the name of such Beneficial Noteholders' Intermediaries in trust for such Beneficial Noteholders.

No holder of Affected Secured Claims shall be entitled to the rights associated with the New Equity and all such New Equity shall be held solely by the Transfer Agent and recorded on the books and records of Newco by the Transfer Agent until such time as the holder of such Affected Secured Claim has delivered its Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable. In the event that an Affected Secured Creditor fails to deliver its Newco Equityholder Information on or before the date that is 6 months following the Implementation Date, Newco shall be entitled to cancel, and Newco and the Transfer Agent shall have no further obligation to deliver, any New Equity otherwise issuable to such Affected Secured Creditor(s) (such equity, the "**Cancelled New Equity**") that have not delivered their Newco Equityholder Information and such Affected Secured Creditors shall cease to have a claim to, or interest of any kind or nature against or in, the Companies, Newco or the Cancelled New Equity and the Transfer Agent shall delete such Cancelled New Equity from the books and records of Newco as maintained by the Transfer Agent.

The New Equity will be distributed either (i) by delivering share certificates representing the New Equity in the name of the applicable recipient, or (ii) through the facilities of a direct registration system operated by the Transfer Agent by providing direct registration system advices or confirmations in the name of the

applicable recipient and registered electronically in Newco's records which will be maintained by the Transfer Agent.

Treatment of Affected Banro Unsecured Creditors and Existing Equity

Compromise of Unsecured Claims Against Banro

All holders of Affected Banro Unsecured Claims will vote as a separate class under the Plan. Included in this class will be the holders of the Affected Banro Unsecured Deficiency Claims. The Plan provides for a US\$10,000 distribution *pro rata* among the holders of Affected Banro Unsecured Claims other than holders of Affected Banro Unsecured Deficiency Claims, who shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

For the avoidance of doubt, other than with respect to the guarantees of the Parity Lien Debt, which shall be compromised by the Plan as against all guarantors thereof, to the extent that the holder of an Affected Banro Unsecured Claim has a claim against any entity other than Banro in respect of that same claim, the Plan shall have no effect on that claim as against that other entity.

Extinguishment of Existing Equity Interests in Banro

All Affected Equity Interests in Banro will be extinguished under the Plan for no consideration and Banro will become an indirect, wholly-owned, subsidiary of Newco. Banro will file an application to cease to be a reporting issuer in Canada, intended to be effective upon the implementation of the Recapitalization.

Recapitalization Steps

Pursuant to the Plan, commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected, and effected in five minute increments (unless otherwise indicated) at the times set out in the Plan (or in such other manner or order or at such other time or times as the Companies may determine in consultation with the Monitor and the Requisite Consenting Parties), without any further act or formality required on the part of any Person, except as may be expressly provided in the Plan:

- (a) all of BGB's issued and outstanding Equity Interests held by Banro shall be cancelled without any return of capital and BGB shall simultaneously issue to Newco the New BGB Common Shares pursuant to the Newco/BGB Subscription Agreement;
- (b) Newco shall issue the Stream Warrants as consideration for the Stream Amendments;
- (c) all of the issued and outstanding Equity Interests in Banro shall be cancelled and extinguished for no consideration and without any return of capital and Banro shall issue 100 common shares to BGB;
- (d) the Administration Charge and the Directors' Charge shall continue and shall attach solely against the Administrative Reserve from and after the Implementation Date pursuant to and in accordance with the Sanction Order and shall be deemed to be released as against the other Property (as defined in the Initial Order) of the Applicants pursuant to and in accordance with the Sanction Order;
- (e) concurrently:
 - (i) each of Baiyin and Gramercy, as Proven Affected Secured Creditors, shall be entitled to receive a distribution of its Affected Secured Pro Rata Share of the Class A Common Shares which shall, and shall be deemed to be, received in full and final settlement of its Affected Secured Claims;

- (ii) each Proven Affected Secured Creditor other than Baiyin and Gramercy shall be entitled to receive a distribution of its Affected Secured Pro Rata Share of the Class B Common Shares which shall, and shall be deemed to be, received in full and final settlement of its Affected Secured Claims;
- (iii) following completion of the steps set forth in paragraphs (i) and (ii), above, the proportion that the number of outstanding Class A Common Shares and outstanding Class B Common Shares shall bear to the total number of Common Shares of both classes outstanding shall be equal, in each case, to the proportion that the aggregate amount of the Affected Secured Claims of Baiyin and Gramercy, on the one hand, and the aggregate amount of the Affected Secured Claims of all other Proven Affected Secured Creditors on the other hand, bear to the aggregate amount of the Affected Secured Claims of all Proven Affected Secured Creditors;
- (iv) New Equity received by an Affected Secured Creditor shall be applied first to the payment of principal of its Affected Secured Claims and if such principal is fully repaid, shall be applied to the payment of accrued interest owing on such Affected Secured Claims;
- (v) on the Implementation Date, either (i) each Proven Affected Secured Creditor shall be deemed to be a party to the Shareholders Agreement, each in its capacity as a holder of New Equity, or (ii) the constating documents of Newco shall contain the Newco Share Terms which shall apply to each Proven Affected Secured Creditor in its capacity as a holder of New Equity, as applicable;
- (f) each Proven Affected Banro Unsecured Creditor shall be entitled to receive a pro rata distribution from the Affected Banro Unsecured Cash Pool, and the Affected Banro Unsecured Claims shall, and shall be deemed to be, irrevocably and finally extinguished and such Affected Banro Unsecured Creditors shall have no further right, title or interest in and to its Affected Banro Unsecured Claim;
- (g) the Intercompany Claims shall be treated in the manner so elected by the Applicants with consent of the Requisite Consenting Parties;
- (h) simultaneously:
 - (i) the Interim Facility shall be replaced by the New Secured Facility pursuant to the New Secured Facility Credit Agreement;
 - (ii) the DIP Lender's Charge shall be and shall be deemed to be discharged from the assets of the Applicants; and
 - (iii) Newco shall issue the New Secured Facility Warrants to the DIP Lender;
- (i) the directors of Banro immediately prior to the Effective Time shall be deemed to have resigned and the New Board of Banro shall be deemed to have been appointed; and
- (j) the releases and injunctions referred to in the Plan shall become effective.

Conditions to the Recapitalization

The implementation of the Recapitalization will be subject to the following conditions precedent, among others:

- (a) the Plan shall have been approved by the Required Majorities;

- (b) the Court shall have granted the Sanction Order the operation and effect of which shall not have been stayed, reversed or amended and in the event of an appeal or application for leave to appeal, final determination shall have been made by the appellate court;
- (c) the Administrative Reserve shall have been funded by the Applicants;
- (d) the Priority Claim Reserve shall have been funded by the Applicants;
- (e) the conditions precedent to the implementation of the Recapitalization set forth in Article 8 of the Support Agreement shall have been satisfied or waived;
- (f) the Priority Lien Debt, the Gold Streams, the Shareholder Agreement and the Interim Facility and all related agreements and other documents necessary in connection with the amendments thereto contemplated by the Recapitalization and the implementation of the Plan, shall be in form and substance acceptable to the Applicants, the Monitor and the Requisite Consenting Parties and shall have become effective, subject only to the implementation of the Plan;
- (g) the Implementation Date shall have occurred no later than the Outside Date; and
- (h) the constating documents of Newco and the composition of the board of Newco effective on and after the Implementation Date shall be consistent with the Restructuring Term Sheet and otherwise acceptable to the Applicants and the Requisite Consenting Parties, acting reasonably.

The Companies, in consultation with the Monitor, may at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such terms as such parties may agree to, provided however that the conditions set out in the above clauses, (e), (f), (g), and (h) may only be waived with the consent of the Requisite Consenting Parties.

If the conditions listed above are not satisfied or waived (to the extent permitted under the Plan) by the Outside Date, unless the Companies, in consultation with the Monitor, and the Requisite Consenting Parties, agree in writing to extend such period, the Plan and the Sanction Order shall cease to have any further force or effect and will not be binding on any Person.

IMPLEMENTATION OF NEW SECURED FACILITY AND ISSUANCE OF NEW SECURED FACILITY WARRANTS

New Secured Credit Facility

On the Implementation Date, the DIP Facility will be exchanged for the New Secured Facility pursuant to the New Secured Facility Credit Agreement. The New Secured Facility will bear interest at a rate of 10.00% per annum and will mature on the earlier of December 31, 2019 and the completion of an Exit Transaction. The New Secured Facility will be secured by priority liens, ranking *pari passu* with the Priority Lien Debt.

New Secured Credit Facility Warrants

As consideration for providing the New Secured Credit Facility, Newco shall issue the New Secured Credit Facility Warrants to the DIP Lender. The New Secured Credit Facility Warrants shall be exercisable based on a nominal strike price for 2% of the fully diluted common shares of Newco, and shall contain such other terms and conditions as are agreed to by the DIP Lender and the Companies.

AMENDMENTS TO STREAMING AND FORWARD AGREEMENTS

The following amendments to certain streaming and gold forward agreements have been entered into, and will continue in effect, provided that the Plan is implemented.

Pricing Amendment to Namoya Streaming Agreement and Twangiza Streaming Agreement

The holders of the Stream Agreements have agreed to modify the terms to increase the Ongoing Price from US\$150 per ounce to LBMA PM Gold Price (each as defined in the Stream Agreements) for each Stream Agreement's respective claim on the first 200,000 ounces of production delivered at each mine from January 1, 2018 (being equal to 22,000 ounces for Twangiza and 16,660 ounces for Namoya and totaling US\$42.53 million of cash flow relief at US\$1,250/oz. spot), after which the Gold Transfer Price (as defined in the Stream Agreements) will revert to US\$150 per ounce (collectively, the "**Stream Amendments**").

As consideration for the treatment and amendment of the Stream Agreements contemplated herein, each purchaser under each Stream Agreement (each, a "**Stream Purchaser**") will receive the Stream Equity Warrants outlined below on implementation of the Plan.

In addition, ounces deliverable through December 2017 will be deferred and spread out over 12 months once the entitlements for 200,000 ounces of production from January 1, 2018 have been delivered. Ounces deferred will be entitled to an additional delivery of 12.325% for Twangiza stream and 14.808% for the Namoya stream; and Banro will adjust ounces deliverable to ensure that each stream holder receives the production-weighted average LBMA PM gold price for each deferral during the deferral period.

Call Option

Each holder of a Stream Agreement has agreed to allow Banro to buy out the Stream Agreement at any time up until December 31, 2021 at a price equal to the amount required to give each holder a 15% IRR from the Initial Deposit calculated using the XIRR function on Excel (each as defined in the Stream Agreements). In order to exercise the option, Banro must choose to buy out both the Stream Agreements simultaneously.

Deferrals of Obligations Pursuant to Gold Forward Agreements

Twangiza Forward I Agreement

Gold deliveries have been contractually deferred through December 31, 2017, with the original delivery adjusted to provide a 19.5% IRR through the amended final delivery date of August 31, 2018.

The delivery schedule has been further amended to: (i) extend the current deferral period termination date from December 31, 2017 to June 30, 2019; (ii) extend the final delivery date to February 29, 2020; and (iii) revise the number of ounces deliverable each month starting July 1, 2019 for 8 months from 697.640 ounces to 673.484 ounces to earn a 19.5% IRR through the revised final delivery date.

Namoya Forward I Agreement

Gold deliveries have been contractually deferred through December 31, 2017, with the original delivery adjusted to provide a 15% IRR through the initial final delivery date of June 30, 2020.

The delivery schedule has been further amended to: (i) extend the current deferral period termination date from December 31, 2017 to June 30, 2019; (ii) extend the final delivery date to April 30, 2022; and

(iii) revise the number of ounces deliverable each month starting July 1, 2019 for 34 months to earn a 15% IRR through the revised final delivery date.

Each of Gramercy's and RFW's monthly delivery schedule has been amended from 719.452 ounces to 929.807 ounces.

Twangiza Forward II Agreement

Gold deliveries in connection with an equipment lien financing have been contractually deferred through December 31, 2017, with the original delivery adjusted to maintain a 15% IRR through the final delivery date of August 31, 2018.

The delivery schedule has been further amended to: (i) extend the current deferral period termination date from December 31, 2017 to June 30, 2019; (ii) extend the final delivery date to February 29, 2020; and (iii) revise the number of ounces deliverable each month starting July 1, 2019 for 8 months from 792.132 ounces to 945.937 ounces, to maintain a 15% IRR through the revised final delivery date.

Early Termination

The Namoya Forward I Agreement and the Twangiza Forward II Agreement have been amended to include a provision for the early repayment at the option of Banro at any time after the completion of the Plan at a 15% IRR calculated per the XIRR function on Excel from the initial funding date to the repayment date.

The calculation of the Twangiza Forward I Agreement has been amended to include a provision for the early repayment at the option of Banro at any time after the completion of the Plan at a 19.5% IRR based on the delivery of equivalent ounces calculated at US\$1,100 per ounce, calculated per the XIRR function on Excel from the initial funding date to the repayment date.

ISSUANCE OF STREAM EQUITY WARRANTS

As consideration for the treatment and amendment of the Stream Agreements contemplated herein, each Stream Purchaser will receive the Stream Equity Warrants on implementation of the Plan.

Twangiza Stream Equity Warrants

On implementation of the Plan, the Stream Purchaser for the Twangiza Streaming Agreement will receive penny warrants exercisable into an equity stake of up to 4.553% of the Newco common equity (the "**Twangiza Stream Equity Warrants**"), subject to adjustment as described below.

The Twangiza Stream Warrants will vest on the earlier of:

- the Stream Purchaser for the Twangiza Streaming Agreement receiving 22,000 ounces of payable gold from the first 200,000 ounces of production delivered at the Twangiza mine pursuant to the stream claim commencing January 1, 2018;
- the completion of the Exit Transaction; and
- the termination of the Twangiza Streaming Agreement pursuant to Banro's termination option.

The Newco common equity to be issued in respect of the exercise of the Twangiza Stream Equity Warrants is subject to a pro rata reduction in the event that the cash flow relief realized by the Companies as a result of the Stream Amendments to the Twangiza Streaming Agreement (the "**Twangiza Amendment Cash Relief**") for the period from January 1, 2018 until the exercise of the Twangiza Stream

Equity Warrants is less than US\$24,200,000. The Twangiza Amendment Cash Relief will be calculated as the aggregate cash relief realized by the Companies for all deliveries under the Twangiza Streaming Agreement during the specified period. The cash relief realized by the Companies in respect of each individual delivery under the Twangiza Streaming Amendment shall be calculated as follows:

$$A = X \times (Y - Z)$$

where:

A = the cash relief realized by the Companies in respect of an individual delivery

X = the number of ounces of gold delivered in that individual delivery

Y = the LBMA PM gold fix price in effect on the delivery date of that individual delivery

Z = US\$150

Namoya Stream Equity Warrants

On implementation of the Plan, the Stream Purchaser for the Namoya Streaming Agreement will receive penny warrants exercisable into an equity stake of up to 3.447% of the Newco common equity (the "**Namoya Stream Equity Warrants**"), subject to adjustment as described below.

The Namoya Stream Equity Warrants will vest on the earlier of:

- the Stream Purchaser for the Namoya Streaming Agreement receiving 16,660 ounces of payable gold from the first 200,000 ounces of production delivered at the Namoya mine pursuant to the stream claim commencing January 1, 2018;
- the completion of the Exit Transaction; and
- termination of the Namoya Streaming Agreement pursuant to Banro's termination option.

The Newco common equity to be issued in respect of the exercise of the Namoya Stream Equity Warrants is subject to a pro rata reduction in the event that the cash flow relief realized by the Companies as a result of the Stream Amendments to the Namoya Streaming Agreement (the "**Namoya Amendment Cash Relief**") for the period from January 1, 2018 until the exercise of the Namoya Stream Equity Warrants is less than US\$18,326,000. The Namoya Amendment Cash Relief will be calculated as the aggregate cash relief realized by the Companies for all deliveries under the Namoya Streaming Agreement during the specified period. The cash relief realized by the Companies in respect of each individual delivery under the Namoya Streaming Amendment shall be calculated as follows:

$$A = X \times (Y - Z)$$

where:

A = the cash relief realized by the Companies in respect of an individual delivery

X = the number of ounces of gold delivered in that individual delivery

Y = the LBMA PM gold fix price in effect on the delivery date of that individual delivery

Z = US\$150

RELEASES

The Plan includes releases (the “**Releases**”) to be effective as of the Implementation Date which provide that at the Effective Time on the Implementation Date, the Banro Parties and their respective subsidiaries and affiliates and each of their respective shareholders, partners, Directors, Officers, current and former employees, financial advisors, legal counsel and agents, (the “**Banro Released Parties**”) will be released and discharged from any and all demands, claims, liabilities, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, applications, counterclaims, suits, sums of money, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Creditor, Affected Creditor, or other Person may be entitled to assert, including any and all Claims in respect of the payment and receipt of proceeds, statutory liabilities of the Directors, Officers and employees of the Banro Released Parties and any alleged fiduciary or other duty (whether such employees are acting as a Director, Officer or employee), including any and all Claims that may be made against the Banro Released Parties where, by law, such Banro Released Parties may be liable in their capacity as Directors or Officers of the Applicants whether known or unknown, matured or un-matured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Effective Time, arising out of or in connection with the Affected Claims, the Support Agreement, the Recapitalization, the Plan, the CCAA Proceedings, or any Director or Officer Claim or other Claim that has been barred or extinguished by the Claims Procedure Order, and all such Claims shall be forever waived and released (other than the right to enforce the Companies’ obligations under the Plan, the Support Agreement or any related document), all to the full extent permitted by Applicable Law, provided that nothing herein shall release or discharge (i) the Companies from any Excluded Claims, (ii) the Directors and Officers to the extent that any claims against the Directors and Officers cannot be released under the CCAA based on statutory limitations set out in the CCAA (such as claims under section 5.1(2) of the CCAA) or (iii) any Banro Released Party if such Banro Party Released Party is judged by the express terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct. All Intercompany Claims owing by any of the Banro Parties to any other Banro Parties shall not be released unless the Applicants, with the consent of the Requisite Consenting Parties, elect to extinguish such obligations.

The Plan also provides that at the Effective Time on the Implementation Date, the Monitor, the Requisite Consenting Parties and their respective subsidiaries and affiliates and each of their respective shareholders, partners, officers, directors, current and former employees, financial advisors, legal counsel and agents (being referred to individually as a “**Third Party Released Party**”) will be released and discharged from any and all demands, claims, liabilities, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, actions, applications, counterclaims, suits, sums of money, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Implementation Date in any way relating to, arising out of or in connection with the Applicants, the Plan, the CCAA Proceedings and any Claims, including any Claim that has been barred or extinguished by the Claims Procedure Order, and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce the Monitor’s or the Requisite Consenting Parties’ obligations under the Plan, the Support Agreement or any related document), all to the full extent permitted by Applicable Law, provided that nothing herein shall release or discharge any Third Party Released Party if such Third Party Released Party is judged by the express terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct.

The Sanction Order will enjoin the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged, compromised or terminated pursuant to the Plan. Nothing in the Plan shall be interpreted as restricting the application of Section 21 of the CCAA.

SISP

As part of the CCAA Proceedings, and subject to the terms of the SISP Approval Order, including the SISP Procedures appended thereto, Banro is conducting the SISP, pursuant to which any interested parties are afforded the opportunity to acquire Banro pursuant to a "Successful Bid", meaning an alternative transaction to the Recapitalization which, among other things: (i) is on terms that Banro, in its business judgment and in consultation with the Monitor and the DIP Lenders, determines is superior to the terms of the Recapitalization; and (ii) indefeasibly repays in full in immediately available funds (x) all of the outstanding DIP Facility obligations, and (y) at least 75% of the principal amount of each of the obligations that form part of the Affected Parity Lien Debt, and (z) all claims ranking in priority to the DIP Obligations and the Affected Parity Lien Debt; and (iii) indefeasibly repays all amounts due under the Stream Agreements or provides for treatment of the Stream Agreements on the same terms as the Recapitalization.

If a Successful Bid is identified in accordance with the SISP, the Recapitalization will not proceed.

NEWCO

General

Upon completion of the Recapitalization, Affected Secured Creditors will become shareholders of Newco, a Cayman Islands exempted company with limited liability under the Companies Law. Banro, will, in turn, be an indirect, wholly owned subsidiary of Newco and BGB will be a direct, wholly-owned subsidiary of Newco. The Applicants (other than Banro) and the Non-Applicant Subsidiaries will remain as direct and indirect subsidiaries of BGB.

The Gold Streams, the Twangiza Forward I Agreement and the Namoya Forward I Agreement will remain in effect, subject to the amendments described herein under "Amendments to Streaming and Forward Agreements". The Interim Facility will be replaced by the New Secured Facility.

Newco Board of Directors

The Board of Newco will be composed of five members. Each Major Shareholder shall have the right to nominate as members of the Board two (2) individuals and shall have the right to unilaterally replace them at any time. The four directors selected by the Major Shareholders shall appoint a fifth director, who is anticipated to act as Chair of the Board. It is anticipated that the Board shall determine the overall policies, objectives, operations, business and affairs of Newco and its subsidiaries.

Newco Share Terms

The rights of the shareholders of Newco will be affected by and subject to the Newco Share Terms, which will be set forth: (a) in Newco's Memorandum and Articles of Association and/or (b) the Shareholders Agreement to which all holders of New Equity shall be deemed to be a party pursuant to the Plan. The Newco Share Terms will confer specific rights and obligations on the Newco shareholders, as set out below, which will be in addition to the rights of shareholders under Cayman Law.

In particular, and as described below, it is anticipated that the groups of shareholders represented by each of Baiyin and Gramercy (each of which group will collectively hold in excess of 30% of the New Equity at the Effective Time and is referred to in this section as a "**Major Shareholder**") will have certain rights and obligations that differ from the other shareholders of Newco (the "**Minority Shareholders**").

The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Newco Board.

The Minority Shareholders will hold Class B Common Shares, which will be non-voting common shares of Newco with rights to information, pre-emptive rights and a right to “tag along” in the context of certain transactions, and certain obligations in the context of transfers of New Equity as described below.

There will be no distinction in the economic rights of the Class A Common Shares (voting) and the Class B Common Shares (non-voting), and they are referred to in this section collectively as the “New Equity”.

Transfers of Shares

Subject to compliance with applicable securities laws, transfers of New Equity will be generally permissible by all shareholders of Newco, subject to the rights of first offer, tag-along rights and customary conditions (i.e. compliance with law, no registration/prospectus required, transferee becoming bound by the Newco Share Terms).

Rights of First Offer

Prior to the transfer of any New Equity, each shareholder must first offer to sell all such New Equity to the Major Shareholders, on a pro rata basis as between Baiyin and Gramercy. Notice of the intention to sell must be delivered in writing, indicating the price at which the shareholder proposes to sell the New Equity, which price must be payable in money and not in any other form of property. If a Major Shareholder wishes to purchase the offered New Equity, it must purchase all, but not less than all of its proportionate share of such offered shares, and will have the right to purchase all, but not less than all, of the New Equity not purchased by the other Major Shareholder. The selling shareholder will have 30 days to sell any New Equity not elected to be purchased by the Major Shareholders.

Tag Along Rights

Subject to certain customary exceptions (related to sales to employees, distributions to the public and affiliate transactions), all shareholders will have “tag-along” rights in respect of transfers of more than 20% of the outstanding New Equity. Shareholders will have 10 Business Days to decide whether they will participate in any tag-along sale after receipt of notice in respect thereof. Shareholders will have the right to sell their pro-rata share of the New Equity proposed to be sold.

Drag Along Rights

One or more shareholders owning 66-2/3% or more of the outstanding New Equity will be permitted to “drag” all other shareholders in a sale of all of their New Equity to an arm’s length third party, in which case all dragged shareholders will be deemed to have accepted the offer of such third party in accordance with its terms and conditions. Newco will have a proxy to enforce the compliance of shareholders with these drag-along obligations.

Pre-emptive Rights

If any additional equity shares of Newco are proposed to be issued, all shareholders will have a pre-emptive right to participate in such offering of new equity shares. Shareholders will have 20 days to provide notice to Newco that they intend to purchase their pro rata share of any proposed issuance. At the request of either Major Shareholder, the purchase price proposed to be used in the context of such offering shall be that determined by an internationally recognized valuation firm. For any pre-emptive right not exercised in full, shareholders holding not less than 20% of the outstanding New Equity who took up and paid for all the shares initially offered to them will have the right to purchase the additional shares (on

proportionate basis). If the issuance is not purchased in full by shareholders, Newco will have 60 days to issue such securities to a third party.

Exit/Liquidity Provision

Beginning on the Business Day occurring on the later of (i) the one-year anniversary following confirmation of the management and Board of Directors of Newco, and (ii) July 1, 2019, Newco shall use its commercially reasonable efforts to initiate the sale of the equity of Newco to a third party or parties either by:

- initiating the sale of Newco to a strategic buyer by engaging an acceptable qualified valuation bank and conducting a transparent and competitive auction for the sale of all of the equity interests of the shareholders; and/or
- completing the listing of or posting for trading of New Equity of no less than 30% of the outstanding New Equity, pursuant to customary documentation and market practice for such offerings on a recognized securities exchange or automated quotation system acceptable to the Major Shareholders to effect a primary offering or allow the Major Shareholders to effect a secondary offering (or both) of New Equity to the public in Canada, the United States and/or such other jurisdictions that are acceptable to the Major Shareholders, in each case by way of registration statement or prospectus filing under applicable securities laws (an "IPO").

The Major Shareholders will have the right to object to any proposed exit transaction and make an offer to purchase all of the outstanding New Equity based on the fair market value thereof, as determined by an acceptable qualified valuation bank.

Registration Rights

It is anticipated that in the event that the shares of Newco are publicly listed following an IPO, shareholders holding at least 20% of the outstanding shares of Newco will be granted customary demand and piggy back registration rights.

Information Rights

All shareholders shall be entitled to receive (i) audited annual financial statements within 120 days of the end of each fiscal year, and (ii) unaudited quarterly financial statements within 45 days of the end of each fiscal quarter. Each of the Major Shareholders shall be entitled to additional information and inspection rights customary for significant shareholders of a corporation and consistent with their historical rights of information and inspection set out in the Stream Agreements.

Approval of Certain Matters

As described in further detail in the Restructuring Term Sheet, there are certain matters of business that Newco may not undertake without the affirmative consent of each Major Shareholder. These matters include material changes to the business, corporation or legal structure of Newco, changes in management and compensation matters, acquisitions, dispositions, lending arrangements, approval of operational budgets, capital expenditures, and dividends.

Refinancings

Either Major Shareholder shall have the equal right to provide or share financings on terms similar to those proposed to Newco by third parties, or to take up the right of the other if either party does not provide such financing.

Differences Between Cayman Law and the CBCA

Banro is incorporated under the CBCA and, accordingly, is governed by the CBCA and the Company's articles (the "Articles") and by-laws, which are available on SEDAR at www.sedar.com.

While the rights and privileges of shareholders of a Cayman Islands company are, in many instances, comparable to those of shareholders of a CBCA corporation, there are certain differences. The following summary is not complete and does not cover all of the differences between Cayman Law and the CBCA affecting corporations and their shareholders or all the differences between Banro's Articles and by-laws and Newco's Memorandum and Articles of Association (the "**Cayman Articles**"). Management believes this summary is accurate. It is, however, qualified in its entirety by the complete text of the relevant provisions of the Companies Law and other Cayman Law, the CBCA, Banro's Articles and by-laws and the Cayman Articles.

Authorized Share Capital

The current authorized share capital of Banro under the CBCA permits the issuance of an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series, without par value, with the board of directors having discretion to establish the attributes of preferred shares prior to their issuance. With respect to a Cayman Islands exempted company, the Companies Law does not permit the authorization of an unlimited number of shares. The authorized capital of Newco will specify the amount of capital proposed to be registered, divided into a fixed number of Class A Common Shares and Class B Common Shares.

The rights attached to any separate class or series of shares of a CBCA corporation, unless otherwise provided by the articles, may be varied or abrogated only with the consent in writing of the holders of not less than two-thirds (2/3) of the issued shares of that class or series or by a special resolution passed at a separate meeting of holders of the shares of that class or series.

Under Cayman Law, some matters, such as altering the Cayman Articles, changing the name of Newco, voluntarily winding up of the company or resolving to be registered by way of continuance in a jurisdiction outside the Cayman Islands, require the approval of shareholders by a special resolution. A special resolution is a resolution (i) passed by the holders of not less than two-thirds (2/3) of the shares entitled to vote on that resolution voted at a meeting (or such greater number as may be specified by the articles of association); or (ii) approved in writing by all such shareholders entitled to vote on such matter. Any proposal to alter the articles in manner that materially adversely affect the rights of a class of shares will require a special resolution of the shareholders of that class, voting as a separate class, whether or not such shareholders otherwise have the right to vote.

Vote Required for Certain Transactions

Under the CBCA, certain fundamental changes, such as certain amalgamations, continuances and sales, leases or otherwise disposal of all or substantially all a company's assets, and other extraordinary corporate actions such as liquidations, and (if ordered by a court) arrangements, are required to be approved by special resolution. A special resolution is a resolution (i) passed at a meeting by not less than two-thirds (2/3) of the votes cast by the shareholders who voted in respect of the resolution, or (ii) approved in writing by all shareholders entitled to vote on the matter.

The Companies Law also provides that mergers and consolidations are required to be approved by a special resolution of shareholders (or such higher majority as may be set out in the articles of association of the Cayman company subject to the merger). In addition, Cayman companies may be acquired by other corporations by the direct acquisition of such share capital of the Cayman company or by direct asset acquisition. Cayman Law provides that when an offer is made for shares of a Cayman Islands company and, within four months of the offer, the holders of not less than 90% in value of those shares

have accepted such offer, the offeror may, for two months after that four-month period, require the remaining shareholders to transfer their shares on the same terms as the original offer.

Dissent Rights

The CBCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where the company proposes to:

- alter the restrictions on the powers of the company or on the business it is permitted to carry on;
- adopt an amalgamation agreement or approve an amalgamation;
- approve an arrangement if the terms of the arrangement provide dissent rights;
- authorize the sale of all or substantially all of the company's undertaking;
- authorize the continuance of the company into another jurisdiction;
- take any other action if the resolution by its terms gives a right to dissent; or
- carry out a going private transaction.

Save in the case of proposed merger or consolidation of a Cayman Islands company (pursuant to which a dissenting shareholder is entitled to payment of the fair value of their shares), there is no specific right of dissent for shareholders under the Cayman Law. However, in connection with the compulsory transfer of shares to a ninety percent (90%) shareholder of a Cayman Islands company, a minority shareholder may apply to the court within one month of receiving notice of the compulsory transfer objecting to that transfer. In these circumstances, the burden is on the minority shareholder to show that the court should exercise its discretion to prevent the compulsory transfer. Cayman courts are unlikely to grant any relief in the absence of bad faith, actual fraud, unequal treatment of shareholders or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

Oppression Remedy

Under the CBCA, a shareholder of a corporation has the right to apply to court if:

- any act or omission of the corporation or any of its affiliates effects a result;
- the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner; or
- the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner;

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer. On such an application, the court may make such order as it sees fit, including an order to prohibit any act proposed by the company.

The statutory laws of the Cayman Islands do not provide for a similar remedy. Courts may provide a remedy in the circumstances described above in "Dissent Rights". There may also be a right under common law for a shareholder to apply to court to have, among other things, a Cayman Islands company

wound up on grounds that it would be just and equitable to do so. Also, see the section entitled “Derivative Action”, which discusses certain other minority rights.

Derivative Action

Under the CBCA, a shareholder or director of a corporation may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such a right, duty or obligation.

The Cayman Islands courts have recognized derivative suits by shareholders in some limited circumstances. The Cayman Islands courts ordinarily would be expected to follow English precedent, which would permit a minority shareholder to commence an action against or a derivative action in the name of the company only:

- where the act complained of is alleged to be beyond the corporate power of the company or illegal;
- where the act complained of is alleged to constitute a fraud against the minority perpetrated by those in control of the company; or
- where the act requires approval by a greater percentage of the company’s shareholders than actually approved it.

Duties of Directors and Officers

Under the CBCA, in exercising their powers and discharging their duties, directors and officers must act honestly and in good faith, with a view to the best interests of the corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. No provision in the corporation’s notice of articles, articles, resolutions or contracts can relieve a director or officer of these duties.

Fiduciary obligations of directors under Cayman law are substantially the same as under the CBCA. The Companies Law does not directly address the issue of the limitation of a director’s liability. However, Cayman public policy will not allow the limitation of a director’s liability for his own fraud, wilful neglect or willful default. In addition, the Cayman Islands courts would consider English precedent to be persuasive in respect of fiduciary duties of the directors and officers of a company.

Appointment and Removal of Directors

Under the CBCA the shareholders may appoint or remove directors. However, the board of directors may appoint a director to fill a vacancy or, if the corporation’s articles provide, appoint additional directors until the next annual meeting of shareholders; provided that, the number of additional directors may not exceed one-third (1/3) of the number of directors elected by shareholders at the last annual meeting.

Under Cayman Law and the Cayman Articles, the Newco Board may appoint any person as an additional director provided that the appointment does not cause the number of directors to exceed the number fixed by or in accordance with the Articles of Association as the maximum number of directors. In addition, a director may be removed from office by the Major Shareholder that appointed such director in accordance with the Cayman Articles as described above in “Newco Board of Directors”.

Indemnification of Officers and Directors

The CBCA allows a corporation to indemnify a director or former director or officer or former officer of a corporation or its affiliates against all liability and expenses reasonably incurred by him in a proceeding to which he is made party by reason of being or having been a director or officer if he acted honestly and in good faith with a view to the best interests of the corporation and, in cases where an action is or was substantially successful on the merits of his defence of the action or proceeding against him in his capacity as a director or officer.

Under Cayman Law, a company's articles of association may provide for the indemnification of its directors, officers, employees and agents, except to the extent that such provision may be held by the Cayman Islands courts to be contrary to public policy. For instance, a provision purporting to provide indemnification against the consequences of committing a crime may be deemed contrary to public policy. In addition, an officer or director may not be indemnified for his own actual fraud, willful neglect or willful default. The Cayman Articles will provide for the indemnification of directors and officers and advancement of expenses to defend claims against directors to the fullest extent allowed by law.

Delivery of Financial Statements

The CBCA requires the directors of a corporation to place before the shareholders at every annual meeting comparative annual financial statements, together with a report of the auditor, if any, and such further financial information required by the corporation's constating documents.

Under Cayman Law, a company is required to keep proper books of account, including records of financial transactions. There is no statutory requirement for an exempted company to hold an annual meeting, produce audited accounts or provide financial statements to the shareholders.

Compulsory Acquisition of Shares Held by Minority Holders

Similar to the CBCA, there are certain circumstances under Cayman Law where an acquiring party may be able to compulsorily acquire the shares of minority holders.

BACKGROUND TO THE RECAPITALIZATION

The following describes the general background to the Recapitalization and conditions and events that led to the Company's decision to pursue the Recapitalization. Based on the circumstances facing the Companies, the Boards of Directors of the Companies believe that the Recapitalization is in the best interests of the Companies and their stakeholders, with the objective of addressing the Companies' capital structure and liquidity needs.

In April 2017, pursuant to a Plan of Arrangement (the "**CBCA Arrangement**") under section 192 of the CBCA, Banro implemented a recapitalization with the goal of improving its capital structure. The recapitalization was intended to enhance the Banro Group's liquidity and provide it with greater operating flexibility. The CBCA Arrangement resulted in, among other things, the exchange of certain maturing debt for the Secured Notes and additional equity in Banro. As well, as part of the CBCA Arrangement, preferred shares of Banro and certain of its subsidiaries were exchanged for common shares of Banro, a gold forward sale agreement for production at the Namoya mine (the "**Namoya Forward I Agreement**") was entered into and certain debt maturity dates were extended.

Following the CBCA Arrangement, Banro continued to face significant liquidity constraints in both the short and long term as a result of, among other things, including instability in the eastern region of the DRC where Banro's mines are located, gold production at the mines being less than targeted (which in part was related to this instability and the Companies' liquidity constraints). Since the implementation of the CBCA Arrangement, the Companies have incurred over USD\$30 million of additional indebtedness, all of which has been guaranteed by Banro.

In July 2017, in order to provide required additional liquidity, Namoya DRC and Twangiza DRC entered into the Namoya Forward II Agreement and the Twangiza Forward II Agreement with affiliates of Baiyin and Gramercy. In addition, in order to provide additional liquidity for its operations, Banro agreed with certain affiliates of Gramercy to defer certain gold deliveries that would otherwise be due to Gramercy under the Namoya Streaming Agreements and under the existing Twangiza Forward I Agreement.

On August 10, 2017, the Board of Banro created a Special Committee comprised of independent directors (the “**Special Committee**”). The members of the Special Committee are Messrs. Brissenden, Rorrison and Weyrauch. The mandate of the Special Committee is to analyse the financial and operational condition of the Company and develop and implement a comprehensive strategy to deal with the operational, financial and managerial challenges facing the Company, which strategy could include, without limitation, all or any of: a restructuring of all or any aspect of the Corporation’s capital under the CBCA or the CCAA, the sale or other disposition of all or any of the Company’s assets or a business combination or other change of control transaction. During the period from August 10 to December 22, 2017, the Special Committee met a total of 40 times.

On September 25, 2017, Banro announced that, as a result of the closure of road access to the Company’s Namoya mine in Maniema Province of the DRC, mining operations at the Namoya mine had been temporarily suspended. The closure of road access was due to the activities of local groups against both the local populations and against the DRC national army, and resulted in the depletion of essential operating stock at the mine site which had, and continued to have through to year end and beyond, a significant further negative impact on cash flow and liquidity.

On October 25, 2017, Banro announced that, in order to provide additional liquidity for its operations, it had agreed with certain affiliates of Baiyin and an entity controlled by Gramercy to again defer certain gold deliveries that would otherwise be due to Gramercy and such Baiyin affiliates under certain streaming and forward agreements. Specifically, all gold delivery obligations due from mid-September 2017 to end December 2017 under the existing Twangiza Stream were deferred, as well as all gold delivery obligations due from September 2017 to end December 2017 under the existing Namoya gold forward sale agreement entered into in April 2017 with a Baiyin affiliate and Gramercy. These deferrals were entered into in order to provide the Company with additional short term liquidity while it continued to explore opportunities to address its ongoing operational and working capital challenges.

On November 13, 2017, Banro announced that the Special Committee had advised the Board that, based in part on the opinion of its financial advisor, it had concluded that there was no reasonable prospect that a successful capital raise (whether debt, equity or a combination) could be completed at the current time at a level sufficient to refinance the Company’s existing indebtedness and to address its working capital requirements and that, consequently, there was substantial doubt as to the Company’s ability to continue as a going concern.

The Special Committee further reported that it was in discussions with the Companies’ major stakeholders concerning the possible restructuring of non-DRC debt obligations as well as the provision of financing to support ongoing operations in the DRC.

Due to the significant uncertainty surrounding the Company’s ability to continue as a going concern, Banro also announced on November 13, 2017, that it was not in a position to release its interim unaudited condensed consolidated financial statements and related management’s discussion and analysis for the period ended September 30, 2017.

On November 20, 2017, Banro’s outstanding securities became subject to a general cease trade order issued by the Ontario Securities Commission due to Banro’s failure to file its interim financial statements and management’s discussion and analysis for the period ended September 30, 2017, and the certifications of such filings as required by National Instrument 52-109.

On December 1, 2017, Banro announced that it had elected to defer payment of the approximately US\$4.94 million of interest due on the Secured Notes on December 1, 2017. Under the terms of the Note Indenture, the failure to pay such interest was not an “Event of Default” if the interest payment was made within 30 days of its due date. Banro announced that it intended to utilize this thirty day period to continue its ongoing discussions with its major stakeholders concerning the possible restructuring of the Company’s non-DRC debt obligations as well as the provision of financing to support the Company’s ongoing operations in the DRC.

Throughout the months of November and December 2017 the Special Committee and its legal and financial advisors continued to work with Baiyin and Gramercy to negotiate the terms of the Recapitalization (including the Interim Financing, the Restructuring Term Sheet and the Support Agreement).

The Special Committee met on each of December 19, 20, 21 and 22 to consider the Recapitalization and to receive reports from its legal and financial advisors on the negotiation of the terms of the Recapitalization and of the Recapitalization Term Sheet and the Support Agreement.

At its meeting on December 22, 2017, the Special Committee, after receiving reports from its legal and financial advisors, resolved to recommend to the Board of Directors of the Company that the Company should seek protection from its creditors via a filing under the CCAA and implement the Recapitalization.

At a meeting of the Board held on December 22, 2017 the Board (with the representatives of Gramercy and Baiyin abstaining) unanimously approved the recommendation of the Special Committee and resolved to authorize the Banro to seek protection from its creditors via a filing under the CCAA.

On January 22, 2018, Banro’s common Shares were delisted from the NYSE American Exchange and the Toronto Stock Exchange.

CCAA PROCEEDINGS

Initial Order

On December 22, 2017, the Companies filed for protection under the CCAA and the Initial Order was granted by the Court. A copy of the Initial Order is attached hereto as Appendix D and can be obtained at the Monitor’s Website at: <http://cfcanada.fticonsulting.com/banro/>.

Among other things, the Initial Order:

- (a) Granted a stay of proceedings in favour of the Companies and the Non-Applicant Subsidiaries until and including January 19, 2018 (the “**Stay Period**”). The Stay Period has since been extended to March 30, 2018;
- (b) Appointed the Monitor to assist the Companies in various matters relating to the CCAA Proceedings and to report to the Court from time to time on matters that may be relevant to the CCAA Proceedings;
- (c) Authorized Banro to borrow the maximum sum of US\$20 million pursuant to the Interim Financing Term Sheet dated December 21, 2017 as interim financing from Gramercy and Baiyin and granted the DIP Lenders’ Charge as security for the Companies’ obligations thereunder;
- (d) Authorized the Companies to take all steps and actions contemplated by, and to comply with their obligations under, the Support Agreement;

- (e) Granted an indemnity in favour of the Directors and Officers of the Companies and granted the Directors' Charge as security for such indemnity; and
- (f) Established the Administration Charge.

The Administration Charge, DIP Lenders' Charge, and Directors' Charge are charges against all of the current and future property and assets of the Companies, and rank in priority to all other security interests, trusts, liens, charges, and encumbrances, claims of secured creditors, statutory or otherwise, in favour of any Person.

SISP Approval Order

On January 18, 2018, the Court granted the SISP Approval Order. Among other things, the SISP Approval Order approved the SISP and authorized the Companies and the Monitor to perform their obligations thereunder. The SISP process was commenced shortly after the granting of the SISP Approval Order and continues.

Stay Extension & CCAA Charges Priority Order

On January 18, 2018, the Court also granted the Stay Extension & CCAA Charges Priority Order. Among other things, the Stay Extension & CCAA Charges Priority Order:

- (a) Extended the Stay Period to March 30, 2018;
- (b) Approved the Pre-Filing Report of the Monitor dated December 22, 2017 and the activities of the Monitor described therein; and
- (c) Declared that, effective as of December 22, 2017 the Charges rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise in favour of any Person over the Property (as defined in the Initial Order), including the Encumbrances (as defined in the Initial Order).]

Claims Procedure Order

On February 1, 2018, the Court granted the Claims Procedure Order, which provides for, among other things, the establishment of a claims procedure for the identification, quantification and determination of certain claims against the Companies and the identification of Claims against the Directors and Officers. The Claims Procedure Order is attached as Appendix "F" to this Circular.

Pursuant to the terms of the Claims Procedure Order, March 6, 2018 at 5:00 pm is the Claims Bar Date ("**Claims Bar Date**") for filing Notices of Dispute of Claim for Listed Creditors for voting and distribution purposes in connection with the Plan and for filing Director/Officer Proof of Claims. The Monitor will assist the Companies in the conduct of the Claims Procedure pursuant to the Claims Procedure Order.

Meeting Order

On February 1, 2018, the Court also granted the Meeting Order authorizing and directing the Companies to call the Creditors' Meetings and establishing procedures for the votes in respect of the Plan. The Meeting Order authorizes and directs the Companies to call the Affected Secured Creditors' Meeting on March 9, 2018 at 1:30 pm (Toronto time) and the Affected Banro Unsecured Creditors' Meeting on March 9, 2018 at 1:45 pm (Toronto time). The Meeting Order also establishes, among other things, procedures for proxies and voting, procedures for Secured Noteholder solicitation, and the Noteholder Voting Record Date of January 31, 2018. The Meeting Order is attached as Appendix "E" hereto.

Court Sanction and Implementation of the Plan

Following the Creditors' Meetings, and provided that the Plan is approved by the Required Majorities at the Creditors' Meetings, the Companies intend to bring a motion before the Court on March [16], 2018 at ● (Toronto time) or such later date as may be posted on the Monitor's website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least seven (7) Business Days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least seven (7) Business Days before such Court hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained by contacting the Monitor at the particulars set out above or from the Monitor's website set out below.

Prior to the hearing on the Sanction Order, the Court will be informed that the New Equity to be issued pursuant to the Plan will be issued in reliance upon the exemption from registration under the 1933 Act provided by Section 3(a)(10) thereunder and applicable Canadian securities law exemptions, upon the Court's approval of the Plan and the Court's approval of the fairness of the Plan after a fairness hearing, in each case, in accordance with the provisions of Section 3(a)(10) of the 1933 Act. The Court may approve the Plan in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Assuming the Sanction Order is granted and the other conditions thereto are satisfied or waived, it is anticipated that the following will occur substantially simultaneously: (a) the various documents necessary to consummate the Plan (including the Monitor's Certificate) will be executed and delivered; and (b) the transactions provided for in the Plan will occur in the order indicated.

THE SUPPORT AGREEMENT

On December 22, 2017, the Companies entered into the Support Agreement with the Requisite Consenting Parties, who currently hold in excess of 74% of the Affected Secured Claims.

Pursuant to the Support Agreement, and subject to the terms and conditions thereof, the Banro Group will seek to comply with the terms of the SISP and, if no Successful Transaction (as defined in the SISP) is identified as a result of the SISP, to proceed to complete the Recapitalization. In addition, Baiyin, Gramercy, and parties related thereto agreed to support the SISP and, if no Successful Transaction is identified as a result of the SISP, to support the Recapitalization.

The terms of the Recapitalization as agreed among the parties to the Support Agreement are set forth in the Restructuring Term Sheet.

Conditions Precedent to the Consenting Parties' Support Obligations

Pursuant to the terms of the Support Agreement, the obligation of the Requisite Consenting Parties to complete the Recapitalization is subject to the satisfaction of the following conditions, among others, prior to the Effective Time, each of which, if not satisfied prior to the Effective Time, can only be waived by the Requisite Consenting Parties:

- (a) there shall not have occurred any Material Adverse Change;
- (b) all of the following shall have been acceptable to the Requisite Consenting Parties, acting reasonably and in a manner consistent with the terms of the Support Agreement, at the time of their filing or issuance: (i) all materials filed by the Companies with the

Court or any other court of competent jurisdiction in Canada or any other jurisdiction that relate to the Recapitalization; and (ii) the Definitive Documents (as defined in the Support Agreement);

- (c) each other Requisite Consenting Party shall have performed all of its material obligations under and in accordance with the Support Agreement;
- (d) the Companies shall have performed all of their material obligations under and in accordance with the Support Agreement and Banro, on its own behalf and on behalf of the other Companies, shall have confirmed as of the Implementation Date in writing (which may be through counsel) to the Requisite Consenting Parties that it believes it has performed its material obligations under the Support Agreement;
- (e) the representations and warranties of the Companies set forth in the Support Agreement shall continue to be true and correct in all material respects (except to the extent such representations and warranties are by their terms given as of a specified date, in which case, such representations and warranties shall be true and correct in all respects as of such date), except as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by the Support Agreement and the Companies shall have confirmed as of the Implementation Date in writing (which may be through counsel) to the Requisite Consenting Parties that it believes the representations and warranties remain true;
- (f) the leases and the executory contracts and other contractual obligations of the Companies and other unsecured claims against the Companies shall be dealt with in a manner acceptable to the Companies and Requisite Consenting Parties; and
- (g) on the Implementation Date, the Requisite Consenting Parties shall have been reimbursed the reasonable fees and expenses, in accordance with the terms of the Support Agreement, incurred in connection with the Recapitalization, including, without limitation the reasonable fees and expenses of the Requisite Consenting Party Advisors (including an estimate of any fees and expenses expected to be incurred up to and following completion of the Recapitalization), provided the Requisite Consenting Parties shall have advised the Companies of those expenses at least five Business Days prior to the Implementation Date.

Conditions Precedent to the Recapitalization

The Support Agreement stipulates that the following conditions, among others, must be satisfied prior to the implementation of the Recapitalization:

- (a) the Sanction Order shall have been granted by the Court and shall be in full force and effect;
- (b) the Implementation Date shall have occurred no later than the Outside Date;
- (c) in the event the Recapitalization is to be implemented pursuant to the Plan, the Plan shall have been approved by the Court;
- (d) each of the Definitive Documents shall contain terms and conditions consistent in all respects with the Support Agreement and shall otherwise be acceptable to the Companies and the Requisite Consenting Parties, each acting reasonably;
- (e) all required stakeholder, regulatory and Court approvals, consents, waivers and filings shall have been obtained or made, as applicable, on terms satisfactory to the Requisite Consenting Parties and the Companies, each acting reasonably, and copies of any and

all such approvals, consents and/or waivers shall have been provided to the Requisite Consenting Party Advisors;

- (f) all filings under applicable Laws shall have been made and any regulatory consents or approvals that are required in connection with the Recapitalization shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated; and
- (g) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application shall have been made to any Governmental Entity, and no action or investigation shall have been announced, threatened or commenced by any Governmental Entity, in consequence of or in connection with the Recapitalization that restrains, impedes or prohibits (or if granted would reasonably be expected to restrain, impede or inhibit), the Recapitalization or any part thereof or requires or purports to require a variation of the Recapitalization.

Termination

The Support Agreement may be terminated with respect to the obligations of each Requisite Consenting Party in the exercise of its sole discretion, upon the occurrence and, if applicable, continuation of any of the following events:

- (a) the Milestones set forth in the Interim Financing Term Sheet have not been met or waived in accordance with the terms thereof, or the Implementation Date has not occurred on or before the Outside Date;
- (b) the occurrence of any Event of Default (as defined in the Support Agreement) that has not been waived under the Interim Financing Term Sheet as defined therein;
- (c) the occurrence of a Material Adverse Change;
- (d) any Company Party (as defined in the Support Agreement) takes any action inconsistent with the Support Agreement or fails to comply with, or defaults in the performance or observance of, any material term, condition, covenant or agreement set forth in the Support Agreement, which, if capable of being cured, is not cured within ten (10) Business Days after the receipt of written notice of such failure or default and provided that, for greater certainty, no cure period shall apply with respect to any termination pursuant to Sections 12 (a), (c), (h), and (l) of the Support Agreement;
- (e) any representation, warranty or acknowledgement of any of the Company Parties made in the Support Agreement shall prove untrue in any material respect as of the date when made;
- (f) the issuance of any final decision, order or decree by a Governmental Entity, in consequence of or in connection with the Recapitalization, which restrains or impedes in any material respect or prohibits the Recapitalization or any material part thereof or requires or purports to require a material variation of the Recapitalization;
- (g) any Company Party takes any action inconsistent with the Support Agreement or fails to comply with, or defaults in the performance or observance of, any material term, condition, covenant or agreement set forth in the Support Agreement, which, if capable of being cured, is not cured within ten (10) Business Days after the receipt of written notice of such failure or default;
- (h) the CCAA Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed in respect of

Banro, unless such event occurs with the prior written consent of the Requisite Consenting Parties;

- (i) the Court denies approval of the Sanction Order or, if the Court enters the Sanction Order, the Sanction Order is subsequently reversed, vacated or otherwise materially modified in a manner inconsistent with the Support Agreement, the Plan, the Restructuring Term Sheet and the Recapitalization, if such modification is not acceptable to the Consenting Party, acting in a manner consistent with the terms of this Agreement;
- (j) the amendment, modification or filing of a pleading by the Companies seeking to amend or modify the Recapitalization Terms (as defined in the Support Agreement) or the Plan, or any material document or order relating thereto, if such amendment or modification is not acceptable to the Requisite Consenting Parties, acting in a manner consistent with the terms of the Support Agreement;
- (k) if the Support Agreement is amended, modified or supplemented or any matter under the Support Agreement is approved, consented to or waived such that the Outside Date is extended, or the effect of any such amendment materially adversely changes the fundamental terms of the Recapitalization as they relate to that Consenting Party, in each case without such Consenting Party's consent; or
- (l) the conditions set forth in Section 8 of the Support Agreement are not satisfied or waived by the Outside Date or the Requisite Consenting Parties determine that there is no reasonable prospect that the conditions set forth in Section 8 of the Support Agreement will be satisfied or waived by the Outside Date.

The Support Agreement may be terminated by the Companies upon the occurrence and, if applicable, the continuation of, among others, any of the following events:

- (a) the Milestones set forth in the Interim Financing Term Sheet have not been met or waived, or the Implementation Date has not occurred on or before the Outside Date, unless the failure to meet the foregoing timelines is caused solely by the direct action or omission to take any action by the Companies;
- (b) any Consenting Party takes any action inconsistent with the Support Agreement or fails to comply with, or defaults in the performance or observance of, any material term, condition, covenant or agreement set forth in this Agreement, which, if capable of being cured, is not cured within ten (10) Business Days after the receipt of written notice of such failure or default and provided that, for greater certainty, no cure period shall apply with respect to any termination pursuant to Sections 12 (a), or (h) of the Support Agreement;
- (c) any representation, warranty or acknowledgement of any of the Consenting Parties made in the Support Agreement shall prove untrue in any material respect as of the date when made;
- (d) the issuance of any final decision, order or decree by a Governmental Entity, in consequence of or in connection with the Recapitalization, which restrains or impedes in any material respect or prohibits the Recapitalization or any material part thereof or requires or purports to require a material variation of the Recapitalization;
- (e) the CCAA Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed in respect of Banro, unless such event occurs with the prior written consent of the Companies and Requisite Consenting Parties;

- (f) the Court denies approval of the Sanction Order or, if the Court enters the Sanction Order, if the Sanction Order is subsequently reversed, vacated or otherwise materially modified in a manner inconsistent with the Support Agreement, and to the extent such orders relate to the implementation of the Recapitalization, the Plan and the Restructuring Term Sheet if such modification is not acceptable to the Companies and the Consenting Parties, acting in a manner consistent with the terms of the Support Agreement;
- (g) the amendment, modification or filing of a pleading by the Requisite Consenting Parties seeking to amend or modify the Recapitalization Terms or the Plan, or any material document or order relating thereto, if such amendment or modification is not acceptable to the Companies, acting in a manner consistent with the terms of the Support Agreement;
- (h) if the Support Agreement is amended, modified or supplemented or any matter herein is approved, consented to or waived such that the Outside Date is extended, or the effect of any such amendment materially adversely changes the fundamental terms of the Recapitalization as they relate to the Companies, in each case without the Companies' consent;
- (i) if either (i) Baiyin does not obtain the regulatory approvals required under item 18 of Section 7 of the Interim Financing Term Sheet by January 19, 2018, or such other day as may be agreed to with the Companies and the Requisite Consenting Parties, or (ii) the Interim Lenders (as defined in the Support Agreement) breach their funding obligations under the DIP Facility in accordance with the terms of the Interim Financing Term Sheet; or
- (j) the conditions set forth in Section 8 of the Support Agreement are not satisfied or waived by the Outside Date.

In addition, the Support Agreement may be terminated by mutual consent of the Companies and the Requisite Consenting Parties.

Upon termination, the Support Agreement shall be of no further force and effect and each party is automatically and simultaneously released from its commitments, undertakings, and agreements under or related to the Support Agreement, except for the rights, agreements, commitments and obligations under certain specified sections.

EFFECT OF THE RECAPITALIZATION

The Recapitalization is expected to improve the capital structure of the Companies by reducing the amount of outstanding debt and deferring certain upcoming gold delivery obligations in order to increase liquidity. The Companies expect to continue normal business operations at the mines and the Company's obligations to employees, trade creditors, equipment leases and suppliers will not be affected by the Recapitalization.

Recommendation of the Board

The Board of Directors of Banro, after careful consideration of a number of factors, and after consultation with its advisors, unanimously determined that the Recapitalization is in the best interests of the Companies and their stakeholders and unanimously determined to recommend: (a) to Affected Secured Creditors that they **VOTE FOR** the Affected Secured Creditors' Resolution at the Affected Secured Creditors' Meeting; and (b) to Affected Banro Unsecured Creditors that they **VOTE FOR** the Affected Banro Unsecured Creditors Resolution at the Affected Banro Unsecured Creditors' Meeting. In making its determinations and recommendations, the Board of Directors of Banro relied upon legal, tax and other advice and information received during the course of its deliberations.

PROXIES OR BENEFICIAL NOTEHOLDER VOTING INSTRUCTIONS RECEIVED BY THE MONITOR WILL BE VOTED IN FAVOUR OF THE RESOLUTION, UNLESS THE AFFECTED CREDITOR HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS AFFECTED CLAIMS ARE TO BE VOTED AGAINST SUCH RESOLUTION.

RISK FACTORS

Risk Factors Relating to the Companies

Certain risk factors relating to the business and securities of Banro are contained in the AIF, which has been publicly filed on SEDAR at www.sedar.com. Affected Creditors should review and carefully consider the risk factors set forth in the AIF, which are hereby incorporated herein by reference, and consider all other information contained therein and herein and in Banro's other public filings before determining how to vote on the Plan.

Risk Factors Relating to the Plan

The completion of the Recapitalization may not occur in the time or manner expected, if at all

The Companies will not complete the Plan unless and until all conditions precedent to the Plan are satisfied or waived, in particular, the Plan is subject to regulatory, court and creditor approval. There can be no certainty, nor can the Companies provide any assurance, that all conditions precedent to the Plan will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. Even if the Plan is completed, it may not be completed on the terms or schedule described in this Circular.

The Recapitalization may not improve the financial condition of the Companies' business

The Companies believe that the Recapitalization will enhance the Companies' liquidity and provide them with greater operating flexibility. However, such belief is based on certain assumptions, including, without limitation, assumptions about future gold prices, the economic environment of future operations and development projects. Should any of those assumptions prove false, or if other unforeseen developments arise, the financial position of the Companies may be materially adversely affected and the Companies may not be able to pay their debts as they become due.

Potential Effect of the Recapitalization on Banro's Relationships

There can be no assurance as to the effect of the announcement of the Recapitalization on Banro's relationships with the Government of the DRC, the Companies' suppliers, customers, purchasers, contractors or lenders, nor can there be any assurance as to the effect on such relationships of any delay in the completion of the Recapitalization, or the effect if the Recapitalization is completed. To the extent that any of these events result in the tightening of payment or loan terms, increases in the price of supplied goods, or the loss of a major supplier or contractor, or of multiple other suppliers or contractors, this could have a material adverse effect on Banro's business, financial condition, liquidity and results of operations. The Companies may also be unable to retain and motivate key executives and employees following the Recapitalization and the Companies may have difficulty attracting new employees.

Exchange of Debt for Equity

By exchanging or converting the Affected Secured Claims for New Equity pursuant to the Plan, the Affected Secured Creditors will be changing the nature of their investment from debt to equity. Equity carries certain risks that are not applicable to debt. Claims of holders of New Equity will be subordinated in priority to the claims of creditors in the event of an insolvency, winding up, or other distribution of the assets of Newco.

Risk Factors Relating to Non-Implementation of the Recapitalization

The Companies may be unable to continue as a going concern

If the Recapitalization is not implemented, the Companies may not be able to generate sufficient cash flow from operations to meet their obligations and, as such, the Companies may be unable to continue as going concerns and may be required to liquidate in the near or medium term. The Companies have constrained ability to generate cash flow and a significant debt burden and obligations under streaming and gold forward purchase agreements which severely limit the alternatives available to the Companies to raise additional capital. There can be no assurance that the Companies will be able to obtain additional capital on terms acceptable to the Companies or at all. The inability to secure additional capital required to meet the Companies' financial obligations under the Secured Notes, and other indebtedness of the Companies would have a material adverse effect on the Companies' financial condition and their ability to continue as going concerns.

The Companies are in default on certain of their obligations under the Note Indenture

BGB is in default on its accrued interest payment obligations under the Note Indenture. The stay granted by the Court in the CCAA proceedings currently prevents any action being taken by the holders of Secured Notes or the Trustees. If the Recapitalization or similar transaction is not completed, the CCAA stay may not be continued and the holders of the Secured Notes could accelerate the payment obligations under the Secured Notes and pursue the remedies provided in the Note Indenture in the event of non-payment.

If the Plan is not implemented, the amendments to and deferrals of delivery and other obligations under the Gold Streams and Forward Agreements will terminate

As described above under "Amendments to the Streaming and Forward Agreements" the counterparties to certain of the Companies' existing streaming and forward agreements have agreed to amendments to, and deferrals of required deliveries under, certain gold forward and streaming agreements which are intended to provide the Companies with additional liquidity during the period following the implementation of the Plan. If the Plan is not implemented, these amendments and deferrals cease to be in effect and the Companies will be required to adhere to the original terms of such agreements which would likely lead to a significant loss of liquidity and cash flow.

Risk Factors Relating to Newco

Affected Secured Creditors will become shareholders of Newco

Affected Secured Creditors will become shareholders of Newco, which is a holding company without any significant assets other than the shares of its subsidiary companies. Affected Secured Creditors, as the holders of the Secured Notes, had the benefit of security and guarantees from each of the members of the Banro group of companies and would rank ahead of any equityholders of any of the Banro group of companies in a liquidation of any of such companies. As shareholders of Newco, Affected Secured Creditors who become shareholders of Newco will have no right or claim to the assets of any other companies of the Banro Group in the event of a liquidation of Newco.

Certain Newco Shareholders will have greater rights than other Newco Shareholders

The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Board of Directors of Newco.

The Newco Board of Directors will determine the overall policies, objectives, operations, business and affairs of Newco and its subsidiaries. Each Major Shareholder will have the right to nominate as members of the Newco Board of Directors two individuals and will have the right to unilaterally replace them at any time. The four directors selected by the Major Shareholders will appoint a fifth director, who is anticipated to act as Chair of the Newco Board.

Moreover, as described in further detail in the Restructuring Term Sheet, there are certain matters of business that Newco may not undertake without the affirmative consent of each Major Shareholder. These matters include material changes to the business, corporation or legal structure of Newco, changes in management and compensation matters, acquisitions, dispositions, lending arrangements, approval of operational budgets, capital expenditures, and dividends.

Newco will be organized under the laws of a foreign jurisdiction

Newco will be an exempted company organized under the laws of the Cayman Islands. While Cayman Islands corporate law is similar to the CBCA, there are important differences which affect the rights of shareholders. Affected Secured Creditors should review the comparison of rights of shareholders of CBCA corporations and those of Cayman Islands exempted companies set out in this Circular.

Newco will be a private company

It is not intended that the New Equity will be listed on any stock exchange. As a consequence there will be no market for the New Equity and it may be difficult or impossible for shareholders to sell or value their New Equity. Newco shareholders will have certain rights including rights to information, pre-emptive rights, and a right to “tag along” in the context of certain transactions and will have obligations (“ROFO” and “drag along”) in the context of transfers of the New Equity, as described in “*Newco Share Terms*” in this Circular.

CERTAIN LEGAL MATTERS

Canadian Securities Laws

Resale of Securities

The New Equity to be issued pursuant to the Plan will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian securities laws. Consequently, certain protections, rights and remedies provided by Canadian securities legislation, including statutory rights of rescission or damages, will not be available in respect of the New Equity issued pursuant to the Plan. The New Equity so issued will generally be “freely tradable” (other than as a result of usual resale restrictions under applicable securities laws, including, without limitation, any “control person” restrictions which may arise by virtue of ownership thereof) under applicable Canadian securities laws. All prospective holders of New Equity are urged to consult their legal advisors to ensure that the resale of their New Equity complies with applicable securities legislation. Holders of New Equity residing elsewhere than in Canada are urged to consult their legal advisors to determine the extent of all applicable resale provisions in their jurisdiction of residency.

MI 61-101

As a reporting issuer in each of the provinces of Canada other than Quebec, Banro is subject to applicable securities laws of such provinces. The securities regulatory authority in the Provinces of Ontario, Quebec, Alberta, Manitoba and New Brunswick have adopted Multilateral Instrument 61-101 (“**MI 61-101**”), which regulates transactions that raise the potential for conflicts of interest.

MI 61-101 regulates certain types of transactions to ensure fair treatment of security holders when, in relation to a transaction, there are persons in a position that could cause them to have an actual or reasonably perceived conflict of interest or informational advantage over other security holders. If MI 61-101 applies to a proposed transaction of a reporting issuer, then enhanced disclosure in documents sent to security holders, the approval of security holders excluding, among others, "interested parties" (as defined in MI 61-101), and a formal valuation prepared by an independent and qualified valuator, are all mandated (subject to certain exemptions).

The protections afforded by MI 61-101 apply to, among other transactions, "related party transactions" (as defined in MI 61-101) which include issuances of securities to "related parties" of the issuer (as defined in MI 61-101) and material amendments to debts or liabilities owed by or to a "related party".

The Directors and the senior Officers of Banro, any Person that has beneficial ownership of, or control or direction over, directly or indirectly, or a combination of beneficial ownership of, and control or direction over, directly or indirectly, more than 10% of the Common Shares of Banro, and the Directors or senior Officers of such Persons are all related parties of Banro for the purposes of MI 61-101. Pursuant to MI 61-101, the Plan, the amendments to the Streaming Agreements, the Forward Agreements and the issuance of the New Equity, the Stream Equity Warrants and the New Secured Facility Warrants to certain existing debt/noteholders will be considered "related party transactions" and/or a "business combination" within the meaning of MI 61-101 as, among other things, certain related parties of Banro will receive shares of an affiliate of Banro pursuant to the Plan, Banro and such related parties will amend the terms of certain streaming and gold forward agreements and the related parties will receive Stream Equity Warrants and New Secured Facility Warrants of Newco in connection with such amendments.

Banro is not subject to the requirements of MI 61-101 to prepare a formal valuation as its shares are not listed for trading on certain specified markets. The Companies have advised the Court of the requirements of MI 61-101 regarding minority approval of related party transactions and business combinations and the Court has determined, in accordance with the CCAA, that a meeting of the shareholders of the Company is not required to be held in order to approve the Recapitalization.

United States Securities Laws

Status under U.S. securities laws

At the time of the implementation of the Plan, Banro will be a "foreign private issuer" as defined in Rule 3b-4 under the Securities Exchange Act of 1934 (the "1934 Act"). On January 22, 2018, the NYSE American delisted Banro's common shares from NYSE American.

At the time of the implementation of the Plan Newco will be a corporation formed under the laws of the Cayman Islands and no issuance of any classes of its securities will be registered under the Securities Act of 1933 (the "1933 Act").

Issuance and resale of Securities under U.S. Securities laws

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to securityholders. All securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of securities issued to them under the Plan complies with applicable securities legislation.

The following discussion does not address the Canadian securities laws that will apply to the issuance to or the resale by securityholders within Canada of securities of Newco.

Exemption from the registration requirements of the 1933 Act

The issuance of the New Equity under the Plan will not be registered under the 1933 Act or the securities laws of any state of the United States.

The New Equity to be issued to Affected Secured Creditors pursuant to the Plan will be issued in reliance on the exemption from registration set forth in Section 3(a)(10) of the 1933 Act on the basis of the approval of the Court, which will consider, among other things, the fairness of the Plan to the persons affected. Section 3(a)(10) of the 1933 Act exempts from registration the distribution of a security that is issued in exchange for outstanding securities and/or claims where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Sanction Order will, if granted, constitute a basis for the exemption from the registration requirements of the 1933 Act with respect to the New Equity issued under the Plan.

Persons who are not affiliates of Newco after the Plan may resell the New Equity that they receive in the United States without restriction under the 1933 Act. A Person who will be an "affiliate" of Newco after the Plan will be subject to certain restrictions on resale imposed by the 1933 Act. As defined in Rule 144 under the 1933 Act, an "affiliate" of an issuer is a person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the issuer and may include certain officers and directors of such issuer as well as principal shareholders of such issuer.

Persons who are affiliates of after the implementation of the Plan may not resell the New Equity that they receive pursuant to the Plan in the absence of registration under the 1933 Act, unless an exemption from registration is available, such as the exemptions provided by Rule 144 or Regulation S under the 1933 Act.

All other New Equity to be issued under the Plan will be subject to restrictions on transfer and such New Equity may be offered, sold or otherwise transferred only (a) to Newco; (b) outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act; or (c) inside the United States in accordance with an exemption from registration under the 1933 Act, if available. Such New Equity will bear a legend to the following effect:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE U.S. SECURITIES ACT, (B) IN A SALE ON OR THROUGH THE FACILITIES OF THE TORONTO STOCK EXCHANGE OR ANOTHER DESIGNATED OFFSHORE SECURITIES MARKET (AS DEFINED IN RULE 902 OF REGULATION S PROMULGATED UNDER THE U.S. SECURITIES ACT ("REGULATION S")) PURSUANT TO RULE 904 OF REGULATION S; (C) THROUGH OTHER OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S, OR (D) IN ANY OTHER TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS (IT BEING UNDERSTOOD THAT THE COMPANY MAY REQUIRE AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY IN CONNECTION WITH ANY SALE OR OTHER TRANSFER OF SHARES MADE PURSUANT TO CLAUSE (D) OF THIS SENTENCE)."

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the New Equity received upon completion of the Plan. Holders of New Equity will also be subject to the restrictions on transfer of such shares set forth in the terms of the New Equity. All holders of New Equity are urged to consult with their counsel to ensure that the resale of New Equity complies with applicable securities legislation.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the Regulations thereunder (collectively, the “Tax Act”) of the Recapitalization under the Plan applicable to an Affected Creditor who is a Noteholder or a holder of an Equity Interest in Banro who, at all relevant times for purposes of the Tax Act, deals at arm’s length with, and is not affiliated with, the Applicants, and holds their Secured Notes and Equity Interests in Banro, as applicable, and will hold any New Equity, as capital property. A Secured Note, an Equity Interest in Banro and New Equity will generally be considered to be capital property for this purpose to an Affected Creditor, unless either the Affected Creditor acquires or holds such property in the course of carrying on a business or the Affected Creditor has held or acquired such property in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency. This summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”), and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law or administrative policy or assessing practice, whether by way of legislative, judicial, regulatory or administrative decision or action, nor does it address any other federal or any foreign, provincial or territorial tax considerations.

On July 18, 2017, the Minister of Finance (Canada) released a consultation paper that indicated an announcement of the Government’s intention to amend the Tax Act to increase the amount of tax applicable to passive investment income earned through a private corporation. The Minister has indicated that he intends to release draft legislation relating to this proposal as part of the 2018 federal budget. Affected Creditors that are private corporations should consult their own tax advisors.

The following summary is of a general nature only and is not intended to be, and should not be construed to be, legal or tax advice to Affected Creditors, and no representation with respect to the tax consequences to any particular Affected Creditor is made. Accordingly, all Affected Creditors should consult with their own tax advisors for advice with respect to the income tax consequences to them of the Plan. The discussion below is qualified accordingly.

This summary does not describe the income tax consequences under the Plan to Excluded Creditors, Affected Banro Unsecured Creditors (other than with respect to the Affected Banro Unsecured Deficiency Claim) or holders of Stream Equity Warrants. Such Creditors and holders of Stream Equity Warrants should consult their own tax advisors in this regard.

For purposes of the Tax Act, all amounts relevant in computing the income, taxable income and taxes payable by an Affected Creditor, including the cost and adjusted cost base of Secured Notes, Equity Interest in Banro and New Equity, must be determined in Canadian dollars based on the exchange rate quoted by the Bank of Canada on the date such amount first arose or such other exchange rate that is acceptable to the Minister of National Revenue.

Residents of Canada

This portion of the summary is generally applicable to an Affected Creditor that, at all relevant times for purposes of the Tax Act, is (or is deemed to be) resident in Canada and meets the other relevant requirements described above (referred to in this portion of the summary as a “Resident Holder”).

Certain Resident Holders whose Equity Interest in Banro might not otherwise be capital property may, in certain circumstances, be entitled to make an irrevocable election permitted by subsection 39(4) of the

Tax Act to have such Equity Interest and all other “Canadian securities”, as defined in the Tax Act, owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years, deemed to be capital property. Resident Holders whose Equity Interest in Banro might not otherwise be considered capital property should consult their own tax advisors concerning this election.

This portion of the summary is not applicable to a Resident Holder (i) that is a “financial institution” for purposes of the “mark-to-market” rules, (ii) that is a “specified financial institution”, (iii) an interest in which is a “tax shelter investment”, (iv) that has elected to report its ‘Canadian tax results’ in a currency other than the Canadian currency, (v) that has entered or will enter into a “derivative forward agreement’ or a “synthetic disposition arrangement” with respect to the Secured Notes or Equity Interest in Banro, or (vi) for whom Newco is a “foreign affiliate”, all within the meaning of the Tax Act. All such Resident Holders should consult with their own tax advisors.

Cancellation of Equity Interests in Banro

A Resident Holder will realize a capital loss on the cancellation of its Equity Interest in Banro equal to the aggregate of the Resident Holder’s adjusted cost base of its Equity Interest in Banro immediately prior to such cancellation and any reasonable costs of disposition.

The tax treatment of any such capital loss is described below under “*Certain Canadian Federal Income Tax Considerations — Residents of Canada — Taxation of Capital Gains and Capital Losses*”.

Settlement of Affected Secured Claims and Affected Banro Unsecured Claims

A Resident Holder of Secured Notes will be considered to have disposed of its Secured Notes upon the exchange of Secured Notes for New Equity and the Resident Holder’s pro rata share of the Affected Banro Unsecured Cash Pool (collectively the “**Secured Note Consideration**”) on the Implementation Date.

Allocation of Secured Note Consideration

Under the Plan, the aggregate fair market value of the Secured Note Consideration received by an Affected Creditor in exchange for Secured Notes will be allocated first to the principal amount of the Secured Notes and the balance, if any, to the accrued and unpaid interest on the Secured Notes. While the fair market value of the Secured Note Consideration at the time of exchange is a question of fact, it is not expected that the value of the Secured Note Consideration will exceed the principal amount of the Secured Notes. Consequently, it is not expected that any amount of interest accrued on the Secured Notes will be paid or satisfied under the Plan.

Interest on Secured Notes

A Resident Holder that is a corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary will be required to include in income for a taxation year any interest on the Secured Notes that accrues (or is deemed to accrue) to it in that taxation year or that is received or becomes receivable by it in that year, except to the extent that such interest was included in computing its income for a preceding taxation year.

Any other Resident Holder, including an individual, will be required to include in computing its income for a taxation year any interest on the Secured Notes that is received or receivable by such Resident Holder in that taxation year, except to the extent that such amount was otherwise included in its income for the year or a preceding taxation year.

Where a Resident Holder included an amount in income on account of accrued and unpaid interest on the Secured Notes, the Resident Holder should be entitled to a deduction of an equivalent amount in

computing income to the extent that such amount was not received by it on or before the exchange of Secured Notes pursuant to the Plan.

Disposition of Secured Notes

In general, on the exchange of Secured Notes pursuant to the Plan, a Resident Holder of Secured Notes will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any portion of Secured Note Consideration included in the Resident Holder's income as interest, exceeds (or is less than) the Resident Holder's adjusted cost base of such Secured Notes and any reasonable costs of disposition. A Resident Holder's proceeds of disposition of its Secured Notes will be an amount equal to the aggregate of the fair market value of the Secured Note Consideration received on the exchange. Any such capital gain (or capital loss) will be subject to the tax treatment described below under "*Certain Canadian Federal Income Tax Considerations — Residents of Canada — Taxation of Capital Gains and Capital Losses*".

Dividends on New Equity

Any dividends received (or deemed to be received) on New Equity by a Resident Holder will be included in its income for purposes of the Tax Act. A Resident Holder that is an individual will not be eligible for the gross-up and dividend tax credit in respect of such dividends. A Resident Holder that is a corporation will not be entitled to deduct the amount of such dividends in computing its taxable income.

Disposition of New Equity

A Resident Holder will realize a capital gain (or capital loss) on a disposition (or deemed disposition) of New Equity equal to the amount by which the proceeds of disposition exceed (or is less than) the aggregate of the adjusted cost base to the Resident Holder of such New Equity immediately prior to the time of disposition and any reasonable costs of disposition. The adjusted cost base to a Resident Holder of New Equity at a particular time will generally be the average cost of all of the New Equity held by such holder as capital property at that time. The cost to a Resident Holder of New Equity acquired on the exchange of Secured Notes pursuant to the Plan will equal the fair market value of such New Equity at the time of acquisition.

The tax treatment of any such capital gain (or capital loss) is described below under "*Certain Canadian Federal Income Tax Considerations — Residents of Canada — Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

In general, one-half of any capital gain (a "taxable capital gain") realized by a Resident Holder in a taxation year will be included in the Resident Holder's income in the year and one-half of the amount of any capital loss (an "allowable capital loss") realized by a Resident Holder in a taxation year is required to be deducted from taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back three years or forward indefinitely, subject to the rules in the Tax Act. The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a share may be reduced by the amount of dividends previously received (or deemed to have been received) by it on such share (or on a share for which the share has been substituted) subject to the rules in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns shares, directly or indirectly, through a partnership or a trust.

Additional Refundable Tax

A Resident Holder that is a “Canadian-controlled private corporation” (as defined in the Tax Act) may be liable to pay an additional refundable tax of 10²/₃% on certain investment income including amounts in respect of interest, taxable capital gains and dividends.

Alternative Minimum Tax

Capital gains realized by an individual (including certain trusts) may give rise to liability for alternative minimum tax under the detailed rules set out in the Tax Act.

Foreign Property Information Reporting

In general, a Resident Holder that is a “specified Canadian entity” (as defined in the Tax Act) for a taxation year or a fiscal period and whose total “cost amount” (as defined in the Tax Act) of “specified foreign property” (as defined in the Tax Act), including New Equity, at any time in the year or fiscal period exceeds C\$100,000 will be required to file an information return with the CRA for the taxation year or fiscal period disclosing certain prescribed information in respect of such property. Subject to certain exceptions, a Resident Holder generally will be a “specified Canadian entity”. New Equity will be “specified foreign property” to a Resident Holder. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Holder’s “specified foreign property” on a timely basis in accordance with the Tax Act.

The reporting rules in the Tax Act relating to “specified foreign property” are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. Resident Holders should consult their own tax advisors regarding the reporting rules contained in the Tax Act.

Eligibility for Investment

New Equity will not be a qualified investment under the Tax Act for trusts governed by a registered retirement savings plan, registered retirement income fund, deferred profit sharing plan, registered disability savings plan, registered education savings plan and tax-free savings account (“**Deferred Plans**”) and should not be acquired or held in Deferred Plans. Adverse tax consequences will arise for Deferred Plans and their beneficiaries, subscribers or annuitants (as the case may be) if such Deferred Plans acquire or hold New Equity.

Non-Residents of Canada

This portion of the summary applies to an Affected Creditor who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, (i) is a non-resident of Canada, (ii) does not use or hold any Equity Interest in Banro or Secured Notes, and will not use or hold any New Equity or Secured Notes, in carrying on a business in Canada, (iii) is not a foreign affiliate of a taxpayer resident in Canada, and (iv) is not an insurer who carries on an insurance business in Canada and elsewhere or an authorized foreign bank that carries on a Canadian banking business (a “Non-Resident Holder”).

Cancellation of Equity Interests in Banro

A Non-Resident Holder will realize a capital loss on the cancellation of its Equity Interest in Banro equal to the aggregate of the Non-Resident Holder’s adjusted cost base of its Equity Interest in Banro immediately prior to such cancellation and any reasonable costs of disposition.

A capital loss realized by a Non-Resident Holder on the disposition of its Equity Interest in Banro will not be deductible in computing such Non-Resident Holder’s income under the Tax Act unless such Equity

Interest constitutes “taxable Canadian property” (as defined in the Tax Act) to such Non-Resident Holder at the time of the disposition.

If the common shares of Banro are not listed on a “designated stock exchange” (as defined in the Tax Act) at the time of a disposition of an Equity Interest in Banro by a Non-Resident Holder on the Implementation Date, the Equity Interest in Banro generally will not constitute taxable Canadian property to such Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding that time more than 50% of the fair market value of the common shares of Banro was derived directly or indirectly from one or any combination of (A) real or immovable property situated in Canada, (B) Canadian resource properties, (C) timber resource properties, or (D) options in respect of, interests in, or for civil law rights in, any of the foregoing properties, whether or not such property exists. The Equity Interests in Banro should generally not constitute taxable Canadian property, as all of the Banro Group’s resource properties are, and have at all relevant times been, located outside of Canada. However, a Non-Resident Holder’s Equity Interest in Banro may be deemed to be taxable Canadian property in certain circumstances set out in the Tax Act.

Settlement of Affected Secured Claims and Affected Banro Unsecured Claims

A Non-Resident Holder who exchanges its Secured Notes for the Secured Note Consideration pursuant to the Plan generally will not be subject to tax under the Tax Act in respect of such exchange.

Dividends on, and Dispositions of, New Equity

A Non-Resident Holder who acquires New Equity on the exchange pursuant to the Plan generally will not be subject to tax under the Tax Act in respect of dividends received (or deemed to be received) on such New Equity or capital gains realized on the disposition (or deemed disposition) of such New Equity.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of certain U.S. federal income tax consequences of the Plan to U.S. Holders (as defined below) of certain Claims. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated under the Code, administrative pronouncements, and judicial decisions, all as in effect on the date hereof. Future legislative, judicial, or administrative modifications, revocations, or interpretations, which may or may not be retroactive, may result in U.S. federal income tax consequences significantly different from those discussed herein. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. This discussion is not binding on the U.S. Internal Revenue Service (the “IRS”). No opinion of counsel has been obtained and no ruling has been or will be sought from the IRS with respect to any of the U.S. federal income tax consequences discussed herein. No representations are being made regarding the particular tax consequences of the Plan to any holder of a Claim. There can be no assurance that the IRS will not challenge any of the conclusions described herein or that a U.S. court will not sustain such a challenge.

This discussion does not address the U.S. federal income tax consequences to U.S. Holders subject to special treatment under U.S. federal income tax law, including, without limitation, banks, governmental authorities or agencies, financial institutions, insurance companies, pass-through entities, tax-exempt organizations, brokers and dealers in securities, regulated investment companies, real estate investment trusts, small business investment companies, employees, persons who receive their Claims pursuant to the exercise of an employee stock option or otherwise as compensation, persons holding Claims that are a hedge against, or that are hedged against, currency risk or that are part of a straddle, constructive sale, or conversion transaction and regulated investment companies. In addition, this discussion does not address any U.S. federal estate, gift, or other non-income tax, or any state, local, or non-U.S. tax. This discussion assumes that holders of Claims hold such Claims as capital assets within the meaning of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a Claim that is: (i) an individual who is a citizen or resident of the United States for U.S. federal income tax purposes; (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If an entity treated as a partnership for U.S. federal income tax purposes holds a Claim, the U.S. federal income tax consequences to a partner (or other owner) of the entity generally will depend on the status of the partner (or other owner) and the activities of the entity. Such partner (or other owner) should consult its tax advisor as to the tax consequences of the Plan.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOLLOWING SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED ON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. HOLDERS OF CLAIMS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR REGARDING THE APPLICATION OF U.S. FEDERAL TAX LAWS TO THEIR PARTICULAR SITUATIONS AND ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S., OR OTHER TAXING JURISDICTION.

U.S. Federal Income Tax Consequences to U.S. Holders of Affected Secured Claims

Receipt of New Equity

The U.S. federal income tax treatment of the exchange of Proven Affected Secured Claims for New Equity by U.S. Holders pursuant to the Plan is unclear, due in part to the uncertainty regarding the formal steps of the exchange. One possibility is that the Plan could be implemented by means of the New Equity being deemed to be transferred, directly or indirectly, by Newco to BGB, and such New Equity then being deemed to be transferred by BGB to the Holders in satisfaction of their Claims. In this scenario, a U.S. Holder would treat the exchange as a taxable transaction in which it generally recognizes gain or loss for U.S. federal income tax purposes in an amount equal to the difference between (a) the fair market value of the New Equity, and (b) the U.S. Holder's adjusted tax basis in the Claim surrendered in the exchange. In light of the fact that the Secured Notes have been treated as contingent payment debt instruments for U.S. federal income tax purposes, any gain on the exchange of a Proven Secured Notes Claim would be treated as ordinary income and any loss on such a claim would be treated as ordinary loss to the extent of prior inclusions of original issue discount ("OID"), with any excess loss a capital loss. The deductibility of capital losses is subject to certain limitations under the Code. A U.S. Holder's tax basis in the New Equity would be its fair market value as of the Implementation Date and its holding period for the New Equity would begin on the day after the Implementation Date.

It is also possible that the U.S. Holders of Proven Affected Secured Claims could be treated as exchanging their Claims directly with Newco for the New Equity. In that case, the U.S. federal income tax consequences to a U.S. Holder would depend in part on whether the Claims surrendered in the exchange constitute "securities" for U.S. federal income tax purposes. Whether a debt instrument constitutes a "security" under the reorganization provisions for U.S. federal income tax purposes is determined based on all the relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that generally are taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof to other creditors, the right to vote or otherwise participate in the

management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable or contingent, and whether such payments are made on a current basis or accrued. The term of the Secured Notes is four (4) years, so they are unlikely to be treated as a “security” for this purpose.

If a U.S. Holder of a Proven Affected Secured Claim is treated as exchanging its Claim directly with Newco for the New Equity and such Claim is not treated as a “security,” the U.S. Holder would be required to recognize gain (but not loss) on the exchange in an amount equal to the difference between (a) the fair market value of the New Equity, and (b) the U.S. Holder’s adjusted tax basis in the Claim surrendered in the exchange. If, on the other hand, the Proven Affected Secured Claim is treated as a “security,” a U.S. Holder generally would not recognize gain or loss on the exchange, provided that a U.S. Holder owning 5% or more of the total voting power or total value of the stock of Newco immediately after the exchange may be required to recognize gain (but not loss) unless it enters into a gain recognition agreement with the IRS. If a U.S. Holder recognizes gain on the exchange, the U.S. Holder’s tax basis in the New Equity would be its fair market value as of the Implementation Date and its holding period for the New Equity would begin on the day after the Implementation Date. If a U.S. Holder has a loss in the Proven Affected Secured Claim that is not recognized, the U.S. Holder’s tax basis in the New Equity received would generally equal its tax basis in the Claim surrendered by such Holder and its holding period for the New Equity received should generally include the Holder’s holding period in the Claims surrendered therefor. The character of any gain or loss recognized on the exchange would be as described above for a taxable transaction.

Given the uncertainties described above, U.S. Holders are urged to consult their own tax advisors regarding the U.S. federal income tax treatment of the exchange of Proven Affected Secured Claims for New Equity pursuant to the Plan.

Accrued Interest

To the extent that any consideration received by U.S. Holders of Proven Affected Secured Claims is attributable to accrued but unpaid interest (including OID, if any), such amount should be excluded from the U.S. Holder’s amount realized for purposes of determining capital gain or loss and should instead be taxed as ordinary income to the extent it has not yet been included in the U.S. Holder’s gross income for U.S. federal income tax purposes.

Market Discount

The “market discount” provisions of the Code may apply to U.S. Holders of Proven Affected Secured Claims who receive New Equity pursuant to the Plan. In general, a Proven Affected Secured Claim is a “market discount bond” for a U.S. Holder that acquired such Claim in the secondary market (or, in certain circumstances, upon original issuance) if its stated redemption price at maturity exceeds the adjusted tax basis of such Claim in the U.S. Holder’s hands immediately after its acquisition.

Under the market discount rules (subject to a de minimis exception), any gain recognized by a U.S. Holder on the disposition of debt instruments that it acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such debt instruments were considered to be held by the U.S. Holder (unless such U.S. Holder elected to include market discount in income as it accrued). To the extent that debt instruments that were acquired with market discount are exchanged in a tax-free transaction for other property, any market discount that accrued on such debt instruments (i.e., up to the time of the exchange) but was not recognized by the U.S. Holder is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption or other disposition of such property is treated as ordinary income to the extent of such accrued, but not recognized, market discount.

U.S. Federal Income Tax Consequences to U.S. Holders of New Equity

Distributions on New Equity

The following discussion assumes that Newco is not and will not become a “passive foreign investment company” (“PFIC”) for U.S. federal income tax purposes. Newco does not believe that it was a PFIC for the preceding taxable year and, based on current business plans and financial expectations, does not expect to become a PFIC in the next taxable year or in the foreseeable future. However, because the determination of PFIC status must be made on an annual basis, and will depend on the composition of the income and assets, as well as the nature of the activities, of Newco and its subsidiaries, from time to time, there can be no assurance that Newco will not be considered a PFIC for any taxable year. No opinion of counsel or ruling from the IRS concerning PFIC status has been or will be sought. If Newco becomes a PFIC, the tax consequences set forth below generally would not apply.

In general, a cash distribution made by Newco in respect of the New Equity will constitute a taxable dividend to a U.S. Holder when such distribution is actually or constructively received, to the extent such distribution is paid out of the current and accumulated earnings and profits of Newco (as determined under U.S. federal income tax principles). To the extent that a distribution in respect of the New Equity exceeds the amount of Newco’s current or accumulated earnings and profits, as determined under U.S. federal income tax principles, the distribution would be treated first as a non-taxable return of capital, causing a reduction in the U.S. Holder’s adjusted basis in the New Equity held by such U.S. Holder (thereby increasing the amount of gain, or decreasing the amount of loss, to be recognized by such U.S. Holder upon a subsequent disposition of the New Equity), with any amount that exceeds the adjusted basis being taxed as capital gain recognized on a sale or exchange (as discussed under “Sale, Exchange, or Other Taxable Disposition of New Equity” below). However, Newco does not intend to maintain calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution by Newco with respect to the New Equity will constitute ordinary dividend income.

Under recently enacted legislation, a domestic corporation that is a U.S. shareholder of a specified 10-percent owned foreign corporation is allowed a deduction in an amount equal to the foreign-source portion of any dividend received from the specified 10-percent owned foreign corporation. For this purpose, the term “specified 10-percent owned foreign corporation” means any foreign corporation with respect to which any domestic corporation is a U.S. shareholder, provided that the foreign corporation is not a PFIC which is not a “controlled foreign corporation,” and the term “U.S. shareholder” means, with respect to any foreign corporation, a U.S. person who owns, or is considered as owning, 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such foreign corporation or 10 percent or more of the total value of shares of all classes of stock of such foreign corporation. The rules governing this deduction are complex and U.S. Holders that are corporations are urged to consult their own tax advisors regarding the availability of the deduction under their particular circumstances.

The gross amount of distributions paid in any currency other than the U.S. dollar will be included by each U.S. Holder in gross income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the distributions are actually or constructively received, regardless of whether the payment is in fact converted into U.S. dollars. If such currency is converted into U.S. dollars on the date of receipt, the U.S. Holder should not be required to recognize any foreign currency gain or loss with respect to the receipt of the foreign currency distributions. If the foreign currency received is not converted into U.S. dollars on the date of receipt, a U.S. Holder will have a tax basis in the currency equal to the U.S. dollar value on the date of receipt. Any gain or loss realized on a subsequent conversion or other disposition of such currency will be treated as U.S. source ordinary income or loss. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

Sale, Exchange, or Other Taxable Disposition of New Equity

A U.S. Holder generally will recognize a U.S. source capital gain or loss on the sale, exchange, or other taxable disposition of New Equity in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder’s adjusted tax basis in the New Equity. Such gain or loss would be a

long-term capital gain or loss if the U.S. Holder's holding period for the New Equity (determined under the rules discussed above) was longer than one year as of the date of the sale, exchange, or other taxable disposition. Long-term capital gain recognized by certain non-corporate U.S. Holders, including individuals, generally is eligible for preferential rates of U.S. federal income tax. The deductibility of capital losses is subject to certain limitations under the Code.

With respect to the sale, exchange, or other taxable disposition of New Equity, the amount realized generally will be the U.S. dollar value of the payment received determined on (1) the date of receipt of payment in the case of a cash basis U.S. Holder and (2) the date of disposition in the case of an accrual basis U.S. Holder. Additionally, if a U.S. Holder receives any foreign currency on the sale of New Equity, such U.S. Holder may recognize ordinary income or loss as a result of currency fluctuations between the date of the sale of New Equity and the date the sale proceeds are converted into U.S. dollars.

Foreign Tax Credit Considerations

For purposes of the U.S. foreign tax credit limitations, dividends received by a U.S. Holder with respect to New Equity will be foreign source income and generally will be "passive category income" but could, in the case of certain U.S. Holders, constitute "general category income." In general, gain or loss realized upon sale or exchange of the New Equity by a U.S. Holder will be U.S. source income or loss, as the case may be.

Subject to certain limitations, any non-U.S. tax withheld with respect to distributions made on the New Equity may be treated as foreign taxes eligible for credit against a U.S. Holder's U.S. federal income tax liability. Alternatively, a U.S. Holder may, subject to applicable limitations, elect to deduct the otherwise creditable non-U.S. withholding taxes for U.S. federal income tax purposes. However, no foreign tax credit or deduction of creditable foreign taxes is allowed for any taxes paid or accrued with respect to dividends received by a domestic corporation from a specified 10-percent owned foreign corporation for which a deduction is allowed under section 245A of the Code. The rules governing the foreign tax credit are complex and their application depends on each taxpayer's particular circumstances. Accordingly, U.S. Holders are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

U.S. Federal Income Tax Consequences to Holders of Affected Banro Unsecured Claims

Receipt of Distribution from Affected Banro Unsecured Pool

In general, U.S. Holders of Proven Affected Banro Unsecured Claim will be treated as exchanging such Claims in a fully taxable transaction. Where gain or loss is recognized by a U.S. Holder in respect of its Proven Affected Banro Unsecured Claim, the character of such gain or loss as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including, among others, the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder and how long it has been held, and whether and to what extent the U.S. Holder had previously claimed a bad debt deduction in respect of such Claim. The deductibility of capital losses are subject to certain limitations under the Code. U.S. Holders of Proven Affected Banro Unsecured Claims should consult their tax advisors as to the determination of the character of any gain or loss to them.

Accrued Interest

To the extent that any consideration received by U.S. Holders of Proven Affected Banro Unsecured Claims is attributable to accrued but unpaid interest (including OID, if any), such amount should be excluded from the U.S. Holder's amount realized and should instead be taxed as ordinary income to the extent it has not yet been included in the U.S. Holder's gross income for U.S. federal income tax purposes.

Market Discount

The “market discount” provisions of the Code may apply to U.S. Holders of Proven Affected Banro Unsecured Claims who receive a distribution from the Affected Banro Unsecured Pool pursuant to the Plan. In general, a Proven Affected Banro Unsecured Claim is a “market discount bond” for a U.S. Holder that acquired such Claim in the secondary market (or, in certain circumstances, upon original issuance) if its stated redemption price at maturity exceeds the adjusted tax basis of such Claim in the U.S. Holder’s hands immediately after its acquisition.

Under the market discount rules (subject to a de minimis exception), any gain recognized by a U.S. Holder on the disposition of debt instruments that it acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such debt instruments were considered to be held by the U.S. Holder (unless such U.S. Holder elected to include market discount in income as it accrued).

Special Rules for Certain Accrual Method Taxpayers

Under recently enacted legislation, certain U.S. Holders that use an accrual method of accounting for tax purposes generally will be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements, which may be earlier than would be the case under the rules described above. This rule generally will be effective for tax years beginning after December 31, 2017 or, for debt instruments issued with OID, for tax years beginning after December 31, 2018. U.S. Holders that use an accrual method of accounting should consult with their tax advisors regarding the potential applicability of this legislation to their particular situation.

Net Investment Income Tax

Certain U.S. Holders that are individuals, estates, or trusts are required to pay an additional 3.8% Medicare tax on “unearned” net investment income (i.e., income received from, among other things, the sale or other disposition of certain capital assets). Holders that are individuals, estates, or trusts should consult their tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of any consideration to be received under the Plan.

U.S. Information Reporting and Backup Withholding

Under U.S. federal income tax law and regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. Penalties for failure to file certain of these information returns are substantial. U.S. information reporting obligations (and related penalties for failure to file) are also been imposed on U.S. individuals that hold certain specified foreign financial assets with an aggregate value in excess of \$50,000 at the end of the taxable year or \$75,000 at any time during the taxable year. The thresholds are higher for individuals living outside of the United States and married couples filing jointly. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also may include the New Equity. U.S. Holders of the New Equity should consult with their own tax advisors regarding the requirements of filing U.S. information returns.

Dividends on the New Equity and proceeds from the sale or other disposition of New Equity that are paid in the United States or by a U.S.-related financial intermediary will be subject to U.S. information reporting rules, unless a U.S. Holder is a corporation or other exempt recipient. In addition, payments that are subject to information reporting may be subject to backup withholding (currently at a 24.0% rate) if a U.S. Holder fails to provide its taxpayer identification number, fails to certify that such number is correct, fails to certify that such U.S. Holder is not subject to backup withholding, or otherwise fails to comply with the applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and if the required information is timely furnished to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

OTHER BUSINESS

Banro is not aware of any matters intended to come before the Creditors' Meetings other than those items of business set forth in the Notices of Meeting of Creditors and Sanction Motion accompanying this Circular. If any other matters properly come before the Creditors' Meeting, it is the intention of the Persons named in the Proxy Form to vote in respect of those matters in accordance with their judgment.

ADDITIONAL INFORMATION

Financial information relating to the Company is provided in the Annual Financial Statements of Banro and Annual MD&A. Copies of this Circular, the Annual Financial Statements, the MD&A, the interim consolidated financial statements of Banro subsequent to the Annual Financial Statements and Banro's management's discussion and analysis relating to such interim financial statements, as well as additional information relating to the Company, are available on SEDAR at www.sedar.com. Copies of such documents may also be obtained without charge by writing to the Chief Financial Officer of the Company at Suite 7005, 1 First Canadian Place, 100 King Street West, Toronto, Ontario, M5X 1E3, Canada.

APPROVAL OF BOARD OF DIRECTORS

The contents and sending of this Circular and its distribution to Affected Creditors has been approved by the Board of Directors of Banro and the Court.

DATED at Toronto, Ontario, this ● day of ●, 2018.

BANRO CORPORATION
BY ORDER OF THE BOARD OF DIRECTORS

(signed)

APPENDIX "A"

AFFECTED SECURED CREDITORS' RESOLUTION

APPENDIX "B"

AFFECTED BANRO UNSECURED CREDITORS' RESOLUTION

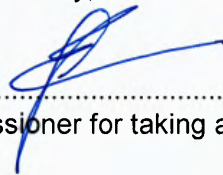
APPENDIX "C"
FORM OF PLAN

APPENDIX "D"
INITIAL ORDER

APPENDIX "E"
MEETING ORDER

APPENDIX "F"
CLAIMS PROCEDURE ORDER

This is Exhibit "B" referred to in the Affidavit of Sophie Moher sworn before me at Toronto, Ontario this 31th day of January, 2018



.....
Commissioner for taking affidavits

**Florence Pui Ya Lau, a
Commissioner, etc., Province of
Ontario, while a Student-at-Law.
Expires April 13, 2019.**



NOTICE OF CREDITORS' MEETINGS
AND
INFORMATION CIRCULAR
WITH RESPECT TO A
CONSOLIDATED PLAN OF COMPROMISE AND REORGANIZATION
OF

BANRO CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED, NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS) LIMITED, AND KAMITUGA (BARBADOS) LIMITED (collectively, the "Applicants" or the "Companies")

February ●, 2018

*These materials are important and require your immediate attention. They require creditors of **Banro** the Companies to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors.*

For any questions relating to [the procedures for delivering Beneficial Noteholder Voting Instructions or Registration Instructions for voting at the upcoming meetings](#), please contact the Company's [depository and solicitation agent, Kingsdale Advisors](#), at 1-866-229-8874 or by email at contactus@kingsdaleadvisors.com.

[For all other questions, including questions relating to the Creditors' Meetings, proving your claim and the Recapitalization Plan generally, please contact the Monitor, FTI Consulting Canada Inc. at \[banro@fticonsulting.com\]\(mailto:banro@fticonsulting.com\).](#)

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NOTICE OF CREDITORS' ~~MEETINGS~~MEETING AND SANCTION MOTION FOR
AFFECTED CREDITORS (OTHER THAN BENEFICIAL NOTEHOLDERS)
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BANRO CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED, NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS) LIMITED AND KAMITUGA (BARBADOS) LIMITED

~~CONSOLIDATED~~ PLAN OF COMPROMISE AND REORGANIZATION

NOTICE OF CREDITORS' MEETINGS AND SANCTION MOTION FOR
AFFECTED CREDITORS (OTHER THAN BENEFICIAL NOTEHOLDERS)

TO: The Affected Creditors (Other than Beneficial Noteholders) of Banro Corporation, Banro Group (Barbados) Limited, Banro Congo (Barbados) Limited, Namoya (Barbados) Limited, Lugushwa (Barbados) Limited, Twangiza (Barbados) Limited and Kamituga (Barbados) Limited (the "~~Companies~~Applicants")

NOTICE IS HEREBY GIVEN that a meeting of the Affected Secured Creditors and a meeting of the Affected Banro Unsecured Creditors will be held on March 9, 2018 at 1:30 pm (Toronto time) and 1:45 pm (Toronto time), 2018, respectively, at the offices of McMillan LLP ~~at 181 Bay Street, Suite 4400, Toronto, Ontario, Canada, M5J 2T3~~ (the "**Creditors' Meetings**") for the following purposes:

1.
 - to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "~~Affected Secured Creditors' Resolution~~") approving the Consolidated Plan of Compromise and Reorganization of Banro pursuant to the *Companies' Creditors Arrangement Act* (Canada), ~~R.S.C. 1985, c. C-36~~ (the "**CCA**") and the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 (the "**CBCA**") dated ~~●~~, 2018 (as amended, restated, modified and/or supplemented from time to time in accordance with the terms thereof, the "**Plan**"); and
 - ~~to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "Affected Banro Unsecured Creditors' Resolution", collectively with the Affected Secured Creditors' Resolution, the "Resolutions") approving the Plan; and~~
2.
 - to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Meeting Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on ~~●~~ February 1, 2018.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan.

The Plan contemplates the compromise of Claims of the Affected Creditors. Quorum for each of the Creditors' Meetings has been set by the Meeting Order as the presence, in person or by Proxy, at the meeting of the Affected Secured Creditors, one Affected Secured Creditor with a Voting Claim and at the meeting of the Affected Banro Unsecured Creditors, one Affected Banro Unsecured Creditor with a Voting Claim.

In order for the Plan to be approved and binding in accordance with the CCAA and CBCA, the ~~Affected Secured Creditors'~~ Resolution must be approved by ~~both (i) that number of Affected Secured Creditors~~ Affected Creditors representing at least a majority in number of Voting Claims, whose ~~Affected Secured~~ Affected Claims represent at least two-thirds in value of the Voting Claims ~~of Affected Secured Creditors who validly vote (in person or by Proxy) on the Affected Secured Creditors' Resolution at the Meeting of Affected Secured Creditors; and (ii) that number of Affected Banro Unsecured Creditors representing at least a majority in number of Voting Claims, whose Affected Banro Unsecured Claims represent at least two-thirds in value of the Voting Claims of Affected Banro Unsecured Creditors who validly vote (in person or by Proxy) on the Affected Banro Unsecured Creditors' Resolution at the Meeting of Affected Banro Unsecured Creditors; (collectively, the "Required Majorities of Affected Creditors who validly vote (in person or by Proxy) on the Resolution at each of the Creditors' Meetings or were deemed to vote on the Resolution as provided for in the Meeting Order (each a "Required Majority")~~". Each Eligible Voting Creditor will be entitled to one vote at the applicable Creditors' Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order. If approved by each of the Required Majorities, the Plan must also be sanctioned by the Court under the CCAA and the CBCA. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Forms and Proxies for Affected Creditors (other than Beneficial Noteholders)

An Affected Creditor may attend at the applicable Creditors' Meeting(s) in person or may appoint another person as its proxyholder by inserting their name or the name of such person in the space provided in the form of Proxy provided to Affected Creditors by the Monitor, or by completing another valid form of Proxy.

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., 79 Wellington Street West, Toronto Dominion Centre, Suite 2010, P.O. Box 2104, Toronto, ON M5K 1G8 (Attention: Nigel Meakin Lizzy Pearson), email: banro@fticonsulting.com prior to the ~~Beneficial Noteholder Voting and Election Deadline~~/Proxy Deadline. Persons appointed as proxyholders need not be Affected Creditors.

If an Affected Banro Unsecured Creditor at the applicable Creditors' Meeting ~~(other than those who are deemed to vote in favour of the Plan as set out above)~~ specifies a choice with respect to voting on the Resolution on a Proxy, the Proxy will be voted in accordance with the specification so made. **In absence of such specification, a Proxy will be voted FOR the Resolution provided that the proxyholder does not otherwise exercise its right to vote at the applicable Creditors' Meeting(s).**

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved by each of the Required Majorities at the Creditors' Meetings, the Applicants intend to bring a motion before the Court on March [16], 2018 at **10:00 a.m.** (Toronto time) or such later date as may be posted on the Monitor's website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least [seven (7) Business Days] days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least [seven (7) Business Days] days before the date set for such ~~Court~~ hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained ~~by contacting the Monitor at the particulars set out above or~~ from the Monitor's website set out below at <http://cfcanada.fticonsulting.com/banro/> (the "Website") together with copies of other materials related to this process.

Should a letter of intent be received in accordance with the sale and investment solicitation process (the "SISP") approved by the Court by Order dated January 18, 2018 which could form the basis of a Qualified Alternative Transaction Bid, as determined by the Monitor in accordance with the SISP, it is the intention to adjourn the applicable Creditors' Meeting to permit the SISP to continue. Notice of such adjournment, if any, will be posted on the Website and sent to the Service List in the CCAA Proceedings. No other notice of such adjournment will be given to creditors, so creditors are cautioned to check the Website for notice of any adjournment.

This Notice is given by the ~~Companies~~Applicants pursuant to the Meeting Order.

~~You may view copies of the documents relating to this process on the Monitor's Website at <http://cfcanada.fticonsulting.com/banro/>.~~

DATED this ● day of ●, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "*Geoffrey G. Farr*"

~~Geoffrey G. Farr
Vice President, General Counsel and
Corporate Secretary~~

**NOTICE OF CREDITORS' MEETING AND SANCTION MOTION
FOR BENEFICIAL NOTEHOLDERS
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BANRO
CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED,
NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS)
LIMITED AND KAMITUGA (BARBADOS) LIMITED**

CONSOLIDATED PLAN OF COMPROMISE AND REORGANIZATION

NOTICE OF CREDITORS' MEETINGS AND SANCTION MOTION FOR BENEFICIAL NOTEHOLDERS

TO: The Beneficial Noteholders of Banro Corporation

NOTICE IS HEREBY GIVEN that a meeting of the Affected Secured Creditors and a meeting of the Affected Banro Unsecured Creditors will be held on March 9, 2018 at 1:30 pm (Toronto time) and 1:45 pm (Toronto time), 2018, respectively, at the offices of McMillan LLP (the "**Creditors' Meetings**") for the following purposes:

1. •to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "~~Affected Secured Creditors' Resolution~~") approving the Consolidated Plan of Compromise and Reorganization of Banro pursuant to the *Companies' Creditors Arrangement Act* (Canada), ~~R.S.C. 1985, c. C-36~~ (the "**CCAA**") and the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 (the "**CBCA**") dated ●, 2018 (as amended, restated, modified and/or supplemented from time to time in accordance with the terms thereof, the "**Plan**");

2. •to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "**Affected Banro Unsecured Creditors' Resolution**", collectively with the Affected Secured Creditors' Resolution, the "**Resolutions**") approving the Plan; and

3. •to transact such other business as may properly come before either of the Creditors' Meetings or any adjournment or postponement thereof.

The Creditors' Meetings are being held pursuant to an order (the "**Meeting Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on ●, 2018.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan.

The Plan contemplates the compromise of Claims of the Affected Creditors. Quorum for each of the Creditors' Meetings has been set by the Meeting Order as the presence, in person or by Proxy, at the meeting of the Affected Secured Creditors one Affected Secured Creditor with a Voting Claim and at the meeting of the Affected Banro Unsecured Creditors one Affected Banro Unsecured Creditor with a Voting Claim.

In order for the Plan to be approved and binding in accordance with the CCAA and CBCA, the Resolution must be approved by that number of Affected Creditors representing at least a majority in number of Voting Claims, whose Affected Claims represent at least two-thirds in value of the Voting Claims of Affected Creditors who validly vote (in person or by Proxy) on the Resolution at each of the Creditors'

Meetings or were deemed to vote on the Resolution as provided for in the Meeting Order (each a “**Required Majority**”). Each Eligible Voting Creditor will be entitled to one vote at the applicable Creditors’ Meeting(s), which vote will have the value of such person’s Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order. If approved by each of the Required Majorities, the Plan must also be sanctioned by the Court under the CCAA and the CBCA. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

Beneficial Noteholders: Voting Instructions/Share Receipt Instruction Form

A Beneficial Noteholder may vote at the ~~applicable~~ Creditors’ Meeting for Affected Secured Creditors (the “**Secured Creditors’ Meeting**”) by following the procedures outlined in the Information Circular. In order to be effective at the ~~Secured~~ Creditors’ ~~Meeting~~ Meetings, Voting Instructions must be recorded FOR or AGAINST the ~~Arrangement~~ Plan, and, for greater certainty, cannot be left to discretion of a proxyholder and must also include a Registration ~~Instruction~~ Election.

As at the date hereof, CDS Clearing and ~~Depository~~ Depository Services Inc., is the sole registered holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. Only Beneficial Noteholders who were Beneficial Noteholders at ~~5:00~~ 5:00 p.m. (Toronto time) on ~~January 31~~, January 31, 2018 are entitled to vote as Affected ~~Secured~~ Creditors at the ~~Secured~~ Creditors’ ~~Meeting~~ Meetings. BENEFICIAL NOTEHOLDERS SHOULD PROMPTLY CONTACT THEIR INTERMEDIARIES (AS DEFINED BELOW) AND OBTAIN AND FOLLOW THEIR INTERMEDIARIES’ INSTRUCTIONS WITH RESPECT TO THE APPLICABLE VOTING PROCEDURES AND DEADLINES, WHICH MAY BE EARLIER THAN THE DEADLINES THAT ARE APPLICABLE TO OTHER AFFECTED SECURED CREDITORS. IT SHOULD BE NOTED THAT THE ONLY WAY FOR A SECURED NOTEHOLDER TO VOTE IS TO PROVIDE VOTING AND REGISTRATION ~~INSTRUCTION~~ ELECTION INSTRUCTIONS TO HIS/HER INTERMEDIARY. NO OTHER VOTING CHANNEL WILL BE AVAILABLE AND NO OTHER FORM OF PROXY WILL BE USED. SECURED NOTEHOLDERS SHOULD NOT ATTEMPT TO VOTE BY COMMUNICATING WITH THE COMPANY, ITS TRANSFER AGENT OR TRUSTEE, OR MONITOR.

Beneficial Noteholders who wish to vote must deliver their Voting Instructions and Registration ~~Instructions~~ Elections to their intermediary prior to the deadline set by the intermediary. Under no circumstances should any person deliver Secured Notes or evidences of interests in Secured Notes to the Applicants, the Canadian Trustee, or the ~~Depository and~~ Solicitation Agent. Beneficial Noteholders should not deliver a form of Proxy. If a Beneficial Noteholder wishes to attend the applicable Creditors’ Meeting in person, please contact Kingsdale Advisors, the Solicitation Agent as soon as possible.

Any requests for assistance relating to the procedure for delivering Beneficial Noteholder Voting Instructions or Registration ~~Instructions~~ Elections or if you wish to attend the Creditors’ Meetings may be directed to ~~Kingsdale Advisors~~ the ~~Depository and~~ Solicitation Agent by email at the address and telephone number on such documents ~~contactus@kingsdaleadvisory.com or by calling the toll-free number 1-866-229-8874.~~

Beneficial Noteholders will be deemed to vote on the Affected Banro Unsecured Deficiency Claims at the applicable Creditors’ Meeting in the same way as they voted for the Affected Secured Creditors.

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved by each of the Required Majorities at the Creditors’ Meetings, the Applicants intend to bring a motion before the Court on March [16], 2018 at ● (Toronto time) or such later date as may be posted on the Monitor’s website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any

Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least [seven (7)] Business Days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least [seven (7)] Business Days before the date set for such Court hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained by ~~contacting the Monitor at the particulars set out above or from the Monitor's website set out below~~ from the Monitor's website at <http://cfcanada.fticonsulting.com/banro/> (the "Website").

Should a letter of intent be received in accordance with the sale and investment solicitation process (the "SISP") approved by the Court by Order dated January 18, 2018 which could form the basis of a Qualified Alternative Transaction Bid, as determined by the Monitor in accordance with the SISP, it is the intention to adjourn the applicable Creditors' Meeting to permit the SISP to continue. Notice of such adjournment, if any, will be posted on the Website and sent to the Service List in the CCAA Proceedings. No other notice of such adjournment will be given to creditors, so creditors are cautioned to check the Website for notice of any adjournment.

This Notice is given by the Applicants pursuant to the Meeting Order.

~~You may view copies of the documents relating to this process on the Monitor's website at <http://cfcanada.fticonsulting.com/banro/>.~~

DATED this ● day of ●, 2018.

IMPORTANT INFORMATION

THIS CIRCULAR CONTAINS IMPORTANT INFORMATION THAT SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE MATTERS REFERRED TO HEREIN. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS CIRCULAR, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON. THIS CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, THE SECURITIES DESCRIBED IN THIS CIRCULAR, OR THE SOLICITATION OF A PROXY OR VOTE, IN ANY JURISDICTION, TO OR FROM ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OF AN OFFER OR PROXY SOLICITATION IN SUCH JURISDICTION.

Capitalized terms used herein, and not otherwise defined, have the meaning ascribed to them in the Glossary of Terms, which begins on page [-1](#).

Affected Creditors should carefully consider the income tax consequences of the proposed Plan described herein. See “Certain Canadian Federal Income Tax Considerations” and “Certain United States Federal Income Tax Considerations” contained in this Circular.

All information in this Circular is given as of [February](#) , 2018 unless otherwise indicated.

Affected Creditors should not construe the contents of this Circular as investment, legal or tax advice. Affected Creditors should consult their own counsel, accountants and other advisors as to financial, legal, tax and related aspects of the proposed Plan. In making a decision regarding the Plan, and must rely on their own examination of the Company and the advice of their own advisors.

Descriptions in this Circular of the Plan and the Orders are merely summaries of the terms of these documents. Affected Creditors should refer to the full terms of the Plan, the Initial Order, the Meeting Order and the Claims Procedure Order (appended to this Circular as Appendix “C”, Appendix “D”, Appendix “E” and Appendix “F”, respectively) for complete details. You should rely only on the information contained in or incorporated by reference in this Circular or to which we have referred you. We have not authorized any person (including any dealer, salesman or broker) to provide you with different information. The information contained in or incorporated by reference in this Circular may only be accurate on the date hereof or the dates of the documents incorporated by reference herein. Neither delivery of this Circular nor any distribution of the securities referred to in this Circular shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Circular. You should not assume that the information contained in this Circular or incorporated by reference herein is accurate as of any other date.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

The issuance of the New Equity pursuant to the Plan will be exempt from the prospectus and registration requirements under Canadian securities legislation. As a consequence of these exemptions, certain protections, rights and remedies provided by Canadian securities legislation, including statutory rights of rescission or damages, will not be available in respect of such New Equity to be issued pursuant to the Plan. See “[Certain Legal Matters - Canadian Securities Law Matters](#)”.

NOTICE TO HOLDERS OF AFFECTED CLAIMS IN THE UNITED STATES

NEITHER THE PLAN NOR THE SECURITIES ISSUABLE IN CONNECTION WITH THE PLAN HAVE BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE OF THE UNITED STATES; NOR HAS THE SEC OR ANY STATE SECURITIES REGULATORY AUTHORITY PASSED UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

New Equity issued under the Plan will not be registered under the *United States Securities Act of 1933*, as amended (~~the “1933 Act”~~), or the securities laws of any state of the United States. Such New Equity will instead be issued in reliance upon exemptions under the 1933 Act and applicable exemptions under state securities laws.

The New Equity ~~has~~ [have](#) not been registered under the 1933 Act and ~~is~~ [are](#) being issued in reliance on the exemption from registration set forth in Subsection 3(a)(10) thereof on the basis of the approval of the Court, which will consider, among other things, the fairness of the Plan to the Persons affected.

The solicitation of proxies hereby is not subject to the proxy requirements of Section 14(a) of the *United States Securities Exchange Act of 1934*, as amended. This Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Securityholders in the United States should be aware that such requirements are different than those of the United States.

The Companies’ ~~Financial~~ [financial](#) statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), which ~~differs~~ [differ](#) from the United States Generally Accepted Accounting Principles (“U.S. GAAP”) in certain material respects, and thus the financial statements of the ~~Company~~ [Companies](#) may not be comparable to financial statements of United States companies. The ~~Company is~~ [Companies are](#) not required to prepare a reconciliation of ~~its~~ [their](#) consolidated financial statements and related footnote disclosures between IFRS and U.S. GAAP and ~~has~~ [have](#) not quantified such differences.

In particular, information in this Circular or in the documents [referred to or](#) incorporated by reference herein concerning the properties and operations of Banro ~~referred to herein~~ has been prepared in accordance with Canadian standards under applicable Canadian securities laws, which differ from the requirements of United States federal securities laws and the rules and regulations thereunder. National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“NI 43-101”) is a rule of the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the SEC, and reserve and resource information incorporated by reference herein may not be comparable to similar information disclosed by U.S. companies. One consequence of these differences is that “reserves” calculated in accordance with Canadian standards may not be “reserves” under the SEC standards. The terms “mineral reserve”, “proven mineral reserve” and “probable mineral reserve” are Canadian mining terms as defined in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum (“CIM”) – *CIM Definition Standards on Mineral Resources and Mineral Reserves*, adopted by the CIM Council, as amended. These definitions differ from the definitions in the SEC Industry Guide 7 (“SEC Industry Guide 7”) under the 1933 Act. Under U.S. standards, mineralization may not be classified as a “reserve” unless a determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve

determination is made. Under SEC Industry Guide 7 standards, a “final” or “bankable” feasibility study is required to report reserves, the three-year historical average price is used in any reserve or cash flow analysis to designate reserves and the primary environmental analysis or report must be filed with the appropriate governmental authority.

In addition, the terms “mineral resource”, “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource” are defined in and permitted to be disclosed by NI 43-101; however, these terms are not defined terms under SEC Industry Guide 7 and are normally not permitted to be used in reports and registration statements filed with the SEC and by U.S. companies. Holders of Affected Claims are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Under Canadian rules, estimates of inferred mineral resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Holders of Affected Claims are cautioned not to assume that all or any part of an inferred mineral resource exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in place tonnage and grade without reference to unit measures.

Accordingly, information contained in this Circular and the documents incorporated by reference herein describing the Companies’ mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

The enforcement by investors of civil liabilities under the United States securities laws may be affected adversely by the fact that Banro and its [material](#) subsidiaries are incorporated or organized outside the United States, that some or all of the Officers and Directors of such Persons and the experts named herein are residents of a foreign country, and that all or a substantial portion of the assets of the Companies and said Persons are located outside the United States. As a result, it may be difficult or impossible for holders of Banro’s securities in the United States to effect service of process within the United States upon Banro, its subsidiaries and their Officers and Directors and the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. In addition, holders of Banro’s securities in the United States should not assume that the courts of Canada or any other jurisdiction: (a) would enforce judgments of United States courts obtained in actions against such Persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such Persons predicated upon civil liabilities under the federal securities laws of the United States or “blue sky” laws of any state within the United States. See “Risk Factors – Risks Relating to the Plan”.

GLOSSARY OF TERMS

Capitalized terms used and not otherwise defined in this ~~Notice~~Circular shall have the ~~respective meanings given to them in the Plan,~~set forth below:

“**1933 Act**” means the *United States Securities Act of 1933*;

~~“**2016 Special Committee**” has the meaning ascribed to that term in “Background to the Recapitalization”;~~

“**Administration Charge**” has the meaning given to that term in the Initial Order;

“**Administrative Reserve**” means a Cash reserve, in ~~the amount of \$10,000,~~an amount to be agreed to by the Monitor,
the Companies and the Requisite Consenting Parties at least three (3) Business Days prior to the Implementation Date, or failing agreement, the amount ordered by the Court, to be deposited by the ~~Applicants~~Companies into the Administrative Reserve Account for the purpose of paying the Administrative Reserve Costs;

“**Administrative Reserve Account**” means a segregated interest-bearing trust account established by the Monitor to hold the Administrative Reserve;

“**Administrative Reserve Costs**” means costs incurred and payments to be made on or after the Implementation Date (including costs incurred prior to the Implementation Date which remain outstanding as of the Implementation Date) in respect of: (a) the Monitor’s fees and disbursements (including of its legal counsel and other consultants and advisors) in connection with the performance of its duties under the Plan and in the CCAA Proceedings, including without limitation, all costs associated with resolving Disputed Affected Banro Unsecured Claims; (b) the Applicant’s legal fees and disbursements in connection with the Plan and ~~in~~ the CCAA Proceedings including, without limitation, all costs associated with resolving Disputed Affected Banro Unsecured Claims; (c) all amounts secured by the Directors’ Charge; and (d) any other reasonable amounts in respect of any other determinable contingency as the Applicants, with the consent of the Monitor and the Requisite Consenting Parties may determine in connection with the Applicants or the CCAA Proceedings;

“**Affected Banro Unsecured Claim**” means ~~(i)~~(ia) the Listed Claims; and ~~(ii)~~(ib) Affected Banro Unsecured Deficiency Claims;

“**Affected Banro Unsecured Class**” means the class of creditors holding Affected Banro Unsecured Claims;

“**Affected Banro Unsecured Creditor**” means the holder of an Affected Banro Unsecured Claim in respect of and to the extent of such Affected Banro Unsecured Claim;

“**Affected Banro Unsecured Creditors’ Meeting**” means the meeting of Affected Banro Unsecured Creditors called for the purpose of considering and voting in respect of the Plan as described in the Meeting Order;

“**Affected Banro Unsecured Deficiency Claim**” means an unsecured Claim equal to 25% of the amount of the Claim under each of: ~~(i)~~(ia) the Proven Secured Notes Claim; ~~(ii)~~(ib) the Proven Doré Loan Claim; and (iii) the Proven Namoya Forward II Claim;

“**Affected Banro Unsecured Cash Pool**” means ~~Cash~~cash in the amount of \$10,000.00;

“Affected Banro Unsecured Pro Rata Share” means the proportionate share of [the Listed Claim of a Proven Affected Banro Unsecured Claim \(excluding the Affected Banro Unsecured Deficiency Claims\) to all Creditor to the total of all Listed Claims of Proven Affected Banro Unsecured Claims \(excluding the Affected Banro Unsecured Deficiency Claims\) Creditors](#) after final determination of all Disputed Affected Banro Unsecured Claims in accordance with the Claims Procedure Order;

“Affected Banro Unsecured Creditors’ Resolution” means the resolution of the Affected Banro Unsecured Creditors to be considered at the Affected Banro Unsecured Creditors’ Meeting to approve the Plan;

“Affected Banro Unsecured Required Majority” means a majority in number of Affected Banro Unsecured Creditors representing at least two thirds in value of the Voting Claims of Affected Creditors who actually vote (in person or by Proxy) at the Creditors’ Meeting;

“Affected Claims” means all Claims against any of the Applicants that are not Excluded Claims;

“Affected Creditor” means the holder of an Affected Claim in respect of and to the extent of such Affected Claim;

~~**“Affected Creditor Proxy”** means ●;~~

“Affected Secured Claim” means secured Claims under (i) the Secured Notes in the amount equal to 75% of the Proven Secured Notes Claim; (ii) the Doré Loan in an amount equal to 75% of the Proven Doré Loan Claim; and (iii) the Namoya Forward II Agreement in an amount equal to 75% of the Namoya Forward II Claim;

“Affected Secured Class” means the class of creditors holding Affected Secured Claims;

“Affected Secured Creditor” means the holder of an Affected Secured Claim;

“Affected Secured Pro Rata Share” means, as to: (a) each of Baiyin and Gramercy in their capacity as Affected Secured Creditors, the proportionate share of Proven Affected Secured Claims held by it on the Distribution Record Date of all Proven Affected Secured Claims held by Baiyin and Gramercy together on the Distribution Record Date; and (b) in respect of any other Affected Secured Creditor, the proportionate share of Proven Affected Secured Claims held by it on the Distribution Record Date of all Proven Affected Secured Claims held by all Affected Secured Creditors other than Baiyin and Gramercy, on the Distribution Record Date;

“Affected Secured Creditors’ Meeting” means the meeting of Affected Secured Creditors called for the purpose of considering and voting in respect of the Plan as described in the Meeting Order;

“Affected Secured Creditors’ Resolution” means the resolution of the Affected Secured Creditors to be considered at the Affected Secured Creditors’ Meeting to approve the Plan;

“Affected Secured Required Majority” means a majority in number of Affected Secured Creditors representing at least two thirds in value of the Voting Claims of Affected Secured Creditors who actually vote (in person or by Proxy) at the Creditors’ Meeting;

“AIF” means Banro’s ~~Annual Information Form~~[annual report](#) on Form 20-F for the fiscal year ended December 31, 2016;

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter, including, where

appropriate, any interpretation of the Law (or any part thereof) by any Person, court or tribunal having jurisdiction over it, or charged with its administration or interpretation;

“Applicants” means Banro Corporation, Banro Group (Barbados) Limited, Banro Congo (Barbados) Limited, Namoya (Barbados) Limited, Lugushwa (Barbados) Limited, Twangiza (Barbados) Limited, and Kamituga (Barbados) Limited;

“Baiyin” means Baiyin International Investment Limited and affiliates thereof within the direct or indirect control of Baiyin Nonferrous Group Company, Limited;

“Banro” means Banro Corporation;

“Banro Group” and **“Banro Parties”** means the Applicants and the Non-Applicant Subsidiaries;

“Banro Released Parties” has the meaning ascribed to that term in [the section 8.1 of the Plan, entitled “Releases”](#);

“Beneficial Noteholder” means a beneficial or entitlement holder of Secured Notes holding such Secured Notes in a securities account with a depository participant or other securities Intermediary including, for greater certainty, such depository participant or other securities Intermediary only if and to the extent such depository participant or other securities Intermediary holds the Secured Notes as a principal for its own account;

“Beneficial Noteholder Voting Instructions” means the voting instructions of Beneficial Noteholders entitled to vote at the Creditors’ Meeting for Affected Secured Creditors, to be submitted in [accordance](#) with the Meetings Order;

~~**“Beneficial Noteholder Registration Instructions”** means the registration instructions of Beneficial Noteholders with respect to the New Equity to be issued and distributed in accordance with the Plan, to be submitted in accordance with the Meetings Order;~~

“BGB” means Banro Group (Barbados) Limited;

~~**“Board”** means the board of Directors of the Company;~~

~~**“Broadridge”** means Broadridge Financial Solutions, Inc.;~~

“Business Day” means any day, other than a Saturday, or a Sunday or a statutory or civic holiday, on which banks are generally open for business in Toronto, Ontario;

“Canadian Trustee” means TSX Trust Company in its capacity as Canadian Trustee under the Note Indenture;

“Cash” means cash, certificates of deposit, bank deposits, commercial paper, treasury bills and other cash equivalents;

“Cassels” means Cassels Brock & Blackwell LLP, legal counsel to the Applicants and the Banro Parties;

“Cayman Law” means the laws of the Cayman Islands, as in effect at the relevant time;

“CCAA” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

“CCAA Proceedings” means the proceedings commenced by the Applicants under the CCAA as contemplated by the Initial Order;

“CDS” means the Canadian Depository for Securities or its nominee, which at the date of this Plan Circular is CDS & Co. or any successor thereof;

“Charges” has the meaning ascribed to that term in the Initial Order;

“CIM” means the Canadian Institute of Mining, Metallurgy and Petroleum;

“Circular” means this information circular of the Company dated as of February 1, 2018, including all Schedules and Appendices hereto, as it may be amended, restated or supplemented from time to time;

“Claim” means:

- (a) any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against any of the Applicants, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever of any of the Applicants, and any interest accrued thereon or costs payable in respect thereof, in existence on the Filing Date, or which is based on an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, un-liquidated, fixed, contingent, matured, un-matured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any claim arising from or caused by the termination, disclaimer, rescission, assignment or repudiation by any of the Applicants of any contract, lease or other agreement, whether written or oral, any claim made or asserted against any of the Applicants through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, and including any other claims that would have been claims provable in bankruptcy had any of the Applicants become bankrupt on the Filing Date, any Equity Claim, and any claim against any of the Applicants for indemnification by any Director or Officer in respect of a Director/Officer Claim; and
- (b) any right or claim of any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any of the Applicants to such Person arising out of the restructuring, disclaimer, rescission, termination or breach by any of the Applicants on or after the Filing Date of any contract, lease, warranty obligation or other agreement whether written or oral; and
- (c) ~~any right or claim of any Person against one or more of the Directors or Officers howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, un-liquidated, fixed, contingent, matured, un-matured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose~~

~~in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer (each a "Director/Officer Claim", and collectively, the "Director/Officer Claims");~~

"**Claims Bar Date**" has the meaning ascribed to that term in the Claims Procedure Order;

"**Claims Procedure Order**" means the Order made in ~~these proceedings~~[the CCAA Proceedings](#) on {February 1,} 2018 entitled "Claims Procedure Order";

"**Claims ~~Process~~Procedure**" means the ~~claims process~~[Claims Procedure](#) to be conducted in accordance with the Claims Procedure Order;

"**Class A Common Share**" means a Class A Common Share of Newco, each of which shall have the right to one vote at any meeting of the shareholders of Newco and shall also have attached to it such other rights and restrictions as are acceptable to the Applicants, the Monitor and the Requisite Consenting Parties, acting reasonably;

"**Class B Common Share**" means a Class B Common Share of Newco, which shall have attached to it such rights and restrictions as are acceptable to the Applicants, the Monitor and the Requisite Consenting Parties, acting reasonably, other than the right to vote at any meeting of the shareholders of Newco, except as required by Cayman Law;

"**Companies**" has the same meaning as the term "Applicants";

"**Companies Law**" means the Companies Law of the Cayman Islands;

"**Company**" or "**Banro**" means Banro Corporation;

"**Consent Agreement**" means an agreement by a Person to consent to the Support Agreement;

~~"**Consenting Noteholders**" means any Noteholder that has executed a Consent Agreement and in respect of whom the Support Agreement has not been terminated;~~

"**Consenting Party**" means either Baiyin or Gramercy, as applicable and "**Consenting Parties**" means both;

"**Contracts**" means all agreements, contracts, leases (whether for real or personal property), purchase orders, undertakings, covenants not to compete, employment agreements, confidentiality agreements, licenses, instruments, obligations and commitments to which a Person is a party or by which a Person or any of its assets are bound or affected, whether written or oral;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Court-appointed Monitor**" means FTI, in its capacity as Monitor;

"**Creditor**" means any Person having a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with the Claims Procedure Order or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;

"**Creditors' Meetings**" or "**Meetings**" means the meetings of the Affected Banro Unsecured Creditors and of the Affected Secured Creditors called for the purpose of considering and voting in respect of the Plan as described in the Meeting Order;

“**Crown**” means Her Majesty the Queen in right of Canada or a province of Canada;

“**Crown Priority Claim**” means any Claim of the Crown, for all amounts that were outstanding at the Filing Date and are of a kind that could be subject to a demand under:

- (a) ~~(d)~~ subsection 224(1.2) of the ITA;
- (b) ~~(e)~~ any provision of the Canada Pension Plan or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts;
- (c) ~~(f)~~ any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection;

“**DIP Claims**” means the claims secured by the DIP Lender’s Charge;

“**DIP Facility**” has the same meaning as “Interim Facility”;

“**DIP Lender**” means Baiyin and Gramercy, in their role as ~~lender~~lenders in connection with the Interim Facility;

“**DIP Lender’s Charge**” has the meaning ascribed to that term in the Initial Order;

“**Director**” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of any of the Companies;

“**Director/Officer Claim**” means any right or Claim of any Person against one or more of the Directors or Officers, howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer (collectively, the “**Director/Officer Claims**”);

“**Director/Officer Indemnity Claim**” means any existing or future right of any Director or Officer of any of the Applicants against any of the Applicants that arose or arises as a result of any Person filing a Proof of Claim in respect of a Director/Officer Claim or otherwise, in respect of such Director or Officer of any of the Applicants for which such Director or Officer of any of the Applicants is entitled to be indemnified by any of the Applicants;

“**Directors’ Charge**” has the meaning ascribed to it in the Initial Order;

“**Disputed Affected Banro Unsecured Claim**” means an Affected Banro Unsecured Claim which has not been allowed, in whole or in part, as a Proven Affected Banro Unsecured Claim, which is validly disputed for distribution purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with the Claims Procedure Order;

~~“**Disputed Affected Banro Unsecured Claim Reserve**” means the reserve, if any, to be established on or before the Implementation Date by the Monitor, in an amount equal to the distributions which would otherwise have been made to all Creditors with Disputed Affected Banro Unsecured Claims based on the face value of each Disputed Affected Banro Unsecured Claim;~~

“**Disputed Voting Claim**” means an Affected Claim or such portion thereof which has not been allowed as a Voting Claim, which is validly disputed for voting purposes in accordance with the Meeting Order or Claims Procedure Order and which remains subject to adjudication for voting purposes in accordance with the Meeting Order or Claims Procedure Order;

“**Distribution Record Date**” means the Implementation Date or such earlier date as the Applicants, the Monitor and the Requisite Consenting Parties may agree;

~~“**Doré Loan**” means; means a loan in the total principal amount of US\$10.0 million advanced pursuant to a letter agreement dated July 15, 2016 among Baiyin International Investment Ltd. and Twangiza Mining S.A. in the amount of US\$10.0 million SA;~~

“**DRC**” means the Democratic Republic of the Congo;

“**Effective Time**” means 12:01 am on the Implementation Date (or such other time as the ~~Applicant and Applicants~~, the Monitor and the Requisite Consenting Parties may agree);

“**Eligible Voting Creditors**” means Affected Banro Unsecured Creditors and Affected Secured Creditors, holding Voting Claims or Disputed Voting Claims;

“**Employee Priority Claims**” means with respect to Listed Creditors who are or were employees of Banro, the following claims ~~of the Companies’ employees and former employees~~:

- (a) ~~claims~~ Claims of the Applicants’ employees and former employees equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(l)(d) of the *Bankruptcy and Insolvency Act* (Canada) if the ~~Companies~~ Applicants had become bankrupt on the Filing Date; ~~and~~
- (b) ~~claims~~ Claims of the Applicants’ employees and former employees for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the date of the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the ~~Companies~~ Applicants’ business during the same period; and
- (c) any amounts in excess of (a) and (b) above, that the Applicants’ ~~employee~~ employees or former employees may have been entitled to receive pursuant to the *Wage Earner Protection Program Act* if Banro had become bankrupt on the Filing Date ~~---~~.

“**Encumbrances**” has the meaning ascribed to that term in the Initial Order;

“**Equity Claim**” has the meaning set forth in subsection 2(1) of the CCAA;

“**Equity Interest**” has the meaning set forth in subsection 2(1) of the CCAA;

“Event of Default” has the meaning ascribed to that term in the Support Agreement;

“Excluded Claim” means:

- (a) any ~~claims~~ Claims secured by any of the Charges;
- ~~(b) any Section 5.1(2) Director/Officer Claims;~~
- ~~(c)~~ (b) any ~~claims~~ Claims that cannot be compromised pursuant to subsection 19(2) of the CCAA;
- ~~(d)~~ (c) all secured ~~claims~~ Claims against the Applicants other than the Affected Secured Claims;
- ~~(e)~~ (d) all unsecured ~~claims~~ Claims against the Applicants other than the Affected Banro Unsecured Claims;
- ~~(f)~~ (e) Intercompany Claims;
- ~~(g)~~ (f) any Priority Claims; ~~and~~
- ~~(h)~~ (g) any Post-Filing Claims; ~~and~~
- (h) any Claim entitled to the benefit of any applicable insurance policy, excluding any such Claim or portion thereof that is directly recoverable as against an Applicant;

“Excluded Creditor” means a Person who has an Excluded Claim, but only in respect of and to the extent of such Excluded Claim;

“Exit Transaction” has the meaning ascribed to that term in the Restructuring Term Sheet;

~~“Fair Market Value” means;~~

“Filing Date” means December 22, 2017;

“Forward Agreements” means, collectively, the Namoya Forward I Agreement, the Namoya Forward II Agreement, the Twangiza Forward I Agreement and the Twangiza Forward II Agreement;

“FTI” means FTI Consulting Canada Inc.;

“Gold Streams” means collectively, the Namoya Streaming Agreement and the Twangiza Streaming Agreement;

“Gold Transfer Price” has the meaning ascribed to that term in the Stream Agreements;

“Governmental Entity” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“Gramercy” means Gramercy Funds Management LLC, as agent for and on behalf of the funds and accounts for which it acts as investment manager or advisor;

“IFRS” means the international financial reporting standards as issued by the International Accounting Standards Board as in effect from time to time;

“Implementation Date” means the Business Day on which this Plan becomes effective, which shall be the day indicated on the certificate which the Monitor has filed with the Court contemplated in Section 9.6 of the Plan;

“Initial Order” means the Order of the Court dated December 22, 2017 granted in respect of the Applicants (as such Order may be amended, restated or varied from time to time) pursuant to the CCAA;

“Intercompany Claim” means any Claim, including Equity Claims, by any of the Banro Parties against other Banro Parties;

“Interim Facility” means a senior secured super priority (debtor-in-possession) interim, non-revolving credit facility up to a maximum principal amount of US\$20,000,000 dated as of December ~~21~~,22, 2017;

“Interim Financing Term Sheet” has the meaning ascribed to that term in the Support Agreement;

“Interim Lenders” has the meaning ascribed to that term in the Support Agreement;

“Intermediary” means a broker, custodian, trustee, nominee or other intermediary through which a Beneficial Noteholder holds its Secured Notes;

“ITA” means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.), as amended and any regulations thereunder;

“Kingsdale” means Kingsdale Advisors, the Depositary and Solicitation agent in connection with the [Creditors’ Meetings](#) and the Plan;

“Law” means any law, statute, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law whether in Canada or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity;

“Listed Claims” means the Claims ~~listed on the Affected Claim Schedule attached as Schedule “C” to of~~ [Listed Creditors as defined in](#) the Claims Procedure Order;

“Majority Consenting Noteholders” means Consenting Noteholders holding at least a majority of the aggregate principal amount of all Secured Notes held by the Consenting Noteholders at the time that a consent, approval waiver or agreement is sought pursuant to the terms of this Plan;

~~“Master List” means The sum of the Registration Instructions and Elections provided through CDS participants;~~

“Material Adverse Change” means any change, condition, event or occurrence (including, without limitation, a change in commodity or metals prices), which, when considered individually or together with all other changes, conditions, events or occurrences, could reasonably be expected to have a material adverse effect (or a series of adverse effects, none of which is material in and of itself but which, cumulatively, result in a material adverse effect) on: (i) the condition (financial or otherwise), business, performance, prospects, operation, assets or property of Banro (including a material adverse qualification (other than a ‘going concern’ qualification resulting from the CCAA Proceedings) to any of the financial statements of Banro; a material adverse misstatement of the financial statements of Banro; or if after the Filing Date, it is determined by Banro, its auditors or accountants that a restatement of Banro’s financial statements is or is likely to be necessary or there is a material adverse restatement of Banro’s financial statements); (ii) the ability of Banro to carry on its business as presently conducted; (iii) the ability of

Banro or Consenting Parties to timely and fully perform any of their obligations under the Recapitalization as contemplated in the Support Agreement; or (ivd) the validity or enforceability of the Recapitalization as contemplated in the Support Agreement;

“**MD&A**” means Annual Management’s Discussion ~~&~~and Analysis;

“**Meeting Order**” means the Order made in these proceedings on ~~●~~February 1, 2018 entitled “Meeting Order”;

“**MI 61-101**” means Multilateral Instrument 61-101 ~~—~~ Protection of Minority Security Holders in Special Transactions;

“**Milestones**” has the meaning ascribed to that term in the Interim Financing Term Sheet;

“**Monitor**” means FTI, in its capacity as Court-appointed Monitor of the Companies in the CCAA Proceedings;

“**Monitor’s Certificate**” has the meaning ascribed to that term in section 9.6 of the Plan;

“**Monitor’s Website**” means <http://cfcanada.fticonsulting.com/banro/>;

“**Namoya**” means Banro’s Namoya mine at the southern end of the Twangiza-Namoya gold belt in Maniema province, approximately 210 kilometers southwest of Twangiza and consists of one PE covering an area of 174 square kilometres;

“**Namoya DRC**” means Namoya Mining S.A.;

“**Namoya Forward I Agreement**” means the gold purchase and sale agreement dated April 19, 2017 among ~~Gramercy Funds Management LLC or its designate, Resource FinanceWorks~~[Namoya Gold Forward Holdings LLC, RFW Banro II Investments](#) Limited ~~or its designate,~~ and Banro and Namoya [DRC Mining S.A.](#) (as amended or restated from time to time) in the secured amount of US\$42 million-~~(US\$45.0 million as prepayment)~~;

“**Namoya Forward II Agreement**” means the ~~purchase~~[Purchase](#) and Sale Agreement dated July 12, 2017 among Namoya Gold Forward Holdings II LLC, Baiyin International [Investment Ltd, Banro](#) and Namoya [DRC Mining S.A. \(as amended from time to time\)](#) in the secured amount of US\$20.0 million-~~(US\$20.0 million as prepayment)~~;

“**Namoya Stream Equity Warrants**” has the meaning given to it ~~under~~[in](#) the ~~heading~~[section entitled](#) “*Issuance of Stream Equity Warrants*”;

“**Namoya Streaming Agreement**” means the Gold Purchase and Sale Agreement dated February 27, 2015 among Namoya GSA Holdings, Banro and Namoya [DRC Mining S.A.](#) (as amended or restated from time to time);

“**New BGB Common Shares**” means the ~~●~~[100](#) common shares in the capital of BGB to be issued to Newco on the Implementation Date;

“**New Board**” means the ~~Board~~[board of directors](#) of each of Banro and Newco immediately following completion of the Recapitalization;

“**Newco**” means ~~a corporation~~[an exempted company](#) to be organized under the laws of the Cayman Islands;

“Newco/BGB Subscription Agreement” means a subscription agreement to be entered into by Newco and BGB on or prior to the Implementation Date in form and substance reasonably acceptable to the Applicants and the Requisite Consenting Parties pursuant to which BGB agrees to issue to Newco, and Newco agrees to subscribe for, the New BGB Common Shares on the Implementation Date;

“Newco Equityholder Information” means such information and documentation as the Transfer Agent and/or Newco may require from recipients of the New Equity in order to comply with any anti-money laundering, “know your client”, proceeds of crime and other Laws applicable to the Transfer Agent and Newco, respectively, which shall be communicated to the Proven Affected Secured Creditors by the Transfer Agent and/or Newco in the information provided in such Proven Affected Secured Creditors’ Registration Instructions;

“Newco Share Terms” means the rights and obligations of holders of the New Equity as set forth in the Restructuring Term Sheet, as described under the heading “*Newco Share Terms*”, and as otherwise may be agreed to by the Companies, the Monitor and the Requisite Consenting Parties, acting reasonably;

“New Equity” means, collectively, the Class A Common Shares and the Class B Common Shares of Newco which, immediately following the issuance thereof, will constitute all of the issued and outstanding shares of Newco;

“New Secured Facility” means a new secured loan facility, which facility shall have refinanced the obligations owing by the Banro Parties to the DIP Lender under the DIP Term Sheet;

“New Secured Facility Credit Agreement” means the secured term loan agreement to be entered into by the Banro Parties on the terms substantially as described in ~~the~~this Circular and/or as may otherwise be agreed by the Applicants and the DIP Lender, each acting reasonably, pursuant to which the New Secured Facility will be issued;

“New Secured Facility Warrants” means warrants for common shares in the capital of Newco to be issued to the DIP Lender on the ~~implementation date~~Implementation Date as consideration for providing the New Secured Facility, on the terms and conditions as described in this Circular and/or as may otherwise be agreed by the Applicants and the DIP Lender, each acting reasonably;

“NI 43-101” means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*;

~~“NOBOs” means non-objecting beneficial owners;~~

“Non-Applicant Subsidiaries” means, collectively, Banro Congo Mining S.A., Namoya DRC, Lugushwa Mining S.A., Twangiza Mining S.A., and Kamituga Mining S.A.;

“Note Indenture” means the indenture dated as of April 19, 2017 among Banro, the Guarantors and Obligors and therein, the Canadian Trustee and the U.S. Trustee;

“Noteholder” means the holders of the Secured Notes as determined in accordance with the Claims Procedure Order, including a Beneficial Noteholder;

“Noteholder Voting Record Date” means 5:00 p.m. (Toronto time) on January 31, 2018

~~“OBOs” means objecting beneficial owners;~~

“Officer” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of any of the ~~Companies~~Applicants;

“Outside Date” means April 30, 2018 (or such other date as the Companies, the Monitor and the Required Consenting Parties may agree);

“Person” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Governmental Entity or any agency, Officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

“Plan” means the [Consolidated Plan of Compromise and Reorganization in the form filed with the Court](#) and any amendments, restatements, modifications or supplements made from time to time in accordance with the terms of the Plan or made at the direction of the Court in the Sanction Order or otherwise;

“Post-filing Claim” means any claims against any of the Applicants that arose from the provision of authorized goods and services provided or otherwise incurred on or after the Filing Date in the ordinary course of business;

“Priority Claim” means a Crown Priority Claim or an Employee Priority Claim;

“Priority Claim Reserve” means [a Cash reserve, equal to the amount of the Priority Claims, to be deposited by the Applicants into the Priority Claim Reserve Account for the purpose of paying the Priority Claims;](#)

“Priority Claim Reserve Account” means [a segregated interest-bearing trust account established by the Monitor to hold the Priority Claim Reserve;](#)

“Priority Lien Debt” means: (i) the Twangiza Forward I Agreement; (ii) the Twangiza Forward II Agreement; and (iii) the Namoya Forward I Agreement;

“Proof of Claim” has the meaning ascribed to such term in the Claims Procedure Order;

“Proven Affected Banro Unsecured Claim” means the amount of the Affected Banro Unsecured Claim of an Affected Banro Unsecured Creditor as finally accepted and determined for distribution purposes in accordance with the Claims Procedure Order and the CCAA;

“Proven Affected Banro Unsecured Creditor” means [a holder of a Proven Affected Banro Unsecured Claim;](#)

“Proven Affected Secured Claim” means the amount of an Affected Secured Claim as finally accepted and determined for distribution purposes in accordance with the Claims Procedure Order and the CCAA;

“Proven Affected Secured Creditor” means [a holder of a Proven Affected Secured Claim as at the Distribution Record Date;](#)

“Proven Doré Loan Claim” means the Proven Affected Secured Claim in respect of the Doré Loan in the amount of US\$10,247,120;

“Proven Namoya Forward II Claim” means the Proven Affected Secured Claim in respect of the Namoya Forward II Agreement in the amount of US\$20,000,000;

“Proven Secured Notes Claim” means the Proven Affected Secured Claim in respect of the Secured Notes in the amount of US\$203,506,170;

“Proxy” or “Proxies” means the proxy for voting at the Creditors’ Meetings for use by Affected Creditors that are not Beneficial Noteholders, substantially in the form attached as Schedule “~~●~~D” to the Meeting Order;

“Proxy Deadline” means 12:00 p.m. (Toronto time) on March 8, 2018 or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors’ Meeting;

“Qualified Alternative Transaction Bid” has the meaning ascribed to that term in the ~~Sale and Investment Solicitation Process~~SISP;

~~“Rawbank” means Rawbank S.A.;~~

~~“Rawbank Loans” has the meaning ascribed to that term in “Background to and Reasons for the Recapitalization — Background to Recapitalization”;~~

“Recapitalization” means a transaction on the terms set forth in the Restructuring Term Sheet;

~~“Recapitalization Terms” has the meaning ascribed to that term in the Support Agreement;~~

“Record Time Secured Noteholder” means a person who is a Beneficial Noteholder as of the Noteholder Voting Record Date;

“Registered Holder” means ~~in respect~~the holders of ~~such~~ Secured Notes as recorded on the books and records of the ~~Trustees~~Canadian Trustee;

“Registration ~~Instruction~~Election Deadline” means 5:00 pm on ~~●~~March 5, 2018 (or such other date as the Companies, the Monitor and the Required Consenting Parties may agree)

“Registration Instructions” means the instructions provided by Beneficial Noteholder to its ~~Intermediary~~Intermediary for the registration and issuance of its New Equity submitted in accordance with the VIEF and the Meeting Order ~~and Voting Instructions~~;

“Released Party” means each of the Banro Released Parties and the Third Party Released Parties;

“Releases” has the meaning ~~ascribed~~given to that term in the section entitled “Releases”;

“Released Claims” means the matters that are subject to release and discharge as described in the section entitled “Releases”;

“Required Majorities” means the Affected Secured Required Majority and the Affected Banro Unsecured Required Majority;

“Requisite Consenting Parties” means, collectively, Gramercy and Baiyin;

“Requisite Consenting Party Advisors” means, collectively, Goodmans LLP and McCarthy Tétrault LLP;

~~“Required Majorities” means the Affected Secured Required Majority and the Affected Banro Unsecured Required Majority;~~

“Restructuring Term Sheet” means the Restructuring Term Sheet attached as an exhibit to the Support Agreement;

“**RFW**” means, collectively, Resource FinanceWorks Limited, RFW Banro Investments Limited, Baiyin International Investment Limited and affiliates thereof within the direct or indirect control of Baiyin Nonferrous Group Company, Limited;

“**RFW Banro Investments**” means RFW Banro Investments Limited;

“**Sanction Order**” has the meaning ascribed to that term in section 9.2 of the Plan;

“**SEC**” has the meaning ascribed thereto under “*Notice to Security Holders in the United States*”;

“**SEC Industry Guide 7**” has the meaning ascribed thereto under “*Notice to Security Holders in the United States*”;

“**Section 5.1(2) Director/Officer Claims**” means any Director/Officer Claims that may not be compromised pursuant to subsection 5.1(2) of the CCAA;

“**Secured Notes**” means the ~~outstanding~~ 10% Secured Notes due March 1, 2021 in the principal amount of US\$197.5 million, ~~effor~~ which Banro Group (Barbados) Limited is the ~~issuer~~obligor and the other Banro Parties are guarantors;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval;

“**Shareholders Agreement**” means a shareholders’ agreement made between and among the shareholders of Newco on the Implementation Date which shall contain the Newco Share Terms and otherwise be acceptable to the Companies and the Requisite Consenting Parties, acting reasonably;

“**SISP**” means the Sale and Investment Solicitation Process in respect of the Companies to be conducted in accordance with the SISP Procedures;

“**SISP Approval Order**” means the SISP Approval Order granted by the Court on January 18, 2018;

“**SISP Procedures**” means the Procedures for the Sale and Investment Solicitation Process attached as Schedule “A” to the SISP Approval Order;

“**Solicitation Agent**” means Kingsdale;

“**Special Committee**” has the meaning ascribed to that term in “*Background to the Recapitalization*”;

“**Stay Extension & CCAA Charges Priority Order**” means the Stay Extension & CCAA Charges Priority Order granted by the Court on January 18, 2018;

~~“**Stay of Proceedings**” has the meaning ascribed to that term in the Initial Order;~~

“**Stream Agreements**” means the Namoya Streaming Agreement and the Twangiza Streaming Agreement;

~~“**Twangiza Stream Equity Warrants**” has the meaning given to it under the heading “*Issuance of Stream Equity Warrants*”;~~

“**Twangiza Streaming Agreement**” means the Gold Purchase and Sale Agreement dated December 31, 2015 among RFW Banro Investments Limited, Banro and Twangiza ~~Mining S.A.~~DRC (as amended or restated from time to time);

“Stream Equity Warrants” means the Namoya Stream Equity Warrants and the Twangiza Stream Equity Warrants;

“Stream Purchaser” ~~means a purchaser under a Stream Agreement~~ shall have the meaning given to such term in the section entitled “Amendments to Streaming and Forward Agreements”;

“Successful Bid” has the meaning ascribed to that term in ~~“Releases—SISP”~~;

“Support Agreement” means the agreement dated December 22, 2017 (as it may be amended, restated and varied from time to time in accordance with the terms thereof) between the Banro Parties, Baiyin, Gramercy, and each other Person who may execute a Consent Agreement thereto, a copy of which has been posted on Banro’s profile on SEDAR;

“Tax” or **“Taxes”** means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions;

“Tax Claim” means any Claim by a Taxing Authority against the Applicant regarding any Taxes in respect of any taxation year or period;

“Taxing Authority” means Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, any municipality of Canada, the Canada Revenue Agency, the Canada Border Services Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof and any Canadian or foreign government, regulatory authority, government department, agency, commission, bureau, minister, court, tribunal or body or regulation making entity exercising taxing authority or power, and **“Taxing Authority”** means any one of the Taxing Authorities;

“Transfer Agent” means the transfer agent in respect of the New Equity, which shall be acceptable to the Applicants and the Requisite Consenting Parties, acting reasonably;

“Third Party Released Parties” has the meaning ~~ascribed given to that term~~ in the section 9.1(b) of the Plan ~~entitled “Releases”~~;

“Trustees” means, collectively, the Canadian Trustee and The Bank of New York Mellon in its capacity as U.S. Trustee under the Note Indenture;

“Twangiza” means Banro’s Twangiza mine located 45 kilometres south-southwest of Bukavu in South Kivu Province of the DRC and consists of six Exploitation Permits covering 1,164 square kilometres in the highly-prospective 210km long Twangiza-Namoya gold belt;

“Twangiza DRC” means Twangiza Mining S.A.;

“Twangiza Forward I Agreement” means the amended and restated Gold Purchase and Sale Agreement Tranche 2/3 dated September 17, 2015 among Twangiza GFSA Holdings, Banro and Twangiza Mining S.A.DRC (as amended or restated from time to time) ~~in the amount of US\$4,492,200 as prepayment~~;

“**Twangiza Forward II Agreement**” means the purchase and sale ~~Agreement~~[agreement](#) dated July 12, 2017 (as amended or restated from time to time) among Baiyin International and Twangiza Mining ~~S.A.DRC~~ in the amount of US\$6.0 million ~~(US \$6.0 million as prepayment)~~;

“**Twangiza Stream Equity Warrants**” has the meaning given to it in the section entitled “*Issuance of Stream Equity Warrants*”;

“**Twangiza Streaming Agreement**” means the Gold Purchase and Sale Agreement dated December 31, 2015 among RFW Banro Investments Limited, Banro and Twangiza Mining ~~S.A.DRC~~ (as amended or restated from time to time);

“**U.S.**” or “**United States**” means United States of America, its territories and possessions, any State of the United States and the District of Columbia;

“**U.S. GAAP**” means United States Generally Accepted Accounting Principles;

“**U.S. Trustee**” means The Bank of New York Mellon, in its capacity as Trustee under the Note indenture;

“**VIEF**” means the Voting Information and [Registration](#) Election Form (or other applicable instruction) provided to a Beneficial Noteholder by its Intermediary;

“**Voting Claim**” means the amount of the Affected Claim of an Affected Creditor against the Applicant as finally accepted and determined for purposes of voting at the Creditors’ Meeting, in accordance with the provisions of the Meeting Order and the CCAA;

“**Voting Instruction**” means the instructions provided by Beneficial Noteholder to its ~~Intermdary~~[Intermediary](#) for its vote on the Plan in accordance with the VIEF and the Meeting Order ~~and Registration Instructions~~;

CIRCULAR

This Circular is furnished in connection with the solicitation of voting instruments by and on behalf of the management of the Companies to be used at the meeting of the Affected Secured Creditors and the meeting of the Affected Banro Unsecured Creditors to be held on March 9, 2018 at 1:30 pm (Toronto time) and 1:45 pm (Toronto time), 2018, respectively, at the offices of McMillan LLP at 181 Bay Street, Suite 4400, Toronto, Ontario, Canada, M5J 2T3, and at any adjournments or postponements thereof.

All capitalized terms used in this Circular that are not otherwise defined have the respective meanings set forth under “*Glossary of Terms*”.

Information in this Circular is given as at [February 1, 2018](#), unless otherwise indicated.

CURRENCY

In this Circular, references to US\$ are to United States dollars, and references to C\$ are to Canadian dollars. The nominal ~~non~~daily rate of exchange on [February 1, 2018](#), as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars, was US\$1.00 = C\$.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION AND RISKS

Certain statements and other information in this Circular may constitute forward-looking information within the meaning of applicable Canadian and United States securities laws. This forward-looking information reflects the current beliefs of management [of the Companies](#) and is based on assumptions and information currently available to management [of the Companies](#). In some cases, forward-looking information can be identified by terminology such as “may”, “will”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “forecast”, “outlook”, “potential”, “continue”, “should”, “likely”, “project”, “future” or the negative of these terms or other comparable terminology.

In particular, this Circular contains forward-looking information pertaining to:

- the anticipated benefits and effects of the [Recapitalization Plan](#), including the entitlements of various security holders;
- the potential effects on the Companies and various stakeholders if the [Recapitalization Plan](#) is not concluded;
- the timing of the Creditors’ Meetings and of the completion of the [Recapitalization Plan](#);

Forward-looking information respecting:

- the anticipated benefits of the Recapitalization are based upon a number of facts, including the terms and conditions of the Plan (including receipt of required stakeholder, regulatory and Court approvals), current industry, economic and market conditions and the current financial condition and prospects of the [Company Companies](#);
- the structure and effect of the Recapitalization are based upon the terms of the Plan and the transactions contemplated thereby ~~(see “*Description of the Recapitalization*”)~~; and

- the steps and timing of the Recapitalization are based upon the terms of the Plan and the expected timing to receive the required Court approvals and to otherwise satisfy the conditions to effectiveness of the Plan

Although management [of the Companies](#) believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking information in this Circular are based upon reasonable assumptions and expectations, readers of this Circular should not place undue reliance on such forward-looking information because they involve assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Companies to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such assumptions include, without limitation: [political instability in the eastern DRC where the Twangiza and Namoya mines are located; potentially adverse economic, social and political developments in the DRC](#), interest and exchange rates; the price of gold; financing and funding requirements; general economic, political and market conditions; and changes in laws, rules and regulations applicable to the Companies. Forward-looking information are statements about the future and are inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. The forward-looking information speaks only as of the date of this Circular.

Forward-looking information is subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: the completion of the Plan being subject to ~~several~~ conditions that must be satisfied or waived; and risks related to the Companies.

This list is not exhaustive of the factors and assumptions that may affect any of the forward-looking information. Additional risks and uncertainties that could affect forward-looking information are described further under the heading “*Risk Factors*” in this Circular and under the heading “*Risk Factors*” in the ~~Companies’ Annual Information Form (“AIF”)~~[AIF](#). The forward-looking information contained in this Circular is expressly qualified by this cautionary statement, and the Companies do not undertake any obligation to update it to reflect new information or future developments, except to the extent required by law.

SUMMARY OF CIRCULAR

The following is a summary of certain information contained elsewhere in this Circular. It is not, and is not intended to be, complete in itself. This is a summary only, and is qualified in its entirety by the more detailed information appearing elsewhere in this Circular and incorporated by reference herein. Affected Creditors are urged to carefully review this Circular, including the Appendices, and the documents incorporated by reference, in their entirety. Capitalized terms used in this Circular that are not otherwise defined have the respective meanings set forth under "Glossary of Terms".

Banro Corporation

Banro Corporation is a Canadian gold mining company focused on production from the Twangiza and Namoya mines, which began commercial production in September 2012 and January 2016 respectively. The Company's longer-term objectives include the development of two additional major, wholly-owned gold projects, Lugushwa and Kamituga. The four projects, each of which has a mining license, are located along the 210 kilometres long Twangiza-Namoya gold belt in the South Kivu and Maniema Provinces of the DRC.

On December 22, 2017, Banro and the other Applicants filed for creditor protection under the CCAA.

Description of the Plan

This Circular describes the proposed Recapitalization, which will be effected through the Plan. The Plan will be considered by the Affected Secured Creditors and the Affected Banro Unsecured Creditors at the Creditors' Meetings. If completed as contemplated, the Plan will effect a number of significant changes to the capital structure of Banro and the terms of its existing obligations, as more particularly described below and elsewhere in this Circular.

As described in further detail in this Circular, upon implementation of the Plan:

- (a) the obligations under the Secured Notes, the Doré Loan and the Namoya Forward II Agreement will be exchanged for New Equity;
- (b) current equity holders of Banro will have their interests extinguished and Banro will become a wholly-owned, indirect subsidiary of Newco;
- (c) Affected Banro Unsecured Creditors will have their claims compromised in exchange for their Affected Banro Unsecured Pro Rata Share of the Affected Banro Unsecured Cash Pool;
- (d) the Interim Facility will be replaced by the New Secured Facility and Newco shall issue the New Secured Facility Warrants to the DIP Lender;
- (e) the amendments to the Namoya Streaming Agreement, the Twangiza Streaming Agreement, the Namoya Forward I Agreement, the Twangiza Forward I Agreement and the Twangiza Forward II Agreement as described under "Amendments to Streaming and Forward Agreements" will continue in effect as described therein and Newco will issue the Stream Equity Warrants.

Outstanding debt at the DRC level, including the equipment financing agreements at Twangiza DRC and Namoya DRC, including the guarantees of such by Banro, will remain unaffected.

Sale and Investment Solicitation Process

As part of the CCAA Proceedings, and subject to the terms of the SISP Approval Order, including the SISP Procedures appended thereto, Banro is conducting the SISP, pursuant to which any interested parties are afforded the opportunity to acquire Banro pursuant to a "Successful Transaction", meaning an alternative transaction to the Recapitalization which, among other things: (i) is on terms that Banro, in its business judgment and in consultation with the Monitor and the DIP Lenders, determines is superior to the terms of the Recapitalization; and (ii) indefeasibly repays in full in immediately available funds (x) all of the outstanding DIP Facility obligations, and (y) at least 75% of the principal amount of each of the obligations that form part of the Affected Parity Lien Debt, and (z) all claims ranking in priority to the DIP Obligations and the Affected Parity Lien Debt; and (iii) indefeasibly repays all amounts due under the Stream Agreements or provides for treatment of the Stream Agreements on the same terms as the Recapitalization.

If a Successful Transaction is identified in accordance with the SISP, the Recapitalization will not proceed.

Effect of the Plan

Effect on Affected Secured Claims

The Recapitalization contemplates an equitization of 75% of all Affected Secured Claims pursuant to the Plan, pro-rata with their claim value, into 100% of the New Equity (subject to subsequent dilution on account of the Stream Equity Warrants (as defined in the Restructuring Term Sheet). The balance of 25% of the Affected Secured Claims shall participate in and be compromised with the Affected Banro Unsecured Class. Holders of Affected Banro Unsecured Deficiency Claims shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

Based upon relative holdings of Affected Secured Claims as at the date hereof, it is anticipated that immediately following the Implementation Date, Baiyin would hold New Equity representing approximately 34.07% of the total outstanding equity of Newco (i.e. both Class A Common Shares and Class B Common Shares), Gramercy would hold approximately 40.28% of the total outstanding equity of Newco, and the remaining Affected Secured Creditors would hold approximately 25.65% of the total outstanding equity of Newco (subject to dilution for third parties down to 23.1% of the New Equity in the event that the Stream Equity Warrants and the New Secured Facility Warrants are exercised at full value). Baiyin and Gramercy will hold, between them, 100% of the voting equity of Newco.

Effect on Affected Banro Unsecured Claims

All holders of Affected Banro Unsecured Claims will vote as a separate class under the Plan. Included in this class will be the holders of the Affected Banro Unsecured Deficiency Claims. The Plan provides for a US\$10,000 distribution *pro rata* among the holders of Affected Banro Unsecured Claims other than holders of Affected Banro Unsecured Deficiency Claims, who shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

Effect on Equity

All Affected Equity Interests in Banro will be extinguished under the Plan for no consideration and Banro will become an indirect, wholly-owned, subsidiary of Newco.

Effect on Banro

Upon completion of the Recapitalization, Banro will be an indirect, wholly owned subsidiary of Newco and BGB will be a direct, wholly-owned subsidiary of Newco. The Applicants (other than Banro) and the Non-Applicant Subsidiaries will remain as direct and indirect subsidiaries of BGB.

The Gold Streams, the Twangiza Forward I Agreement, the Twangiza Forward II Agreement and the Namoya Forward I Agreement will remain in effect, subject to the amendments described herein under "Amendments to Streaming and Forward Agreements". The Interim Facility will be replaced by the New Secured Facility.

Support Agreement

On December 22, 2017, the Companies entered into the Support Agreement with Gramercy and Baiyin, who currently hold in excess of 74% of the Affected Secured Claims. Pursuant to the Support Agreement, and subject to the terms and conditions thereof, the Banro Group will seek to comply with the terms of the SISP and, if no Successful Transaction (as defined in the SISP) is identified as a result of the SISP, to proceed to complete the Recapitalization. In addition, Baiyin, Gramercy and parties related thereto agreed to support the SISP and, if no Successful Transaction is identified as a result of the SISP, to support the Recapitalization.

Approval of the Plan

For the purposes of considering and voting on the Resolutions, there will be two classes of Affected Creditors consisting of the Affected Secured Creditors and the Affected Banro Unsecured Creditors.

At the Creditors' Meetings, Affected Creditors will be asked to consider and, if thought advisable, approve the Affected Secured Creditors' Resolution, or the Affected Banro Unsecured Creditors' Resolution (collectively, the "**Resolutions**"), as applicable. Subject to any order of the Court, the Resolutions must be approved by the Required Majorities of Affected Creditors present in person or represented by proxy at each of the Creditors' Meetings with each Eligible Voting Creditor entitled to one vote at the applicable Creditors' Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order.

Procedures for Voting at the Creditors Meetings

The only Persons entitled to notice of, to attend or to speak at the Creditors' Meetings are Record Time Secured Noteholders, other Affected Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Companies, the Requisite Consenting Parties and all such parties' financial and legal advisors, the Chair, the Secretary and their respective legal counsel and advisors. Any other person may be admitted to the Meeting only by invitation of the Companies or the Chair.

Voting by Affected Creditors other than Beneficial Noteholders

Affected Creditors other than Beneficial Noteholders must use the Proxy to vote on the Resolution(s).

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., 79 Wellington Street West, Toronto Dominion Centre, Suite 2010, P.O. Box 2104, Toronto, ON M5K 1G8 (Attention: Lizzy Pearson), email: banro@fticonsulting.com prior to the Proxy Deadline. Persons appointed as proxyholders need not be Affected Creditors.

Voting by Affected Creditors who are Beneficial Noteholders

As at the date hereof, CDS Clearing and Depository Services Inc., is the sole Registered Holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. Beneficial Noteholders who were Beneficial Noteholders at 5:00 pm (Toronto time) on January 31, 2018 are "Record Time

Secured Noteholders” and are entitled to vote as Affected Secured Creditors at the Affected Secured Creditors’ Meeting and as Affected Banro Unsecured Creditors at the Affected Banro Unsecured Creditors Meeting in respect of their Affected Banro Unsecured Deficiency Claims.

RECORD TIME SECURED NOTEHOLDERS SHOULD PROMPTLY CONTACT THEIR INTERMEDIARIES AND OBTAIN AND FOLLOW THEIR INTERMEDIARIES’ INSTRUCTIONS WITH RESPECT TO THE APPLICABLE VOTING PROCEDURES AND DEADLINES, WHICH MAY BE EARLIER THAN THE DEADLINES THAT ARE APPLICABLE TO OTHER AFFECTED SECURED CREDITORS. Record Time Beneficial Noteholders who sell their holdings of Secured Notes will be deemed to have transferred the right to vote and the entitlement to New Equity to the purchasing party.

Pursuant to the Meeting Order, the Company has caused copies of this Circular and the accompanying materials relating to the Creditors’ Meetings to be distributed to CDS and Intermediaries (or their agents) for onward distribution to Record Time Secured Noteholders. Record Time Secured Noteholders are required to provide both Voting Instructions and Registration Instructions to their Intermediary in advance of the Creditors’ Meetings. Every broker or other nominee or agent has its own procedures which should be carefully followed by Beneficial Noteholders in order to ensure that their Secured Notes are voted at the Creditors’ Meetings.

New Equity

The Recapitalization contemplates an equitization of 75% of all Affected Secured Claims pursuant to the Plan, pro-rata with their claim value into 100% of the New Equity (subject to subsequent dilution on account of the Stream Equity Warrants (as defined in the Restructuring Term Sheet).

It is anticipated that the groups of shareholders represented by each of Baiyin and Gramercy (each of which group will collectively hold in excess of 30% of the New Equity at the Effective Time (a “Major Shareholder”) will have certain rights and obligations that differ from the other shareholders of Newco (the “Minority Shareholders”).

The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Newco Board.

The Minority Shareholders will hold Class B Common Shares, which will be non-voting common shares of Newco with rights to information, pre-emptive rights and a right to “tag along” in the context of certain transactions, and certain obligations in the context of transfers of New Equity, as described.

There will be no distinction in the economic rights of the Class A Common Shares (voting) and the Class B Common Shares (non-voting).

Each Beneficial Noteholder is required to provide Registration Instructions to Kingsdale through their Intermediaries as per the VIEF and must also provide the Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable in order to receive New Equity.

No holder of Affected Secured Claims shall be entitled to the rights associated with the New Equity and all such New Equity shall be held solely by the Transfer Agent and recorded on the books and records of Newco by the Transfer Agent until such time as the holder of such Affected Secured Claim has delivered its Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable. In the event that an Affected Secured Creditor fails to deliver its Newco Equityholder Information on or before the date that is 6 months following the Implementation Date, Newco shall be entitled to cancel the entitlement to, and Newco and the Transfer Agent shall have no further obligation to deliver, any New Equity otherwise

issuable to such Affected Secured Creditor(s) that have not delivered their Newco Equityholder Information.

Court Approval of the Plan

~~[To follow]~~ Following the Creditors' Meetings, and provided that the Plan is approved by the Required Majorities at the Creditors' Meetings, the Companies intend to bring a motion before the Court on March [16], 2018 at ● (Toronto time) or such later date as may be posted on the Monitor's website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least seven (7) Business Days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least seven (7) Business Days before such Court hearing, or such shorter time as the Court, by Order, may allow.

Conditions to the Recapitalization Becoming Effective

The implementation of the Recapitalization will be subject to the following conditions precedent, among others:

- (a) the Plan shall have been approved by the Required Majorities;
- (b) the Court shall have granted the Sanction Order the operation and effect of which shall not have been stayed, reversed or amended and in the event of an appeal or application for leave to appeal, final determination shall have been made by the appellate court;
- (c) the Administrative Reserve shall have been funded by the Applicants;
- (d) the Priority Claim Reserve shall have been funded by the Applicants;
- (e) the conditions precedent to the implementation of the Recapitalization set forth in Article 8 of the Support Agreement shall have been satisfied or waived;
- (f) the Priority Lien Debt, the Gold Streams, the Shareholder Agreement and the Interim Facility and all related agreements and other documents necessary in connection with the amendments thereto contemplated by the Recapitalization and the implementation of the Plan, shall be in form and substance acceptable to the Applicants, the Monitor and the Requisite Consenting Parties and shall have become effective, subject only to the implementation of the Plan;
- (g) the Implementation Date shall have occurred no later than the Outside Date; and
- (h) the constating documents of Newco and the composition of the board of Newco effective on and after the Implementation Date shall be consistent with the Restructuring Term Sheet and otherwise acceptable to the Applicants and the Requisite Consenting Parties, acting reasonably.

The Companies, in consultation with the Monitor, may at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such terms as such parties may agree to, provided however that the conditions set out in the above clauses, (e), (f), (g), and (h) may only be waived with the consent of the Requisite Consenting Parties.

Canadian Income Tax Considerations

For a description of the Canadian income tax consequences resulting from the Plan, please refer to "Certain Canadian Federal Income Tax Considerations".

United States Income Tax Considerations

For a description of the United States federal income tax consequences resulting from the Plan, please refer to "Certain United States Federal Income Tax Considerations".

Risk Factors

Affected Creditors should carefully consider the risk factors concerning implementation and non-implementation, respectively, of the Plan and the business of Banro and Newco described under "Risk Factors".

MATTERS TO BE ACTED UPON AT THE MEETING

At the Creditors' Meetings, Affected Creditors will be asked to consider and, if thought advisable, approve the Affected Secured Creditors' Resolution, or the Affected Banro Unsecured Creditors' Resolution (collectively, the "**Resolutions**"), as applicable. Subject to any order of the Court, the Resolutions must be approved by the Required Majorities of Affected Creditors present in person or represented by proxy at each of the Creditors' Meetings with each Eligible Voting Creditor entitled to one vote at the applicable Creditors' Meeting(s), which vote will have the value of such person's Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order.

The form of the Affected Secured Creditors' Resolution is set out at Appendix "A" to this Circular. The form of the Affected Banro Unsecured Creditors' Resolution is set out at Appendix "B" to this Circular.

ENTITLEMENT TO VOTE

Classification of Affected Creditors

For the purposes of considering and voting on the Resolutions, there will be two classes of Affected Creditors consisting of the Affected Secured Creditors and the Affected Banro Unsecured Creditors.

Claims Procedure Order

The procedure for determining the validity and value of the Claims of Affected Creditors for voting and distribution purposes will be as set forth in the Claims Procedure Order, a copy of which is attached as Appendix "F" to this Circular, the Meeting Order, a copy of which is attached as Appendix "E" to this Circular, the CCAA and the Plan. The Monitor (in consultation with the Companies) will have the right to seek the assistance of the Court in valuing any Disputed [Banro Unsecured](#) Claim in accordance with the Claims Procedure Order, the Meeting Order, the CCAA and the Plan and, if required, to ascertain the result of any vote on the Resolutions.

[If you are the holder of a "Listed Claim" or an "Affected Banro Unsecured Deficiency Claim" you are an "Affected Banro Unsecured Creditor". All holders of "Listed Claims" should receive a Claims Package from the Monitor which will include a Notice of Claim. If you are the holder of a Listed Claim and have not received a Claims Package, please contact the Monitor at \[banro@fticonsulting.com\]\(mailto:banro@fticonsulting.com\). The submission of a Proxy will not constitute a Notice of Claim for the holder of a Listed Claim.](#)

[Affected Secured Creditors are not required to submit a Notice of Claim. However, Affected Secured Creditors who are Beneficial Noteholders are required to submit an instruction in accordance with the VIEF through their Intermediary, as described below, and other Affected Secured Creditors are required to submit a Proxy in order to be entitled to vote at the Creditors' Meetings. In order to receive the New Equity, Affected Secured Creditors must provide the Registration Instructions and the Newco Equityholder Information.](#)

All Affected Creditors should refer to the Claims Procedure Order and the Meeting Order for a complete description of these procedures.

Any Claims denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the Bank of Canada daily exchange rate [that was](#) in effect on the Filing Date, which rate is US\$1.00 to C\$1.2759.

Entitlement to Vote and Voting

The validity and value of Affected Claims will be determined for voting purposes in accordance with the procedures set forth in the Claims Procedure Order, the Meeting Order and the Plan.

The only Persons entitled to notice of, to attend or to speak at the Creditors' Meetings are Record Time Secured Noteholders, other Affected Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the ~~Company~~ Companies, the Requisite Consenting Parties and all such parties' financial and legal advisors, the Chair, the Secretary and their respective legal counsel and advisors. Any other person may be admitted to the Meeting only by invitation of the Companies or the Chair.

The quorum for each of the Creditors' Meeting has been set by the Meeting Order as ~~one~~ Eligible Voting Creditor present at such meeting in person or by proxy.

The record time for determining which Beneficial Noteholders are Record Time Secured Noteholders is [5:00 p.m. \(Toronto time\) on January 31, 2018](#).

Only the Record Time Secured Noteholders will be entitled to provide instructions relating to voting their Secured Notes and/or attending the Creditors' Meetings as Affected Secured Creditors. The solicitation of votes from and the procedures for voting by the Record Time Secured Noteholders will be conducted in accordance with the Meeting Order. Each Record Time Secured Noteholder will be entitled to one vote having the value of its Voting Claim held by such Record Time Secured Noteholder, and each Affected Banro Unsecured Creditor will have one vote having the value of its Voting Claim.

Each Affected Creditor holding a Disputed Voting Claim will be entitled to attend the Creditors' Meetings and will be entitled to one vote at the applicable Creditors' Meeting(s). The Monitor will keep a separate record of votes cast by Affected Creditors with Disputed Voting Claims and will report to the Court with respect thereto at the motion in respect of the Sanction Order. The votes cast in respect of any Disputed Voting Claims will not be counted toward a Required Majority unless otherwise ordered by the Court. Any Person having an Excluded Claim will not be entitled to vote at the Creditors' Meetings in respect of such Excluded Claim. Holders of Equity Claims will not be entitled to vote at the Creditors' Meetings in respect of such Equity Claims. **~~INTD: FOR SETTLEMENT ANY DISPUTED CLAIMS WILL NEED TO BE SEGREGATED OUT FOR THE CDS POSITION~~**

Entitlement to Receive Distributions

The validity and value of Affected Claims will be determined for distribution purposes in accordance with the Claims Procedure Order, the Meeting Order, the CCAA and the Plan. For Disputed Claims, Affected Creditors should refer to the Claims Procedure Order in order to ascertain the treatment of such Disputed Affected Banro Unsecured Claim under the Plan.

~~An Affected Creditor holding a Disputed Affected Banro Unsecured Claim will not be entitled to receive a distribution under the Plan in respect of any portion thereof unless and until such Disputed Affected Banro Unsecured Claim becomes an Allowed Affected Claim.~~

The Plan does not compromise Excluded Claims as against the Companies. Persons with Excluded Claims will not be entitled or receive any distributions under the Plan in respect of such claims. Nothing in the Plan will affect any of the Company's rights and defenses, both legal and equitable, with respect to any Excluded Claims, including all rights with respect to legal and equitable defenses or entitlements to set-off or recoupment against such claims.

Transfer or Assignment of Claims

If an Affected Creditor (other than a Beneficial Noteholder) transfers or assigns the whole of its Affected Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Claim at the Meeting unless sufficient prior notice of and proof of transfer or assignment has been delivered to the Monitor in accordance with the Claims Procedure Order and the

Meeting Order. Notwithstanding the foregoing, Affected Creditors, including Beneficial Noteholders shall not be restricted from transferring or assigning such Claim in whole or in part.

Solicitation of Voting Instruments

Solicitation of Proxies from Affected Creditors other than Beneficial Noteholders will be primarily by mail, and may be supplemented by telephone or other personal contact by the current Directors, Officers, employees or agents of the Company, and the costs of such solicitation will be borne by the Company as a cost of the CCAA Proceedings.

As at the date hereof CDS is the sole registered holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. As such, solicitation of Voting Instructions and Registration Instructions from Beneficial Noteholders will be effected through the facilities of CDS.

In addition, the Company has retained Kingsdale to act as Solicitation Agent and Depositary for the Meeting for a fee of approximately C\$70,000.00 in connection with the identification of, and communication to, Affected Creditors and the ~~exchange to Newco Shares~~ [issue of the New Equity](#).

The Companies are not relying on the notice-and-access delivery procedures outlined in National Instrument 54-101-Communication with Beneficial Owners of Securities of a Reporting Issuer to distribute copies of proxy-related materials in connection with the [Creditors'](#) Meetings.

Appointment of Proxyholders, Voting and Revocation Appointment of Proxyholders and Voting for Affected Creditors other than Beneficial Noteholders

Affected Creditors other than Beneficial Noteholders must use the Proxy to vote on the Resolution(s). The Affected Creditor may appoint themselves or another person as proxyholder by inserting their name or the name of such person in the space provided in the Affected Creditor Proxy or may attend the Creditors' Meeting(s) and vote in person with their complete proxy.

In order to be effective, Proxies must be received by the Monitor at FTI Consulting Canada Inc., 79 Wellington Street West, Toronto Dominion Centre, Suite 2100, P.O. Box 2104, Toronto, ON M5K 1G8 (Attention: ~~Nigel Meakin~~ [Lizzy Pearson](#)), facsimile: 416.649.8101, email: banro@fticonsulting.com, prior to the Proxy Deadline, which is 12:00 p.m. (Toronto time) on March 8, 2018 or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors' Meeting.

If an Affected Creditor (other than a Beneficial Noteholder) specifies a choice with respect to voting on the Resolution(s) on a Proxy, the Proxy will be voted in accordance with the specification so made. In the absence of such specification, all duly signed and validly delivered Proxies will be voted **FOR** the Resolution(s).

The individuals named in the accompanying proxy forms are representatives of the Monitor. If you are an Affected Creditor other than a Beneficial Noteholder, you have the right to appoint a person or company other than either of the Persons designated in such form of proxy, who need not be an Affected Creditor, to attend and act for you and on your behalf at such Meeting or any adjournment or postponement thereof. You may do so either by inserting the name of that other person in the blank space provided in applicable proxy form or by completing and delivering another suitable form of proxy. ~~In order to be effective, a Proxy must be submitted using one of the following methods:~~

The ~~deadline for deposit of a Proxy~~ [Deadline](#) may be waived or extended by the Chair of the applicable Creditors' Meeting at his discretion, without notice. The Chair of the applicable Creditors' Meeting is under no obligation to accept or reject any particular late Proxy.

The Proxy provides the Affected Creditors with the option to grant (or provide instructions in respect of the grant of) discretionary authority to the individuals designated in it with respect to amendments or variations to matters identified in the Notice of Meeting and other matters that may properly come before the Creditors' Meeting(s). As of the date hereof, the Companies ~~knows~~know of no such amendment, variation or other matters to come before the Creditors' Meetings.

In addition to any other manner permitted by law, a Proxy may be revoked by an instrument in writing executed by an Affected Creditor (other than a Beneficial Noteholder) that has given a form of Proxy or such Affected Creditor's attorney duly authorized in writing or, in the case of an Affected Creditor that is not an individual, by an instrument in writing executed by a duly authorized officer or attorney thereof, and delivered to the Monitor prior to the commencement of the Creditors' Meetings (or any adjournment or postponement thereof).

The Persons named in the Proxy will have discretionary authority to vote on amendments or variations to the business matters identified in the Notice of Meeting of Creditors and Sanction Motion and on other matters that may properly come before the Creditors' Meeting(s) and any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Creditors' Meeting is routine and whether or not the amendment, variation or other matter that comes before the Creditors' Meeting is contested. As of the date of this Circular, the Companies are not aware of any amendments, variations or additional matters to come before the Creditors' Meetings.

~~Appointment of Proxyholders, Voting and Revocation~~ Appointment of Proxyholders and Voting for Voting by Affected Secured Creditors who are Beneficial Noteholders

As at the date hereof, CDS Clearing and Depository Services Inc., is the sole Registered Holder of the Secured Notes. All other holders of Secured Notes are Beneficial Noteholders. Beneficial Noteholders who were Beneficial Noteholders at 5:00 pm (Toronto time) on January 31, 2018 are "Record Time Secured Noteholders" and are entitled to vote as Affected Secured Creditors at the Affected Secured Creditors' Meeting and Affected Banro Unsecured Creditors at the Affected Banro Unsecured Creditors Meeting in respect of their Affected Banro Unsecured Deficiency Claims.

RECORD TIME SECURED NOTEHOLDERS SHOULD PROMPTLY CONTACT THEIR INTERMEDIARIES AND OBTAIN AND FOLLOW THEIR INTERMEDIARIES' INSTRUCTIONS WITH RESPECT TO THE APPLICABLE VOTING PROCEDURES AND DEADLINES, WHICH MAY BE EARLIER THAN THE DEADLINES THAT ARE APPLICABLE TO OTHER AFFECTED SECURED CREDITORS. Record Time Beneficial Noteholders who sell their ~~holding~~holdings of Secured Notes will ~~deem~~be deemed to ~~transfer~~have transferred the ~~Right~~right to vote and ~~Newco Share~~the entitlement to New Equity to the purchasing party.

Pursuant to the Meeting Order, the Company has caused copies of this Circular and the accompanying materials relating to the Creditors' Meetings to be distributed to ~~Record Time Beneficial Noteholders~~, CDS and Intermediaries (or their agents) for onward distribution to Record Time Secured Noteholders. ~~Voting instructions are to be provided to brokers and other nominees~~Record Time Secured Noteholders are required to provide both Voting Instructions and Registration Instructions to their Intermediary in advance of the Creditors' Meetings. The form of the VIEF is attached to the Meeting Order as Schedule "E". The Meeting Order is appended to this Circular as Appendix "E". Record Time Secured Noteholders should not complete voting instructions in the form of VIEF that is attached to the Meeting Order. In order to be valid, it must be completed electronically by the Record Time Secured Noteholder's Intermediary. Every broker or other nominee or agent has its own procedures which should be carefully followed by ~~Beneficial~~Record Time Noteholders in order to ensure that their Secured Notes are voted at the Creditors' Meetings.

Beneficial Noteholders who wish to vote for or against the Resolutions should promptly contact their Intermediaries and obtain and follow their Intermediaries' instructions with respect to the voting procedures and deadlines, which may be earlier than the deadlines that are applicable to other Affected Creditors. Beneficial Noteholders may only provide Voting Instructions and Registration Instructions through their Intermediary – no other voting channel will be available to Beneficial Noteholders. Under no circumstances should any person deliver Secured Notes or evidences of interests in Secured Notes to the Companies, the Monitor, the Canadian Trustee, or the Solicitation Agent. Beneficial Noteholders should not deliver a form of Proxy.

If a Beneficial Noteholder wishes to vote in person at ~~the~~ the Creditors' Meeting, the Beneficial Noteholder must contact their Intermediary or Kingsdale immediately and make such alternative arrangements. ~~[NTD: Intermediary will need to provided a medalloned restricted proxy and send before deadline to the scrutineer as well as not make any election to vote on the Beneficial Noteholder position in CDS – though they will elect to disclose ownership details]~~ Each intermediary will compile a master list of all Registration Instructions and Voting Instructions received and provide it to the Depositary and Solicitation Agent prior to the Creditors' Meetings directly and through the facilities of CDS. In order to be effective, Beneficial Noteholders are required to provide both their Voting Instructions and Registration Instructions to their Intermediaries on or prior to 5:00 p.m. on March 5, 2018, or such later date as the Applicants, the Monitor and the Requisite Consenting Parties may agree in the event of an adjournment, postponement or other rescheduling of the Creditors' Meetings.

~~There are two kinds of Record Time Beneficial Noteholders: (i) those who object to their name being made known to the issuers of securities which they own, known as objecting beneficial owners or "OBOs"; and (ii) those who do not object to their name being made known to the issuer of the securities which they own, known as non-objecting beneficial owners or "NOBOs".~~

Any requests for assistance relating to the procedure for delivering Voting Instructions or Registration Instructions may be directed to Kingsdale ~~Advisors the Depositary and Solicitation Agent~~ by email: contactus@kingsdaleadvisors.com or by ~~call~~ calling the ~~Toll~~ toll-free number 1-866-229-8874.

Revocation of Voting Instruments

~~In addition to any other manner permitted by law, a Proxy may be revoked by an instrument in writing executed by an Affected Creditor (other than a Beneficial Noteholder) that has given a form of Proxy or such Affected Creditor's attorney duly authorized in writing or, in the case of an Affected Creditor that is not an individual, by an instrument in writing executed by a duly authorized Officer or attorney thereof, and delivered to the Monitor prior to the commencement of the Creditors' Meetings (or any adjournment or postponement thereof).~~

Revocation of Proxies

~~In addition to revocation in any other manner permitted by law, a Proxy may be revoked before it is exercised by an executed instrument in writing received by the Monitor, at any time up to and including the Proxy/Election Deadline, or with consent of the Chair of the Creditors' Meeting at such meeting (or any adjournment or postponement thereof), or of any adjournment or postponement thereof, before any vote in respect of which the Proxy is to be used shall have been taken, and thereupon, the Proxy is revoked.~~

Determination of Validity

~~The Persons named in the Proxy will have discretionary authority to vote on amendments or variations to the business matters identified in the Notice of Meeting of Creditors and Sanction Motion and on other matters that may properly come before the Creditors' Meeting(s) and any adjournment or postponement thereof, in each instance, to the extent permitted by law, whether or not the amendment, variation or other matter that comes before the Creditors' Meeting is routine and whether or not the amendment, variation or~~

~~other matter that comes before the Creditors' Meeting is contested. As of the date of this Circular, management of the Companies is not aware of any amendments, variations or additional matters to come before the Creditors' Meetings.~~

DESCRIPTION OF THE RECAPITALIZATION

The following description of the Recapitalization is qualified in its entirety by reference to the full text of the Plan, a copy of the form of which is attached as Appendix "C" ~~of~~to this Circular.

If approved, the Plan will become effective at the Effective Time (which is expected to be at 12:01 am (Toronto Time) on the Implementation Date, which date is expected to take place as soon as reasonably practicable following the receipt of the Sanction Order) and will be binding at and after the Effective Time on each of the Companies, the Requisite Consenting Parties, the Released Parties, the Directors and Officers of the Companies and all other Persons named or referred to in, or subject to, the Plan.

In summary, the Recapitalization is comprised of the following components:

- (a) the obligations under the Secured Notes, the Doré Loan and the Namoya Forward II Agreement will be exchanged for New Equity;
- (b) current equity holders of Banro will have their interests extinguished and Banro will become a wholly-owned indirect subsidiary of Newco;
- (c) Affected Banro Unsecured Creditors will have their claims compromised in exchange for their Affected Banro Unsecured Pro Rata Share of the Affected Banro Unsecured Cash Pool;
- (d) the Interim Facility will be replaced by the New Secured Facility and Newco shall issue the New Secured Facility Warrants to the DIP Lender;
- (e) the amendments to the Namoya Streaming Agreement, the Twangiza Streaming Agreement, the Namoya Forward I Agreement, the Twangiza Forward I Agreement and the Twangiza Forward II Agreement as described under "*Amendments to Streaming and Forward Agreements*" will continue in effect as described therein and Newco will issue the Stream Equity Warrants.

Outstanding debt at the DRC level, including the equipment financing agreements at Twangiza DRC and Namoya DRC, ~~the BCDC Loan, the BCDC Line of Credit and the Rawbank Loans,~~ including the guarantees of such by Banro, will remain unaffected.

Exchange of Obligations pursuant to Secured Notes, the Doré Loan, and the Namoya Forward II Agreement

The claim value of the parity Secured Notes and Doré Loan will be recognized at par plus accrued interest through the Filing Date, being approximately US\$203,506,170 and US\$10,247,120, respectively.

The claim value of the parity Namoya Forward II Agreement will be recognized at US\$20,000,000.

The restructuring contemplates an ~~equalization~~equitization of 75% of all Affected Secured Claims pursuant to the Plan, pro-rata with their claim value as set forth ~~or calculated~~ above, into 100% of the New Equity (subject to subsequent dilution on account of the Stream Equity Warrants ~~(as defined in the Restructuring Term Sheet and the New Secured Facility Warrants)~~). The balance of 25% of the Affected Secured Claims shall participate in and be compromised with the Affected Banro Unsecured Class.

Holders of Affected Banro Unsecured Deficiency Claims shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

Based upon relative holdings of Affected Secured Claims as at the date hereof, it is anticipated that immediately following the Implementation Date, Baiyin would hold New Equity representing approximately 34.07% of the ~~New Equity~~total outstanding equity of Newco (i.e. both Class A Common Shares and Class B Common Shares), Gramercy would hold approximately 40.28% of the ~~New Equity~~total outstanding equity of Newco, and the remaining Affected Secured Creditors would hold approximately 25.65% of the ~~New Equity~~total outstanding equity of Newco (subject to dilution for third parties down to ~~23.6~~23.1% of the New Equity in the event that the Stream Equity Warrants and the New Secured Facility Warrants are exercised at full value). Baiyin and Gramercy will hold, between them, 100% of the voting equity of Newco.

Delivery of New Equity

Each Beneficial Noteholder is required to provide Registration Instructions to Kingsdale through their Intermediary as per the VIEF and must also provide the Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable, in order to receive New Equity. The form of the VIEF is attached to the Meeting Order as Schedule "E". The Meeting Order is appended to this Circular as Appendix "E". Beneficial Noteholders should not complete the Registration Instructions in the form of VIEF that is attached to the Meeting Order. In order to be valid, it must be completed electronically by the Beneficial Noteholder's Intermediary.

On the Implementation Date, or as soon as practicable thereafter, Newco, on account of Affected Secured Claims, shall ~~deliver or cause to be delivered share certificates and/or direct registration advices or confirmations (as described below) representing the New Equity to~~issue the New Equity to the Transfer Agent to be held for the benefit of (i) Affected Secured Creditors that are not Beneficial Noteholders as of the Distribution Record Date, in the name of and to the address as recorded in the books and records of the Companies or as otherwise communicated to the Companies not less than three Business Days prior to the Distribution Record Date, (ii) to Beneficial Noteholders that have validly provided Registration Instructions to their Intermediaries and received by Kingsdale ~~Advisors~~ through the facilities of CDS in accordance with the VIEF and Meeting Order prior to the Distribution Record Date, in accordance with their Registration Instructions provided by such Beneficial Noteholders, and (iii) ~~to~~ Beneficial Noteholders that have not delivered Registration Instructions to their Intermediaries on or prior to the Distribution Record Date, in the name of such Beneficial Noteholders' Intermediaries in trust for such Beneficial Noteholders.

No holder of Affected Secured Claims shall be entitled to the rights associated with the New Equity and all such New Equity shall be held solely by the Transfer Agent and recorded on the books and records of Newco by the Transfer Agent until such time as the holder of such Affected Secured Claim has delivered its Newco Equityholder Information to the Transfer Agent and/or Newco, as applicable. In the event that an Affected Secured Creditor fails to deliver its Newco Equityholder Information on or before the date that is 6 months following the Implementation Date, Newco shall be entitled to cancel, and Newco and the Transfer Agent shall have no further obligation to deliver, any New Equity otherwise issuable to such Affected Secured Creditor(s) (such equity, the "Cancelled New Equity") that have not delivered their Newco Equityholder Information and such Affected Secured Creditors shall cease to have a claim to, or interest of any kind or nature against or in, the Companies, Newco or the Cancelled New Equity and the Transfer Agent shall delete such Cancelled New Equity from the books and records of Newco as maintained by the Transfer Agent.

The ~~delivery of the~~ New Equity ~~to~~will be distributed ~~under this Plan will be made~~ either (i) by delivering share certificates representing the New Equity in the name of the applicable recipient, or (ii) through the facilities of a direct registration system operated by ~~Newco or a transfer agent appointed by Newco~~the Transfer Agent by providing direct registration system advices or confirmations in the name of the applicable recipient and registered electronically in Newco's records which will be maintained by ~~either Newco or a transfer agent appointed by Newco~~the Transfer Agent.

Treatment of Affected Banro Unsecured Creditors and Existing Equity

Compromise of Unsecured Claims Against Banro

All holders of Affected Banro Unsecured Claims will vote as a separate class under the Plan. Included in this class will be the holders of the Affected Banro Unsecured Deficiency Claims. The Plan provides for a US\$10,000 distribution *pro rata* among the holders of Affected Banro Unsecured Claims other than holders of Affected Banro Unsecured Deficiency Claims, who shall be deemed to have waived their entitlement to the Affected Banro Unsecured Cash Pool.

For the avoidance of doubt, other than with respect to the guarantees of the Parity Lien Debt, which shall be compromised by the Plan as against all guarantors thereof, to the extent that the holder of an Affected Banro Unsecured Claim has a claim against any entity other than Banro in respect of that same claim, the Plan shall have no effect on that claim as against that other entity.

Extinguishment of Existing Equity Interests in Banro

All Affected Equity Interests in Banro will be extinguished under the Plan for no consideration and Banro will become ~~an indirect~~, wholly-owned, subsidiary of Newco. Banro will file an application to cease to be a reporting issuer in Canada, intended to be effective upon the implementation of the Recapitalization.

Recapitalization Steps

Pursuant to the Plan, commencing at the Effective Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected, and effected in five minute increments (unless otherwise indicated) at the times set out in the Plan (or in such other manner or order or at such other time or times as the Companies may determine in consultation with the Monitor and the Requisite Consenting Parties), without any further act or formality required on the part of any Person, except as may be expressly provided in the Plan:

- (a) all of BGB's issued and outstanding Equity Interests held by Banro shall be cancelled without any return of capital and BGB shall simultaneously issue to Newco the New BGB Common Shares pursuant to the Newco/BGB Subscription Agreement;
- (b) Newco shall issue the Stream Warrants as consideration for the Stream Amendments;
- (c) all of the issued and outstanding Equity Interests in Banro shall be cancelled and extinguished for no consideration and without any return of capital and Banro shall issue 100 common shares to BGB;
- (d) the Administration Charge and the Directors' Charge shall continue and shall attach solely against the Administrative Reserve from and after the Implementation Date pursuant to and in accordance with the Sanction Order and shall be deemed to be released as against the other Property (as defined in the Initial Order) of the Applicants pursuant to and in accordance with the Sanction Order;
- (e) concurrently:
 - (i) each of Baiyin and Gramercy, as Proven Affected Secured Creditors, shall be entitled to receive a distribution of its Affected Secured Pro Rata Share of the Class A Common Shares which shall, and shall be deemed to ~~be~~ be, received in full and final settlement of its Affected Secured Claims;
 - (ii) each Proven Affected Secured Creditor other than Baiyin and Gramercy, shall be entitled to receive a distribution of its Affected Secured Pro Rata Share of the

Class B Common Shares which shall, and shall be deemed to, be received in full and final settlement of its Affected Secured Claims;

~~(iii) either (A) each Proven Affected Secured Creditor shall be deemed to be a party to the Shareholders Agreement, each in its capacity as a holder of New Equity, or (B) the constating documents of Newco shall contain the Newco Share Terms which shall apply to each Proven Affected Secured Creditor in its capacity as a holder of New Equity, as applicable;~~

~~(iii)~~ (f) following completion of the steps set forth in paragraphs (i) and (ii), above, the proportion that the number of outstanding Class A Common Shares and outstanding Class B Common Shares shall bear to the total number of Common Shares of both classes outstanding shall be equal, in each case, to the proportion that the aggregate amount of the Affected Secured Claims of Baiyin and Gramercy, on the one hand, and the aggregate amount of the Affected Secured Claims of all other Proven Affected Secured Creditors on the other hand, bear to the aggregate amount of the Affected Secured Claims of all Proven Affected Secured Creditors;

~~(iv)~~ New Equity received by an Affected Secured Creditor shall be applied first to the payment of principal of its Affected Secured Claims and if such principal is fully repaid, shall be applied to the payment of accrued interest owing on such Affected Secured Claims;

~~(v)~~ on the Implementation Date, either (i) each Proven Affected Secured Creditor shall be deemed to be a party to the Shareholders Agreement, each in its capacity as a holder of New Equity, or (ii) the constating documents of Newco shall contain the Newco Share Terms which shall apply to each Proven Affected Secured Creditor in its capacity as a holder of New Equity, as applicable;

~~(f)~~ (g) each Proven Affected Banro Unsecured Creditor shall be entitled to receive a pro rata distribution from the Affected Banro Unsecured Cash Pool, and the Affected Banro Unsecured Claims shall, and shall be deemed to be, irrevocably and finally extinguished and such Affected Banro Unsecured Creditors shall have no further right, title or interest in and to its Affected Banro Unsecured Claim;

~~(g)~~ (h) the Intercompany Claims shall be treated in the manner so elected by the Applicants with consent of the Requisite Consenting Parties;

~~(h)~~ (i) simultaneously:

- (i) the Interim Facility shall be replaced by the New Secured Facility pursuant to the New Secured Facility Credit Agreement;
- (ii) the DIP Lender's Charge shall be and shall be deemed to be discharged from the assets of the Applicants; and
- (iii) Newco shall issue the New Secured Facility Warrants to the DIP Lender;

~~(i)~~ (j) the directors of Banro immediately prior to the Effective Time shall be deemed to have resigned and the New ~~Banro~~ Board of Banro shall be deemed to have been appointed; and

~~(j)~~ (k) the releases and injunctions referred to in the Plan shall become effective.

Conditions to the Recapitalization

The implementation of the Recapitalization will be subject to the following conditions precedent, among others:

- (a) the Plan shall have been approved by the Required Majorities;
- (b) the Court shall have granted the Sanction Order the operation and effect of which shall not have been stayed, reversed or amended and in the event of an appeal or application for leave to appeal, final determination shall have been made by the appellate court;
- (c) the Administrative Reserve shall have been funded by the Applicants;
- (d) the Priority Claim Reserve shall have been funded by the Applicants;
- (e) ~~(e)~~ the conditions precedent to the implementation of the Recapitalization set forth in Article 8 of the Support Agreement shall have been satisfied or waived ;
- (f) ~~(d)~~ the Priority Lien Debt, the Gold Streams, the ~~Shareholders~~Shareholder Agreement ~~(as applicable)~~ and the Interim Facility and all related agreements and other documents necessary in connection with the amendments thereto contemplated by the Recapitalization and the implementation of the Plan, shall be in form and substance acceptable to the ~~Companies~~Applicants, the Monitor and the Requisite Consenting Parties and shall have become effective, subject only to the implementation of the Plan;
- (g) ~~(e)~~ the Implementation Date shall have occurred no later than the Outside Date; and
- (h) ~~(f)~~ the constating documents of Newco and the composition of the board of Newco effective on and after the Implementation Date shall be consistent with the Restructuring Term Sheet and otherwise acceptable to the Applicants and the Requisite Consenting Parties, acting reasonably; and
- (g) ~~the Requisite Consenting Parties shall be satisfied that Newco shall, concurrent with the implementation of the Plan, issue the Stream Equity Warrants.~~

The Companies, in consultation with the Monitor, may at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such terms as such parties may agree to, provided however that the conditions set out in the above clauses, ~~(e), (d),~~ (e), (f), (g), and (h) may only be waived with the consent of the Requisite Consenting Parties.

If the conditions listed above are not satisfied or waived (to the extent permitted under the Plan) by the Outside Date, unless the Companies, in consultation with the Monitor, and the Requisite Consenting Parties, agree in writing to extend such period, the Plan and the Sanction Order shall cease to have any further force or effect and will not be binding on any Person.

IMPLEMENTATION OF NEW SECURED FACILITY AND ISSUANCE OF NEW SECURED FACILITY WARRANTS

New Secured Credit Facility

On the Implementation Date, the DIP Facility will be exchanged for the New Secured Facility pursuant to the New Secured Facility Credit Agreement. The New Secured Facility will bear interest at a rate of 10.00% per annum and will mature on the earlier of December 31, 2019 and the completion of an Exit Transaction. The New Secured Facility will be secured by priority liens, ranking *pari passu* with the Priority Lien Debt.

New Secured Credit Facility Warrants

As consideration for providing the New Secured Credit Facility, ~~the~~ Newco shall issue the New Secured Credit Facility Warrants to the DIP Lender. The New Secured Credit Facility Warrants shall be exercisable based on a nominal strike price for 2% of the fully diluted common shares of Newco, and shall contain such other terms and conditions as are agreed to by the DIP Lender and the Companies.

AMENDMENTS TO STREAMING AND FORWARD AGREEMENTS

The following amendments to certain streaming and gold forward agreements ~~will be effective on the terms described below upon implementation of the Plan~~ have been entered into, and will continue in effect, provided that the Plan is implemented.

Pricing Amendment to Namoya Streaming Agreement and Twangiza Streaming Agreement [CHECK DEFINITIONS]

The holders of the Stream Agreements have agreed to modify the terms to increase the Ongoing Price from US\$150 per ounce to LBMA PM Gold Price (each as defined in the Stream Agreements) for each Stream Agreement's respective claim on the first 200,000 ounces of production delivered at each mine from January 1, 2018 (being equal to ~~22,200~~22,000 ounces for Twangiza and 16,660 ounces for Namoya and totaling US\$~~42.56~~42.53 million of cash flow relief at US\$1,250/oz. spot), after which the Gold Transfer Price (as defined in the Stream Agreements) will revert to US\$150 per ounce (collectively, the "**Stream Amendments**").

As consideration for the treatment and amendment of the Stream Agreements contemplated herein, each purchaser under each Stream Agreement (each, a "**Stream Purchaser**") will receive the Stream Equity Warrants outlined below on implementation of the Plan.

In addition, ounces deliverable through December 2017 will be deferred and spread out over 12 months once the entitlements for 200,000 ounces of production from January 1, 2018 have been delivered. Ounces deferred will be entitled to an additional delivery of 12.325% for Twangiza stream and 14.808% for the Namoya stream; and Banro will adjust ounces deliverable to ensure that each stream holder receives the production-weighted average LBMA PM gold price for each deferral during the deferral period.

Call Option

Each holder of a Stream Agreement ~~would agree~~has agreed to allow Banro to buy out the Stream Agreement at any time up until December 31, 2021 at a price equal to the amount required to give each holder a 15% IRR from the Initial Deposit calculated using the XIRR function on Excel (each as defined in the Stream Agreements). In order to exercise the option, Banro must choose to buy out both the Stream Agreements simultaneously.

Deferrals of Obligations Pursuant to Gold Forward Agreements [CHECK DEFINITIONS]

Twangiza Forward I Agreement

Gold deliveries have been contractually deferred through December 31, 2017, with the original delivery adjusted to provide a 19.5% IRR through the amended final delivery date of August 31, 2018.

The delivery schedule ~~will be~~has been further amended to: (i) extend the current deferral period termination date from December 31, 2017 to June 30, 2019; (ii) extend the final delivery date to February 29, 2020; and (iii) revise the number of ounces deliverable each month starting July 1, 2019 for 8 months from 697.640 ounces to 673.484 ounces to earn a 19.5% IRR through the revised final delivery date.

Namoya Forward I Agreement

Gold deliveries have been contractually deferred through December 31, 2017, with the original delivery adjusted to provide a 15% IRR through the initial final delivery date of June 30, 2020.

The delivery schedule ~~will be~~has been further amended to: (i) extend the current deferral period termination date from December 31, 2017 to June 30, 2019; (ii) extend the final delivery date to April 30, 2022; and (iii) revise the number of ounces deliverable each month starting July 1, 2019 for 34 months to earn a 15% IRR through the revised final delivery date.

Each of Gramercy's and RFW's monthly delivery schedule ~~to be~~has been amended from 719.452 ounces to 929.807 ounces.

Twangiza Forward II Agreement

Gold deliveries in connection with an equipment lien financing have been contractually deferred through December 31, 2017, with the original delivery adjusted to maintain a 15% IRR through the final delivery date of August 31, 2018.

The delivery schedule ~~will be~~has been further amended to: (i) extend the current deferral period termination date from December 31, 2017 to June 30, 2019; (ii) extend the final delivery date to February 29, 2020; and (iii) revise the number of ounces deliverable each month starting July 1, 2019 for 8 months from 792.132 ounces to 945.937 ounces, to maintain a 15% IRR through the revised final delivery date.

Early Termination

The Namoya Forward I Agreement and the Twangiza Forward II Agreement ~~will be~~have been amended to include a provision for the early repayment at the option of Banro at any time after the completion of the Plan at a 15% IRR calculated per the XIRR function on Excel from the initial funding date to the repayment date.

The calculation of the Twangiza Forward I Agreement ~~shall be~~has been amended to include a provision for the early repayment at the option of Banro at any time after the completion of the Plan at a 19.5% IRR based on the delivery of equivalent ounces calculated at US\$1,100 ~~[C\$ or US\$?]~~ per ounce, calculated per the XIRR function on Excel from the initial funding date to the repayment date.

ISSUANCE OF STREAM EQUITY WARRANTS

As consideration for the treatment and amendment of the Stream Agreements contemplated herein, each Stream Purchaser will receive the Stream Equity Warrants on implementation of the Plan.

Twangiza Stream Equity Warrants

On implementation of the Plan, the Stream Purchaser for the Twangiza Streaming Agreement will receive penny warrants exercisable into an equity stake of up to 4.553% of the Newco common equity (the "**Twangiza Stream Equity Warrants**"), subject to adjustment as described below.

The Twangiza Stream Warrants will vest on the earlier of:

- ~~i~~ the Stream Purchaser for the Twangiza Streaming Agreement receiving 22,000 ounces of payable gold from the first 200,000 ounces of production delivered at the Twangiza mine pursuant to the stream claim commencing January 1, 2018;
- ~~ii~~ the completion of the Exit Transaction; and

- ~~iii~~–the termination of the Twangiza Streaming Agreement pursuant to Banro’s termination option.

The Newco common equity to be issued in respect of the exercise of the Twangiza Stream Equity Warrants is subject to a pro rata reduction in the event that the cash flow relief realized by the Companies as a result of the Stream Amendments to the Twangiza Streaming Agreement (the “**Twangiza Amendment Cash Relief**”) for the period from January 1, 2018 until the exercise of the Twangiza Stream Equity Warrants is less than US\$~~24,000,000~~24,200,000. The Twangiza Amendment Cash Relief will be calculated as the aggregate cash relief realized by the Companies for all deliveries under the Twangiza Streaming Agreement during the specified period. The cash relief realized by the Companies in respect of each individual delivery under the Twangiza Streaming Amendment shall be calculated as follows:

$$A = X x (Y - Z)$$

where:

A = the cash relief realized by the Companies in respect of an individual delivery

X = the number of ounces of gold delivered in that individual delivery

Y = the LBMA PM gold fix price in effect on the delivery date of that individual delivery

Z = US\$150

Namoya Stream Equity Warrants

On implementation of the Plan, the Stream Purchaser for the Namoya Streaming Agreement will receive penny warrants exercisable into an equity stake of up to 3.447% of the ~~Banro~~Newco common equity (the “**Namoya Stream Equity Warrants**”), subject to adjustment as described below.

The Namoya Stream Equity Warrants will vest on the earlier of:

- ~~i~~–the Stream Purchaser for the Namoya Streaming Agreement receiving 16,660 ounces of payable gold from the first 200,000 ounces of production delivered at the Namoya mine pursuant to the stream claim commencing January 1, 2018;
- ~~ii~~–the completion of the Exit Transaction; and
- ~~iii~~–termination of the Namoya Streaming Agreement pursuant to Banro’s termination option.

The Newco common equity to be issued in respect of the exercise of the Namoya Stream Equity Warrants is subject to a pro rata reduction in the event that the cash flow relief realized by the Companies as a result of the Stream Amendments to the Namoya Streaming Agreement (the “**Namoya Amendment Cash Relief**”) for the period from January 1, 2018 until the exercise of the Namoya Stream Equity Warrants is less than US\$~~24,000,000~~18,326,000. The Namoya Amendment Cash Relief will be calculated as the aggregate cash relief realized by the Companies for all deliveries under the Namoya Streaming Agreement during the specified period. The cash relief realized by the Companies in respect of each individual delivery under the Namoya Streaming Amendment shall be calculated as follows:

$$A = X x (Y - Z)$$

where:

A = the cash relief realized by the Companies in respect of an individual delivery

X = the number of ounces of gold delivered in that individual delivery

Y = the LBMA PM gold fix price in effect on the delivery date of that individual delivery

Z = US\$150

RELEASES

The Plan includes releases (the “**Releases**”) to be effective as of the Implementation Date which provide that at the Effective Time on the Implementation Date, the Banro Parties and their respective subsidiaries and affiliates and each of their respective shareholders, partners, Directors, Officers, current and former employees, financial advisors, legal counsel and agents, (the “**Banro Released Parties**”) ~~shall~~will be released and discharged from any and all demands, claims, liabilities, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, applications, counterclaims, suits, sums of money, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Creditor, Affected Creditor, or other Person may be entitled to assert, including any and all Claims in respect of the payment and receipt of proceeds, statutory liabilities of the Directors, Officers and employees of the Banro Released Parties and any alleged fiduciary or other duty (whether such employees are acting as a Director, Officer or employee), including any and all Claims that may be made against the Banro Released Parties where, by law, such Banro Released Parties may be liable in their capacity as Directors or Officers of the Applicants whether known or unknown, matured or un-matured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the ~~Filing Date, or Effective Time~~, arising out of or in connection with the Affected Claims, the Support Agreement, the Recapitalization, the Plan, the CCAA Proceedings, or any Director or Officer Claim or other Claim that has been barred or extinguished by the Claims Procedure Order, and all such ~~claims~~Claims shall be forever waived and released (other than the right to enforce the Companies’ obligations under the Plan, the Support Agreement or any related document), all to the full extent permitted by Applicable Law, provided that nothing herein shall release or discharge (i) the Companies from any Excluded Claims, (ii) the Directors and Officers ~~of Banro~~ to the extent that any claims against the Directors and Officers ~~of Banro~~ cannot be released under the CCAA based on statutory limitations set out in the CCAA (such as claims under section 5.1(2) of the CCAA) or (iii) any Banro Released Party if such Banro Party Released Party is judged by the express terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct. All Intercompany Claims owing by any of the Banro Parties to any other Banro Parties shall not be released unless the Applicants, with the consent of the Requisite Consenting Parties, ~~elect to extinguish such obligations. All Intercompany Claims owing by any of the Banro Parties to any other Banro Parties shall not be released unless the Applicants, with the consent of the Requisite Consenting Parties,~~ elect to extinguish such obligations.

The Plan also provides that at the Effective Time on the Implementation Date, the Monitor, the Requisite Consenting Parties and their respective subsidiaries and affiliates and each of their respective shareholders, partners, officers, directors, current and former employees, financial advisors, legal counsel and agents (being referred to individually as a “**Third Party Released Party**”) ~~shall~~will be released and discharged from any and all demands, claims, liabilities, causes of action, debts, accounts, covenants, damages, executions and other recoveries based in ~~part~~whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date, actions, applications, counterclaims, suits, sums of money, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may

be entitled to assert, whether known or unknown, matured or ~~un-matured~~unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Implementation Date in any way relating to, arising out of or in connection with the ~~Claims Applicants~~, the Plan, the CCAA Proceedings, ~~of~~ and any Claims, including any Claim that has been barred or extinguished by the Claims Procedure Order, and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce the Monitor's or the Requisite Consenting Parties' obligations under the Plan, the Support Agreement or any related document), all to the full extent permitted by Applicable Law, provided that nothing herein shall release or discharge any Third Party Released Party if such Third Party Released Party is judged by the ~~expressed~~express terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct.

The Sanction Order will enjoin the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged, compromised or terminated pursuant to the Plan. Nothing in the Plan shall be interpreted as restricting the application of Section 21 of the CCAA.

SISP

As part of the CCAA Proceedings, and subject to the terms of the SISP Approval Order, including the SISP Procedures appended thereto, Banro is conducting the SISP, pursuant to which any interested parties are afforded the opportunity to acquire Banro pursuant to a "Successful Bid", meaning an alternative transaction to the Recapitalization which, among other things: (i) is on terms that Banro, in its business judgment and in consultation with the Monitor and the DIP Lenders, determines is superior to the terms of the Recapitalization; and (ii) indefeasibly repays in full in immediately available funds (x) all of the outstanding DIP Facility obligations, and (y) at least 75% of the principal amount of each of the obligations that form part of the Affected Parity Lien Debt, and (z) all claims ranking in priority to the DIP Obligations and the Affected ~~Party~~Parity Lien Debt; and (iii) indefeasibly repays all amounts due under the Stream Agreements or provides for treatment of Stream ~~Agreements~~Agreements on the same terms as the ~~Recapitalization~~.Recapitalization.

If a Successful Bid is identified in accordance with the SISP, the Recapitalization will not proceed.

NEWCO

General

Upon completion of the Recapitalization, ~~Beneficial Noteholders~~Affected Secured Creditors will become shareholders of Newco, a Cayman Islands exempted company with limited liability under the Companies Law. ~~Banro is incorporated under the CBCA and, accordingly, is governed by the CBCA and the Company's articles (the "Articles", will, in turn, be an indirect, wholly owned subsidiary of Newco and BGB will be a direct, wholly-owned subsidiary of Newco. The Applicants (other than Banro) and by-laws, which are available on SEDAR at www.sedar.com~~the Non-Applicant Subsidiaries will remain as direct and indirect subsidiaries of BGB.

The Gold Streams, the Twangiza Forward I Agreement and the Namoya Forward I Agreement will remain in effect, subject to the amendments described herein under "Amendments to Streaming and Forward Agreements". The Interim Facility will be replaced by the New Secured Facility.

Newco Board of Directors

The Board of Newco will be composed of five members. Each Major Shareholder shall have the right to nominate as members of the Board two (2) individuals and shall have the right to unilaterally replace them at any time. The four directors selected by the Major Shareholders shall appoint a fifth director, who is

anticipated to act as Chair of the Board. It is anticipated that the Board shall determine the overall policies, objectives, operations, business and affairs of Newco and its subsidiaries.

Newco Share Terms

The rights of the shareholders of Newco will be affected by and subject to the Newco Share Terms, which will be set forth: (a) in Newco's Memorandum and Articles of Association and/or (b) the Shareholders Agreement to which all holders of New Equity shall be deemed to be a party pursuant to the Plan. The Newco Share Terms will confer specific rights and obligations on the Newco shareholders, as set out below, which will be in addition to the rights of shareholders under Cayman Law.

In particular, and as described below, it is anticipated that the groups of shareholders represented by each of Baiyin and Gramercy (each of which group will collectively hold in excess of 30% of the New Equity at the Effective Time and is referred to in this section as a "Major Shareholder") will have certain rights and obligations that differ from the other shareholders of Newco (the "Minority Shareholders").

The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Newco Board.

The Minority Shareholders will hold Class B Common Shares, which will be non-voting common shares of Newco with rights to information, pre-emptive rights and a right to "tag along" in the context of certain transactions, and certain obligations in the context of transfers of New Equity as described below.

There will be no distinction in the economic rights of the Class A Common Shares (voting) and the Class B Common Shares (non-voting), and they are referred to in this section collectively as the "New Equity".

Transfers of Shares

Subject to compliance with applicable securities laws, transfers of New Equity will be generally permissible by all shareholders of Newco, subject to the rights of first offer, tag-along rights and customary conditions (i.e. compliance with law, no registration/prospectus required, transferee becoming bound by the Newco Share Terms).

Rights of First Offer

Prior to the transfer of any New Equity, each shareholder must first offer to sell all such New Equity to the Major Shareholders, on a pro rata basis as between Baiyin and Gramercy. Notice of the intention to sell must be delivered in writing, indicating the price at which the shareholder proposes to sell the New Equity, which price must be payable in money and not in any other form of property. If a Major Shareholder wishes to purchase the offered New Equity, it must purchase all, but not less than all of its proportionate share of such offered shares, and will have the right to purchase all, but not less than all, of the New Equity not purchased by the other Major Shareholder. The selling shareholder will have 30 days to sell any New Equity not elected to be purchased by the Major Shareholders.

Tag Along Rights

Subject to certain customary exceptions (related to sales to employees, distributions to the public and affiliate transactions), all shareholders will have "tag-along" rights in respect of transfers of more than 20% of the outstanding New Equity. Shareholders will have 10 Business Days to decide whether they will participate in any tag-along sale after receipt of notice in respect thereof. Shareholders will have the right to sell their pro-rata share of the New Equity proposed to be sold.

Drag Along Rights

One or more shareholders owning 66-2/3% or more of the outstanding New Equity will be permitted to “drag” all other shareholders in a sale of all of their New Equity to an arm’s length third party, in which case all dragged shareholders will be deemed to have accepted the offer of such third party in accordance with its terms and conditions. Newco will have a proxy to enforce the compliance of shareholders with these drag-along obligations.

Pre-emptive Rights

If any additional equity shares of Newco are proposed to be issued, all shareholders will have a pre-emptive right to participate in such offering of new equity shares. Shareholders will have 20 days to provide notice to Newco that they intend to purchase their pro rata share of any proposed issuance. At the request of either Major Shareholder, the purchase price proposed to be used in the context of such offering shall be that determined by an internationally recognized valuation firm. For any pre-emptive right not exercised in full, shareholders holding not less than 20% of the outstanding New Equity who took up and paid for all the shares initially offered to them will have the right to purchase the additional shares (on proportionate basis). If the issuance is not purchased in full by shareholders, Newco will have 60 days to issue such securities to a third party.

Exit/Liquidity Provision

Beginning on the Business Day occurring on the later of (i) the one-year anniversary following confirmation of the management and Board of Directors of Newco, and (ii) July 1, 2019, Newco shall use its commercially reasonable efforts to initiate the sale of the equity of Newco to a third party or parties either by:

- initiating the sale of Newco to a strategic buyer by engaging an acceptable qualified valuation bank and conducting a transparent and competitive auction for the sale of all of the equity interests of the shareholders; and/or
- completing the listing of or posting for trading of New Equity of no less than 30% of the outstanding New Equity pursuant to customary documentation and market practice for such offerings on a recognized securities exchange or automated quotation system acceptable to the Major Shareholders to effect a primary offering or allow the Major Shareholders to effect a secondary offering (or both) of New Equity to the public in Canada, the United States and/or such other jurisdictions that are acceptable to the Major Shareholders, in each case by way of registration statement or prospectus filing under applicable securities laws (an “IPO”).

The Major Shareholders will have the right to object to any proposed exit transaction and make an offer to purchase all of the outstanding New Equity based on the fair market value thereof, as determined by an acceptable qualified valuation bank.

Registration Rights

It is anticipated that in the event that the shares of Newco are publicly listed following an IPO, shareholders holding at least 20% of the outstanding shares of Newco will be granted customary demand and piggy back registration rights.

Information Rights

All shareholders shall be entitled to receive (i) audited annual financial statements within 120 days of the end of each fiscal year, and (ii) unaudited quarterly financial statements within 45 days of the end of each fiscal quarter. Each of the Major Shareholders shall be entitled to additional information and inspection rights customary for significant shareholders of a corporation and consistent with their historical rights of information and inspection set out in the Stream Agreements.

Approval of Certain Matters

As described in further detail in the Restructuring Term Sheet, there are certain matters of business that Newco may not undertake without the affirmative consent of each Major Shareholder. These matters include material changes to the business, corporation or legal structure of Newco, changes in management and compensation matters, acquisitions, dispositions, lending arrangements, approval of operational budgets, capital expenditures, and dividends.

Refinancings

Either Major Shareholder shall have the equal right to provide or share financings on terms similar to those proposed to Newco by third parties, or to take up the right of the other if either party does not provide such financing.

Differences Between Cayman Law and the CBCA

Banro is incorporated under the CBCA and, accordingly, is governed by the CBCA and the Company's articles (the "Articles") and by-laws, which are available on SEDAR at www.sedar.com.

While the rights and privileges of shareholders of a Cayman Islands company are, in many instances, comparable to those of shareholders of a CBCA corporation, there are certain differences. The following summary is not complete and does not cover all of the differences between Cayman Law and the CBCA affecting corporations and their shareholders or all the differences between ~~the Company~~ Banro's Articles and by-laws and ~~Articles and~~ Newco's Memorandum and Articles of Association (the "**Cayman Articles**"). Management believes this summary is accurate. It is, however, qualified in its entirety by the complete text of the relevant provisions of the Companies Law and other Cayman Law, the CBCA, ~~the Company~~ Banro's Articles and by-laws and ~~Newco's Memorandum and~~ the Cayman Articles ~~of Association~~.

Authorized Share Capital

The current authorized share capital of Banro under the CBCA permits the issuance of an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series, without par value, with the board of directors having discretion to establish the attributes of preferred shares prior to their issuance. ~~The~~ With respect to a Cayman Islands exempted company, the Companies Law does not permit the authorization of an unlimited number of shares. The authorized capital of Newco ~~is anticipated to consist of the~~ will specify the amount of capital proposed to be registered, divided into a fixed number of Class A Common Shares and ~~the~~ Class B Common Shares.

~~Voting~~ The holders of the Class A Common Shares will be entitled to one vote per share on all matters to be voted upon at any meeting of the shareholders of Newco. There will be no limitations imposed by Cayman Law or the Cayman Articles on the rights of non-resident Shareholders to hold or vote their Class A Common Shares. The Class B Common Shares will not be entitled to vote at any meeting of the shareholders of Newco unless required by Cayman Law.

The rights attached to any separate class or series of shares of a CBCA corporation, unless otherwise provided by the ~~terms of the shares of that class or series~~ articles, may be varied or abrogated only with the consent in writing of the holders of not less than two-thirds (2/3) of the issued shares of that class or series or by a special resolution passed at a separate ~~general~~ meeting of holders of the shares of that class or series. ~~The necessary quorum for that meeting is the presence of two (2) or more Shareholders present in person or by proxy. Each holder of shares of the class or series present, in person or by proxy, will have one vote for each share of the class or series of which it is the holder. Outstanding shares will not be deemed to be varied by the creation or issue of further shares that rank in any respect prior to or equivalent with those shares.~~

Under Cayman Law, some matters, such as altering the Cayman Articles, changing the name of Newco, voluntarily winding up of the company or resolving to be registered by way of continuance in a jurisdiction outside the Cayman Islands, require the approval of shareholders by a special resolution. A special resolution is a resolution (i) passed by the holders of not less than two-thirds (2/3) of the shares entitled to vote on that resolution voted at a meeting (or such greater number as may be specified by the articles of association); or (ii) approved in writing by all such shareholders entitled to vote on such matter. Any proposal to alter the articles in manner that materially adversely affect the rights of a class of shares ~~wil~~will require a special resolution of the shareholders of that class, voting as a separate class, whether or not such shareholders otherwise have the right to vote. ~~A special resolution is a resolution (i) passed by the holders of not less than two thirds (2/3) of the shares entitled to vote on that resolution voted at a general meeting (or such greater number as may be specified by the Articles of Association); or (ii) approved in writing by all Shareholders of a company entitled to vote on that resolution at a general meeting of the company.~~

Dividend Rights

~~Subject to any rights and restrictions of any other class or series of shares, the board of directors may, from time to time, declare dividends on the issued shares and authorize payment of the dividends out of Newco's lawfully available funds (otherwise subject to the provisions of the Companies Law). The board of directors may declare that any dividend be paid wholly or partly by the distribution of shares and/or specific assets of Newco.~~

Rights Upon Liquidation

~~In the event of the liquidation of Newco, after the full amounts that holders of any issued shares ranking senior to the Newco Shares plus creditors as to distribution on liquidation or winding up are entitled to receive have been paid or set aside for payment, the holders of Newco Shares would be entitled to receive, pro rata, any remaining assets of Newco available for distribution to the holders of Newco Shares.~~

No Liability for Further Calls or Assessments

~~The Newco Shares to be issued in the Recapitalization will be issued as fully paid and non-assessable.~~

Redemption and Conversion

~~The Newco Shares will not be convertible into shares of any other class or series or be subject to redemption either by Newco or the holder of the Newco Shares.~~

Repurchase

~~Under the Articles of Association (subject to the provisions of the Companies Law), Newco may purchase any issued Newco Shares in the circumstances and on the terms as are agreed by Newco and the holder of such shares. Subject to applicable laws, Newco may, from time to time, with the agreement of a holder, purchase all or part of the holder's Newco Shares whether or not Newco has made a similar offer to all or any other of the holders of Newco Shares.]~~ **[NTD: Confirm against the Cayman Memorandum and Articles of Association when available.]**

Other Classes or Series of Shares

~~The board of directors will be authorized, without obtaining any vote or consent of the holders of any class or series of shares unless expressly provided by the terms of issue of that class or series (subject to any Modification of Rights), to provide from time to time for the issuance of other classes or series of shares and to establish the characteristics of each class or series, including the number of shares, designations, relative voting rights, dividend rights, liquidation and other rights, redemption, repurchase or exchange~~

~~rights and any other preferences and relative, participating, optional or other rights and limitations not inconsistent with applicable law. [NTD: Confirm against the Cayman Memorandum and Articles of Association when available.]~~

Vote Required for Certain Transactions

Under the CBCA, certain fundamental changes, such as certain amalgamations, continuances and sales, leases or otherwise disposal of all or substantially all a company's assets, and other extraordinary corporate actions such as liquidations, and (if ordered by a court) arrangements, are required to be approved by special resolution. A special resolution is a resolution (i) passed at a meeting by not less than two-thirds (2/3) of the votes cast by the ~~Shareholders~~shareholders who voted in respect of the resolution, or (ii) approved in writing by all ~~Shareholders~~shareholders entitled to vote on the matter.

The Companies Law also provides ~~for that~~ mergers and consolidations ~~and~~ are required to be approved by a special resolution of ~~Shareholders~~shareholders (or such higher majority as may be set out in the articles of association of the Cayman company subject to the merger). In addition, Cayman companies may be acquired by other corporations by the direct acquisition of such share capital of the Cayman company or by direct asset acquisition. ~~The laws of the~~ Cayman ~~Islands~~Law provides that when an offer is made for shares of a Cayman Islands company and, within four months of the offer, the holders of not less than 90% in value of those shares have accepted such offer, the offeror may, for two months after that four-month period, require the remaining ~~Shareholders~~shareholders to transfer their shares on the same terms as the original offer.

Amendment to Governing Documents

~~Any substantive change to the corporate charter of a company under the CBCA, such as an alteration of the restrictions, if any, of the business carried on by the Company, a change in the name of the company or an increase or reduction of the authorized capital of the company, requires a special resolution passed by not less than two thirds (2/3) of the votes cast by Shareholders voting in person or by proxy at a general meeting of the company, unless another type of majority is specified in its Articles. Other fundamental changes such as an alteration of the special rights and restrictions attached to issued shares, also require a special resolution passed by not less than two thirds (2/3) of the votes cast by the holders of shares of each class entitled to vote at a general meeting of the company. The holders of all classes of shares adversely affected by an alteration of special rights and restrictions must vote by separate class votes.~~

~~Under Cayman Law, the Memorandum and Articles of Association may only be amended by a special resolution, which requires the approval of not less than two thirds (2/3) of the votes cast at a meeting (or such greater number as may be specified by the Articles of Association) or approval in writing by all Shareholders entitled to vote on the matter. Newco's board of directors may not effect amendments to the Memorandum and Articles of Association on its own. The procedures for the amendment of the governing documents of Newco under Cayman Law would be substantially similar to the procedures for the amendment of the Company's governing documents under the CBCA.~~

Dissent Rights

The CBCA provides that ~~Shareholders~~shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where the company proposes to:

- alter the restrictions on the powers of the company or on the business it is permitted to carry on;
- adopt an amalgamation agreement or approve an amalgamation;

- approve an arrangement if the terms of the arrangement provide dissent rights;
- authorize the sale of all or substantially all of the company's undertaking;
- authorize the continuance of the company into another jurisdiction;
- take any other action if the resolution by its terms gives a right to dissent; or
- carry out a going private transaction.

Save in the case of proposed merger or consolidation of a Cayman Islands company (pursuant to which a dissenting shareholder is entitled to payment of the fair value of their shares), there is no specific right of dissent for ~~Shareholders~~shareholders under the Cayman Law. However, in connection with the compulsory transfer of shares to a ninety percent (90%) shareholder of a Cayman Islands ~~corporation~~company, a minority shareholder may apply to the court within one month of receiving notice of the compulsory transfer objecting to that transfer. In these circumstances, the burden is on the minority shareholder to show that the court should exercise its discretion to prevent the compulsory transfer. [Cayman courts are unlikely to grant any relief in the absence of bad faith, actual fraud, unequal treatment of ~~Shareholders~~shareholders or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority ~~Shareholders~~]. ~~[NTD: Confirm with Cayman counsel.]~~shareholders.

Oppression Remedy

Under the CBCA, a shareholder of a corporation has the right to apply to court if:

- any act or omission of the corporation or any of its affiliates effects a result;
- the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner; or
- the powers of the directors of the corporation or any of its affiliates are or have been exercised in a manner;

that is oppressive or unfairly prejudicial to or that unfairly disregards the interests of any security holder, creditor, director or officer. On such an application, the court may make such order as it sees fit, including an order to prohibit any act proposed by the company.

The statutory laws of the Cayman Islands do not provide for a similar remedy. Courts may provide a remedy in the circumstances described ~~under "Dissenting Shareholders"~~above in "Dissent Rights". There may also be a right under common law for a shareholder to apply to court to have, among other things, a Cayman Islands company wound up on grounds that it would be just and equitable to do so. Also, see the section entitled "Derivative Action", which discusses certain other minority rights.

Derivative Action

Under the CBCA, a shareholder or director of a corporation may, with leave of the court, prosecute a legal proceeding in the name and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such a right, duty or obligation.

The Cayman Islands courts have recognized derivative suits by shareholders in some limited circumstances. The Cayman Islands courts ordinarily would be expected to follow English precedent,

which would permit a minority shareholder to commence an action against or a derivative action in the name of the company only:

- where the act complained of is alleged to be beyond the corporate power of the company or illegal;
- where the act complained of is alleged to constitute a fraud against the minority perpetrated by those in control of the company; or
- where the act requires approval by a greater percentage of the company's shareholders than actually approved it; ~~or~~
- ~~where there is an absolute necessity to waive the general rule that a shareholder may not bring such an action in order that there not be a denial of justice or a violation of the company's memorandum of association.~~

Duties of Directors and Officers

Under the CBCA, in exercising their powers and discharging their duties, directors and officers must act honestly and in good faith, with a view to the best interests of the corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. No provision in the corporation's notice of articles, articles, resolutions or contracts can relieve a director or officer of these duties.

Fiduciary obligations of directors under Cayman law are substantially the same as under the CBCA. The Companies Law does not directly address the issue of the limitation of a director's liability. However, Cayman public policy will not allow the limitation of a director's liability for his own fraud, wilful neglect or wilful default. In addition, the Cayman Islands courts would consider English precedent to be persuasive in respect of fiduciary duties of the directors and officers of a company.

Appointment and Removal of Directors

Under the CBCA the ~~Shareholders~~shareholders may appoint or remove directors. However, the board of directors may appoint a director to fill a vacancy or, if the corporation's articles provide, appoint additional directors until the next annual meeting of shareholders; provided that, the number of additional directors may not exceed one-third (1/3) of the number of directors elected by shareholders at the last annual meeting.

Under Cayman Law [~~and the Cayman Articles of Association of the Newco~~], ~~the board of directors~~ Board may appoint any person as an additional director provided that the appointment does not cause the number of directors to exceed the number fixed by or in accordance with the Articles of Association as the maximum number of directors. In addition, a director may be removed from office by ~~notice addressed to him at his last known address and signed by all of his co-directors~~ the Major Shareholder that appointed such director in accordance with the Cayman Articles as described above in "Newco Board of Directors".

Indemnification of Officers and Directors

The CBCA allows a corporation to indemnify a director or former director or officer or former officer of a corporation or its affiliates against all liability and expenses reasonably incurred by him in a proceeding to which he is made party by reason of being or having been a director or officer if he acted honestly and in good faith with a view to the best interests of the corporation and, in cases where an action is or was substantially successful on the merits of his defence of the action or proceeding against him in his capacity as a director or officer.

Under Cayman Law, a company's articles of association may provide for the indemnification of its directors, officers, employees and agents, except to the extent that such provision may be held by the Cayman Islands courts to be contrary to public policy. For instance, a provision purporting to provide indemnification against the consequences of committing a crime may be deemed contrary to public policy. In addition, an officer or director may not be indemnified for his own actual fraud, willful neglect or willful default. The Cayman Articles will provide for the indemnification of directors and officers and advancement of expenses to defend claims against directors to the fullest extent allowed by law.

Delivery of Financial Statements

The CBCA requires the directors of a corporation to place before the ~~Shareholders~~shareholders at every annual meeting comparative annual financial statements, together with a report of the auditor, if any, and such further financial information required by the corporation's constating documents.

Under Cayman Law, a company is required to keep proper books of account, including records of financial transactions. ~~However, there~~There is no statutory requirement for an exempted company to hold an annual meeting, produce audited accounts or provide financial statements to the ~~Shareholders~~shareholders.

Compulsory Acquisition of Shares Held by Minority Holders

Similar to the CBCA, there are certain circumstances under Cayman Law where an acquiring party may be able to compulsorily acquire the shares of minority holders. ~~Under Cayman Law, an acquiring party may be able to compulsorily acquire the Newco Shares of minority holders in one of three ways as set out below.~~

~~By a procedure under Cayman Law known as a "scheme of arrangement," a Cayman court may, on the application of a company, a creditor of the company or a shareholder of the company, order a meeting of the creditors of the company or of any class of creditors affected by the scheme, and/or a meeting of all Shareholders of the company or of any class of Shareholders affected by the scheme, and if a majority in number of the creditors or Shareholders, as the case may be, present at the meeting held to consider the arrangement, representing at least seventy five percent (75%) in value of the creditors or class of creditors, or members or class of members, as the case may be, agree to the scheme, the scheme, if sanctioned by the court, shall bind the company, all relevant creditors, and all relevant Shareholders. It is possible that the effect of such a scheme may be that Newco would be dissolved, its assets transferred to the acquiring company and shares of the acquiring company be issued to the holders of Newco Shares of Newco.~~

~~By acquiring pursuant to a tender offer ninety percent (90%) of the Newco Shares not already owned by the acquiring party (the "offeror"). If an offeror has, within four months after the making of an offer for all the Newco Shares not owned by the offeror, obtained the approval of not less than 90% of all the shares to which the offer relates, the offeror may, at any time within two months after the end of that four month period, require any non-tendering shareholder to transfer its shares on the same terms as the original offer. In those circumstances, non-tendering Shareholders will be compelled to sell their shares, unless within one month from the date on which the notice to compulsorily acquire was given to the non-tendering shareholder, the non-tendering shareholder is able to convince the court to order otherwise.~~

~~Cayman Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (1) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (2) a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies into the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of~~

~~merger or consolidation, which must then be authorized by a special resolution of the Shareholders of the relevant Cayman Islands constituent company voting together as one class. The plan must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a statement of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and published in the Cayman Islands Gazette. Dissenting Shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.~~

~~*Newco Board of Directors*~~

~~The Board of Newco will be composed of five members, of which two nominees shall be named by Baiyin and two nominees shall be named by Gramercy, with the fifth board member to be chosen jointly by them. Newco will also create a compensation committee and an audit committee, and both Baiyin and Gramercy will have a seat and veto rights on both committees. In addition, both Baiyin and Gramercy shall have the right to nominate one or more observers to the New Board and any committees of the New Board. The Chairman of the New Board shall be agreed by both Baiyin and Gramercy. The New Board shall meet ordinarily at least once every month, in person or by telephone, and extraordinarily at any time in case a meeting of the New Board is so called.~~

~~**Newco Share Terms**~~

~~In addition to the foregoing, the rights of the shareholders of Newco will be affected by and subject to the Newco Share Terms, which shall be set forth either in a shareholders agreement to which all holders of New Equity shall be deemed to be a party pursuant to the Plan and/or in Newco's Memorandum and Articles of Association. The Newco Share Terms will confer specific rights and obligations on the Newco shareholders which will be in addition to or in substitution for the rights of shareholders under Cayman Law, as set out below.~~

~~In particular, and as described below, it is anticipated that the groups of shareholders represented by each of Baiyin and Gramercy (referred to herein as the "**Major Shareholders**") shall have certain rights and obligations that differ from the other shareholders of Newco (the "**Minority Shareholders**").~~

~~The Minority Shareholders are anticipated to hold Class B Common Shares, which will be non-voting common shares of Newco with rights to information, pre-emptive rights and a right to "tag along" in the context of certain transactions, and certain obligations in the context of certain transfers of Newco Shares, as described below.~~

~~The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Board of Directors.~~

~~There will be no distinction in the economic rights of the Class A Common Shares (voting) and the Class B Common Shares (non-voting), and they are referred to in this section collectively as the "**Newco Shares**".~~

~~*Transfers of Shares*~~

~~Subject to compliance with applicable securities laws, transfers of shares are generally permissible by all shareholders of Newco, subject to the rights of first offer, tag-along rights and customary conditions (i.e. compliance with law, no registration/prospectus required, transferee becoming bound by the Share Terms).~~

~~Prior to the transfer of any Newco Shares, each shareholder must first offer to sell its Newco Shares to Baiyin and Gramercy, on a pro rata basis. Notice of the intention to sell must be delivered in writing, indicating the price at which the shareholder proposes to sell the Newco Shares, which price must be payable in money and not in any other form of property. If a Major Shareholder wishes to purchase the offered Newco Shares, it must purchase all, but not less than all of its proportionate share of such offered shares, and will have the right to purchase all, but not less than all, of the Newco Shares not purchased by the other Major Shareholder. The selling shareholder will have 30 days to sell any Newco Shares not elected to be purchased by the Major Shareholders. Each Major Shareholder will have the opportunity to sell a small portion of its Newco Shares (no more than 3% of its aggregate Newco Shares in any six-month period] to third party transferees without having to comply with these rights of first offer.~~

~~Tag Along Rights~~

~~Subject to certain customary exceptions (related to sales to employees, distributions to the public and affiliate transactions), all shareholders will have "tag-along" rights in respect of transfers of more than 20% of the outstanding Newco Shares. Shareholders will have [20 Business Days] to decide whether they will participate in any tag-along sale. Shareholders will have the right to sell their pro-rata share of the Newco Shares proposed to be sold.~~

~~Drag Along Rights~~

~~One or more shareholders owning 66-2/3% or more of the outstanding Newco Shares will be permitted to "drag" all other shareholders in a sale of their Newco Shares. All dragged shareholders must sell their proportionate share of Newco Shares to the buyer and otherwise support the transaction. Newco will have a proxy to enforce other shareholders' compliance with these drag-along obligations.~~

~~Pre-emptive Rights~~

~~If any additional equity shares of Newco are proposed to be issued, all shareholders will have a pre-emptive right to participate in such offering of new equity shares. Shareholders will have 20 days to provide notice to Newco that they intend to purchase their pro rata share of any proposed issuance. At the request of either Major Shareholder, the purchase price proposed to be used in the context of such offering shall be that determined by an internationally recognized valuation firm. For any pre-emptive right not exercised in full, shareholders holding not less than 20% of the outstanding Newco Shares will have the right to purchase the additional shares (on proportionate basis, including any such shares not then purchased by a 20% shareholder). If the issuance is not purchased in full by shareholders, Newco will have 60 days to issue such securities to a third party.~~

~~Registration Rights~~

~~It is anticipated that in the event that the shares of Newco are publicly listed following an initial public offering, shareholders holding at least 20% of the outstanding shares of Newco will be granted customary demand and piggy back registration rights.~~

~~Exit/Liquidity Provision~~

~~Beginning on the Business Day occurring on the later of (i) the one year anniversary following confirmation of the management and Board of Directors of Newco, and (ii) December 31, 2019, Newco shall use its commercially reasonable efforts to initiate the sale of the equity of the Corporation to a third party or parties either by:~~

~~(a) initiating the sale of Newco to a strategic buyer by engaging an acceptable qualified valuation bank and conducting a transparent and competitive auction for the sale of all of the equity interests of the shareholders; and/or—~~

~~(b) completing the listing of or posting for trading of Newco Shares of no less than 30% of the outstanding Newco Shares, pursuant to customary documentation and market practice for such offerings on a recognized securities exchange or automated quotation system acceptable to the Major Shareholders to effect a primary offering or allow the Major Shareholders to effect a secondary offering (or both) of Newco Shares to the public in Canada, the United States and/or such other jurisdictions that are acceptable to the Major Shareholders, in each case by way of registration statement or prospectus filing under applicable securities laws (an "IPO").~~

~~In addition, as of July 1, 2019, any shareholder holding at least 20% of the outstanding Newco Shares may require Newco to use its commercially reasonable efforts to cause to be filed in a timely manner a preliminary prospectus (and registration statement, if required) relating to an IPO to enable such shareholders to sell their Newco Shares pursuant to a secondary offering.~~

Information Rights

~~All shareholders shall be entitled to receive (i) audited annual financial statements within 120 days of the end of each fiscal year, and (ii) unaudited quarterly financial statements within 45 days of the end of each fiscal quarter. Each of the Major Shareholders shall be entitled to additional information and inspection rights customary for significant shareholders of a corporation and consistent with their historical rights of information and inspection set out in the Stream Agreements.~~

Board of Directors

~~The Board shall at all times consist of five directors. Each Major Shareholder shall have the right to nominate as members of the Board two (2) individuals and shall have the right to unilaterally replace them at any time. The four directors selected by the Major Shareholders shall appoint a fifth director, who is anticipated to act as Chair of the Board. It is anticipated that the Board shall determine the overall policies, objectives, operations, business and affairs of Newco and its subsidiaries.~~

Approval of Certain Matters

~~As described in further detail in the Restructuring Term Sheet, there are certain matter of business that Newco may not undertake without the affirmative vote of at least one member of the Board representing each Major Shareholder, or by the affirmative vote of each Major Shareholder (as may be determined in each case by the Board). These matters include material changes to the business, corporation or legal structure of Newco, changes in management and compensation matters, acquisitions, dispositions, lending arrangements, approval of operational budgets, capital expenditures, and dividends.~~

Refinancings

~~Either Major Shareholder shall have the equal right to provide or share financings on terms similar to those proposed to Newco by third parties, or to take up the right of the other if either party does not provide such financing.~~

BACKGROUND TO THE RECAPITALIZATION

The following describes the general background to the Recapitalization and ~~the~~ conditions and events that led to the Company's decision to pursue the Recapitalization. Based on the circumstances facing the Companies, the Boards of Directors of the Companies believe that the Recapitalization is in the best interests of the Companies and their stakeholders, with the objective of addressing the Companies' capital structure and liquidity needs.

In April 2017, pursuant to a Plan of Arrangement (the "**CBCA Arrangement**") under section 192 of the CBCA, Banro implemented a recapitalization with the goal of improving its capital structure. The

recapitalization was intended to enhance the Banro Group's liquidity and provide it with greater operating flexibility. The CBCA Arrangement resulted in, among other things, the exchange of certain maturing debt ~~withfor~~ the Secured Notes and ~~with certain~~ additional equity in Banro. As well, as part of the CBCA Arrangement, preferred shares of Banro and certain of its subsidiaries were exchanged for common shares of Banro. a gold forward sale agreement for production at the Namoya mine (the "**Namoya Forward I Agreement**") was entered into and certain debt maturity dates were extended.

Following the CBCA Arrangement, Banro continued to face significant liquidity constraints in both the short and long term as a result of, among other things, ~~increasing socio-political risks in the DRC~~, including instability in the eastern region of the DRC where ~~the~~ Banro's mines are located, ~~and~~ gold production at the mines being less than targeted (which in ~~turn is part was~~ related to ~~the this~~ instability and the Companies' liquidity constraints). Since the implementation of the CBCA Arrangement, the Companies have incurred over USD\$30 million of additional indebtedness, all of which has been guaranteed by Banro.

~~Pursuant to agreements dated April 27, 2017, Rawbank S.A. provided lines of credit and overdrafts to Twangiza DRC and Namoya DRC in the aggregate principal amount of US\$10 million (collectively, the "Rawbank Loans").~~

~~Pursuant to a letter dated July 18, 2017, Namoya DRC: (i) received a loan in the principal amount of US\$9 million from Banque Commerciale du Congo (the "BCDC Loan"); and (ii) maintained its BCDC Line of Credit for US\$4 million (the "BCDC Line of Credit").~~

~~On~~ In July 12, 2017, in order to provide required additional liquidity, Namoya DRC and Twangiza DRC entered into the Namoya Forward II Agreement and the Twangiza Forward II Agreement with affiliates of Baiyin and Gramercy. In addition, in order to provide additional liquidity for its operations, Banro agreed with certain affiliates of Gramercy to defer certain gold deliveries that would otherwise be due to Gramercy under the Namoya Streaming Agreements and under the existing Twangiza Forward I Agreement.

On ~~August 10, 2017,~~ the Board of Banro created a Special Committee comprised of ~~Messrs. Brissenden, Rorrison and Weyrauch all of whom are~~ independent directors (the "**Special Committee**"). The members of the Special Committee are Messrs. Brissenden, Rorrison and Weyrauch. The mandate of the Special Committee ~~was is~~ to analyse the financial and operational condition of the Company and develop and implement a comprehensive strategy to deal with the operational, financial and managerial challenges facing the Company, which strategy ~~may could~~ include, without limitation, all or any of: a restructuring of all or any aspect of the Corporation's capital under the CBCA or the CCAA, the sale or other disposition of all or any of the Company's assets or a business combination or other change of control transaction. During the period from ~~August 10~~ to December 22, 2017, the Special Committee met a total of ~~40~~ times.

On September 25, 2017, Banro announced that, as a result of the closure of road access to the Company's Namoya mine in Maniema Province of the DRC, mining operations at the Namoya mine had been temporarily suspended. The closure of road access ~~closure~~ was due to the activities of local groups against both the local populations and against the DRC national army, and ~~has~~ resulted in the depletion of essential operating stock at ~~site the mine site which had, and continued to have through to year end and beyond, a significant further negative impact on cash flow and liquidity.~~

On October 25, 2017, Banro announced that, in order to provide additional liquidity for its operations, it had agreed with certain affiliates of Baiyin and an entity controlled by Gramercy to again defer certain gold deliveries that would otherwise be due to Gramercy and such Baiyin affiliates under certain streaming and forward agreements. Specifically, all gold delivery obligations due from mid-September 2017 to end December 2017 under the existing Twangiza Stream were deferred, as well as all gold delivery obligations due from September 2017 to end December 2017 under the existing Namoya ~~GFSA~~ gold forward sale agreement entered into in April 2017 with a Baiyin affiliate and Gramercy. These deferrals were entered

into in order to provide the ~~Companies~~Company with additional short term liquidity while it continued to explore opportunities to address its ongoing operational and working capital challenges.

On November 13, 2017, Banro announced that the Special Committee had advised the Board that, based in part on the opinion of its financial advisor, it had concluded that there was no reasonable prospect that a successful capital raise (whether debt, equity or a combination) could be completed at the current time at a level sufficient to refinance the Company's existing indebtedness and to address its working capital requirements and that, consequently, there was substantial doubt as to the ~~Companies'~~Company's ability to continue as a going concern.

The Special Committee further reported that it was in discussions with the Companies' major stakeholders concerning the possible restructuring of ~~the Companies'~~ non-DRC debt obligations as well as the provision of financing to support ~~the Companies'~~ ongoing operations in the DRC.

Due to the significant uncertainty surrounding the ~~Companies~~Company's ability to continue as a going concern, Banro also announced on November 13, 2017, that it was not in a position to release its interim unaudited condensed consolidated financial statements and related management's discussion and analysis for the period ended September 30, 2017.

On November 20, 2017, Banro's outstanding securities became subject to a general cease trade order issued by the Ontario Securities Commission ~~for~~due to Banro's failure to file its interim financial statements and management's discussion and analysis for the period ended September 30, 2017, and the certifications of such filings as required by National Instrument 52-109.

On December 1, 2017, Banro announced that it had elected to defer payment of the approximately US\$4.94 million of interest ~~payment~~ due on the Secured Notes on December 1, 2017. Under the terms of the Note Indenture, the failure to pay such interest was not an "Event of Default" if the interest payment was made within 30 days of its due date. Banro announced that it intended to utilize this thirty day period to continue its ongoing discussions with its major stakeholders concerning the possible restructuring of the Company's non-DRC debt obligations as well as the provision of financing to support the Company's ongoing operations in the DRC.

Throughout the months of November and December 2017 the Special Committee and its legal and financial advisors continued to work with Baiyin and Gramercy to negotiate the terms of the Recapitalization (including the Interim Financing, the Restructuring Term Sheet and the Support Agreement).

The Special Committee met on each of December 19, 20, 21 and 22 to consider the Recapitalization and to receive reports from its legal and financial advisors on the negotiation of the terms of the Recapitalization and of the Recapitalization Term Sheet and the Support Agreement.

At its meeting on December 22, 2017, the Special Committee, after receiving reports from its legal and financial advisors, resolved to recommend to the Board of Directors of the Company that ~~it~~the Company should seek protection from its creditors via a filing under the CCAA and implement the Recapitalization.

At a meeting of the Board held on December 22, 2017 the Board (with the representatives of Gramercy and Baiyin abstaining) unanimously approved the recommendation of the Special Committee and resolved to authorize the Banro to seek protection from its creditors via a filing under the CCAA.

~~On December 22, 2017, following the announcement of the receipt of the Initial Order the NYSE American announced that it had commenced proceedings pursuant to Section 1003(a)(iv) of the NYSE American Company Guide to delist Banro's Common Shares from NYSE American. Banro's Common Shares would be suspended from trading pending a delisting review and the TSX announced that its listing committee determined to delist the Banro's Common Shares from the TSX effective at the close of market on~~

~~January 22, 2018~~ [January 22, 2018, Banro's common Shares were delisted from the NYSE American Exchange and the Toronto Stock Exchange.](#)

CCAA PROCEEDINGS

Initial Order

On December 22, 2017, the Companies filed for protection under the CCAA and the Initial Order was granted by the Court. A copy of the Initial Order is attached hereto as Appendix D and can be obtained at the Monitor's Website at: <http://cfcanada.fticonsulting.com/banro/>.

Among other things, the Initial Order:

- (a) ~~(i)~~ Granted a stay of proceedings in favour of the Companies and the Non-Applicant Subsidiaries until and including January 19, 2018 (the "~~Stay of Proceedings~~ [Period](#)"). The ~~Stay of Proceedings~~ [Period](#) has since been extended to March 30, 2018;
- (b) ~~(m)~~ Appointed the Monitor to assist the Companies in various matters relating to the CCAA Proceedings and to report to the Court from time to time on matters that may be relevant to the CCAA Proceedings;
- (c) ~~(n)~~ Authorized Banro to borrow the maximum sum of US\$20 million pursuant to the Interim Financing Term Sheet dated December 21, 2017 as interim financing (~~the "DIP Facility"~~) from Gramercy and Baiyin and granted the DIP Lenders' Charge as security for the Companies' obligations thereunder;
- (d) ~~(e)~~ Authorized the Companies to take all steps and actions contemplated by, and to comply with their obligations under, the Support Agreement;
- (e) ~~(p)~~ Granted an indemnity in favour of the Directors and Officers of the Companies and granted the Directors' Charge as security for such indemnity; and
- (f) ~~(q)~~ Established the Administration Charge.

The Administration Charge, DIP Lenders' Charge, and Directors' Charge (~~the "Charges"~~) are charges against all of the current and future property and assets of the Companies, and rank in priority to all other security interests, trusts, liens, charges, and encumbrances, claims of secured creditors, statutory or otherwise, in favour of any Person.

SISP Approval Order

On January 18, 2018, the Court granted the SISP Approval Order. Among other things, the SISP Approval Order approved the SISP and authorized the Companies and the Monitor to perform their obligations thereunder. [The SISP process was commenced shortly after the granting of the SISP Approval Order and continues.](#)

Stay Extension & CCAA Charges Priority Order

On January 18, 2018, the Court also granted the Stay Extension & CCAA Charges Priority Order. Among other things, the Stay Extension & CCAA Charges Priority Order:

- (a) ~~(r)~~ Extended the ~~Stay of Proceedings~~ [Period](#) to March 30, 2018;
- (b) ~~(s)~~ Approved the Pre-Filing Report of the Monitor dated December 22, 2017 and the activities of the Monitor described therein; and

(c) ~~(t)~~ Declared that, effective as of December 22, 2017 the Charges rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise in favour of any Person over the Property (as defined in the Initial Order), including the Encumbrances (as defined in the Initial Order).]

Claims Procedure Order

On ~~February 1,~~ [February 1,](#) 2018, the Court granted the Claims Procedure Order, which provides for, among other things, the establishment of a claims procedure for the identification, quantification and determination of certain claims against the Companies [and the identification of Claims against the Directors and Officers.](#) The Claims Procedure Order is attached as Appendix “F” to this Circular.

Pursuant to the terms of the Claims Procedure Order, March 6, 2018 at 5:00 pm is the Claims Bar Date (“**Claims Bar Date**”) for filing Notices of Dispute of Claim for Listed Creditors for voting and distribution purposes in connection with the Plan and for filing Director/Officer Proof of Claims. The Monitor will assist the Companies in the conduct of the Claims ~~Process~~[Procedure](#) pursuant to the Claims Procedure Order.

Meeting Order

On ~~February 1,~~ [February 1,](#) 2018, the Court also granted the Meeting Order authorizing and directing the Companies to call the Creditors’ Meetings and establishing procedures for the votes in respect of the Plan. The Meeting Order authorizes and directs the Companies to call the Affected Secured Creditors’ Meeting on March 9, 2018 at 1:30 pm (Toronto time) and the Affected Banro Unsecured Creditors’ Meeting on March 9, 2018 at 1:45 pm (Toronto time). The Meeting Order also establishes, among other things, procedures for proxies and voting, procedures for Secured Noteholder solicitation, and the Noteholder Voting Record Date of ~~January 31,~~ [January 31,](#) 2018. The Meeting Order is attached as Appendix “E” hereto.

Court Sanction and Implementation of the Plan

Following the Creditors’ Meetings, and provided that the Plan is approved by the Required Majorities at the Creditors’ Meetings, the Companies intend to bring a motion before the Court on March [16], 2018 at ~~1:30 pm~~ (Toronto time) or such later date as may be posted on the Monitor’s website, at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least seven (7) Business Days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least seven (7) Business Days before such Court hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained by contacting the Monitor at the particulars set out above or from the Monitor’s website set out below.

Prior to the hearing on the Sanction Order, the Court will be informed that the New Equity to be issued pursuant to the Plan will be issued in reliance upon the exemption from registration under the 1933 Act provided by Section 3(a)(10) thereunder and applicable Canadian securities law exemptions, upon the Court’s approval of the Plan and the Court’s approval of the fairness of the ~~Exchange Plan~~ after a fairness hearing, in each case, in accordance with the provisions of Section 3(a)(10) of the 1933 Act. The Court may approve the Plan in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Assuming the Sanction Order is granted and the other conditions thereto are satisfied or waived, it is anticipated that the following will occur substantially simultaneously: (a) the various documents necessary to consummate the Plan (including the Monitor’s Certificate) will be executed and delivered; and (b) the transactions provided for in the Plan will occur in the order indicated.

THE SUPPORT AGREEMENT

On December 22, 2017, the Companies entered into the Support Agreement with the Requisite Consenting Parties, who currently hold in excess of 74% of the Affected Secured Claims.

Pursuant to the Support Agreement, and subject to the terms and conditions thereof, the Banro Group will seek to comply with the terms of the SISP and, if no ~~Qualified-Alternative~~Successful Transaction ~~Bid~~ (as defined in the SISP) is identified as a result of the SISP, to proceed to complete the Recapitalization. In addition, Baiyin, Gramercy, and parties related thereto agreed to support the SISP and, if no ~~Qualified-Alternative~~Successful Transaction ~~Bid~~ is identified as a result of the SISP, to support the Recapitalization.

The terms of the Recapitalization as agreed among the parties to the Support Agreement are set forth in the Restructuring Term Sheet.

Conditions Precedent to the Consenting Parties' Support Obligations

Pursuant to the terms of the Support Agreement, the obligation of the Requisite Consenting Parties to complete the Recapitalization is subject to the satisfaction of the following conditions, among others, prior to the Effective Time, each of which, if not satisfied prior to the Effective Time, can only be waived by the Requisite Consenting Parties:

- (a) there shall not have occurred any Material Adverse Change;
- (b) all of the following shall have been acceptable to the Requisite Consenting Parties, acting reasonably and in a manner consistent with the terms of the Support Agreement, at the time of their filing or issuance: (i) all materials filed by the Companies with the Court or any other court of competent jurisdiction in Canada or any other jurisdiction that relate to the Recapitalization; and (ii) the Definitive Documents (as defined in the Support Agreement);
- (c) each other Requisite Consenting Party shall have performed all of its material obligations under and in accordance with the Support Agreement;
- (d) the Companies shall have performed all of their material obligations under and in accordance with the Support Agreement and Banro, on its own behalf and on behalf of the other Companies, shall have confirmed as of the Implementation Date in writing (which may be through counsel) to the Requisite Consenting Parties that it believes it has performed its material obligations under the Support Agreement;
- (e) the representations and warranties of the Companies set forth in the Support Agreement shall continue to be true and correct in all material respects (except to the extent such representations and warranties are by their terms given as of a specified date, in which case, such representations and warranties shall be true and correct in all respects as of such date), except as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by the Support Agreement and the Companies shall have confirmed as of the Implementation Date in writing (which may be through counsel) to the Requisite Consenting Parties that it believes the representations and warranties remain true;
- (f) the leases and the executory contracts and other contractual obligations of the Companies and other unsecured claims against the Companies shall be dealt with in a manner acceptable to the Companies and Requisite Consenting Parties; and
- (g) on the Implementation Date, the Requisite Consenting Parties shall have been reimbursed the reasonable fees and expenses, in accordance with the terms of the Support Agreement, incurred in connection with the Recapitalization, including, without

limitation the reasonable fees and expenses of the Requisite Consenting Party Advisors (including an estimate of any fees and expenses expected to be incurred up to and following completion of the Recapitalization), provided the Requisite Consenting Parties shall have advised the Companies of those expenses at least five Business Days prior to the Implementation Date.

Conditions Precedent to the Recapitalization

The Support Agreement stipulates that the following conditions, among others, must be satisfied prior to the implementation of the Recapitalization:

- (a) the Sanction Order shall have been granted by the Court and shall be in full force and effect;
- (b) the Implementation Date shall have occurred no later than the Outside Date;
- (c) in the event the Recapitalization is to be implemented pursuant to the Plan, the Plan shall have been approved by the Court;
- (d) each of the Definitive Documents shall contain terms and conditions consistent in all respects with the Support Agreement and shall otherwise be acceptable to the Companies and the Requisite Consenting Parties, each acting reasonably;
- (e) all required stakeholder, regulatory and Court approvals, consents, waivers and filings shall have been obtained or made, as applicable, on terms satisfactory to the Requisite Consenting Parties and the Companies, each acting reasonably, and copies of any and all such approvals, consents and/or waivers shall have been provided to the Requisite Consenting Party Advisors;
- (f) all filings under applicable Laws shall have been made and any regulatory consents or approvals that are required in connection with the Recapitalization shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated; and
- (g) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application shall have been made to any Governmental Entity, and no action or investigation shall have been announced, threatened or commenced by any Governmental Entity, in consequence of or in connection with the Recapitalization that restrains, impedes or prohibits (or if granted would reasonably be expected to restrain, impede or inhibit), the Recapitalization or any part thereof or requires or purports to require a variation of the Recapitalization.

Termination

The Support Agreement may be terminated with respect to the obligations of each Requisite Consenting Party in the exercise of its sole discretion, upon the occurrence and, if applicable, continuation of any of the following events:

- (a) the Milestones set forth in the Interim Financing Term Sheet have not been met or waived in accordance with the terms thereof, or the Implementation Date has not occurred on or before the Outside Date;
- (b) the occurrence of any Event of Default (as defined in the Support Agreement) that has not been waived under the Interim Financing Term Sheet as defined therein;
- (c) the occurrence of a Material Adverse Change;

- (d) any Company Party (as defined in the Support Agreement) takes any action inconsistent with the Support Agreement or fails to comply with, or defaults in the performance or observance of, any material term, condition, covenant or agreement set forth in the Support Agreement, which, if capable of being cured, is not cured within ten (10) Business Days after the receipt of written notice of such failure or default and provided that, for greater certainty, no cure period shall apply with respect to any termination pursuant to Sections ~~4-4~~12 (a), (bc), (gh), and (kl)(k) of the Support Agreement;
- (e) any representation, warranty or acknowledgement of any of the Company Parties made in the Support Agreement shall prove untrue in any material respect as of the date when made;
- (f) the issuance of any final decision, order or decree by a Governmental Entity, in consequence of or in connection with the Recapitalization, which restrains or impedes in any material respect or prohibits the Recapitalization or any material part thereof or requires or purports to require a material variation of the Recapitalization;
- (g) any Company Party takes any action inconsistent with the Support Agreement or fails to comply with, or defaults in the performance or observance of, any material term, condition, covenant or agreement set forth in the Support Agreement, which, if capable of being cured, is not cured within ten (10) Business Days after the receipt of written notice of such failure or default;
- (h) the CCAA Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed in respect of Banro, unless such event occurs with the prior written consent of the Requisite Consenting Parties;
- (i) the Court denies approval of the Sanction Order or, if the Court enters the Sanction Order, the Sanction Order is subsequently reversed, vacated or otherwise materially modified in a manner inconsistent with the Support Agreement, the Plan, the Restructuring Term Sheet and the Recapitalization, if such modification is not acceptable to the Consenting Party, acting in a manner consistent with the terms of this Agreement;
- (j) the amendment, modification or filing of a pleading by the Companies seeking to amend or modify the Recapitalization Terms (as defined in the Support Agreement) or the Plan, or any material document or order relating thereto, if such amendment or modification is not acceptable to the Requisite Consenting Parties, acting in a manner consistent with the terms of the Support Agreement;
- (k) if the Support Agreement is amended, modified or supplemented or any matter under the Support Agreement is approved, consented to or waived such that the Outside Date is extended, or the effect of any such amendment materially adversely changes the fundamental terms of the Recapitalization as they relate to that Consenting Party, in each case without such Consenting Party's consent; or
- (l) the conditions set forth in Section 8 of the Support Agreement are not satisfied or waived by the Outside Date or the Requisite Consenting Parties determine that there is no reasonable prospect that the conditions set forth in Section 8 of the Support Agreement will be satisfied or waived by the Outside Date.

The Support Agreement may be terminated by the Companies upon the occurrence and, if applicable, the continuation of, among others, any of the following events:

- (a) the Milestones set forth in the Interim Financing Term Sheet have not been met or waived, or the Implementation Date has not occurred on or before the Outside Date,

unless the failure to meet the foregoing timelines is caused solely by the direct action or omission to take any action by the Companies;

- (b) any Consenting Party takes any action inconsistent with the Support Agreement or fails to comply with, or defaults in the performance or observance of, any material term, condition, covenant or agreement set forth in this Agreement, which, if capable of being cured, is not cured within ten (10) Business Days after the receipt of written notice of such failure or default and provided that, for greater certainty, no cure period shall apply with respect to any termination pursuant to Sections ~~4-12~~(a), or ~~(g)(h)~~ of the Support Agreement;
- (c) any representation, warranty or acknowledgement of any of the Consenting Parties made in the Support Agreement shall prove untrue in any material respect as of the date when made;
- (d) the issuance of any final decision, order or decree by a Governmental Entity, in consequence of or in connection with the Recapitalization, which restrains or impedes in any material respect or prohibits the Recapitalization or any material part thereof or requires or purports to require a material variation of the Recapitalization;
- (e) the CCAA Proceedings are dismissed or a receiver, interim receiver, receiver and manager, trustee in bankruptcy, liquidator or administrator is appointed in respect of Banro, unless such event occurs with the prior written consent of the Companies and Requisite Consenting Parties;
- (f) the Court denies approval of the Sanction Order or, if the Court enters the Sanction Order, if the Sanction Order is subsequently reversed, vacated or otherwise materially modified in a manner inconsistent with the Support Agreement, and to the extent such orders relate to the implementation of the Recapitalization, the Plan and the Restructuring Term Sheet if such modification is not acceptable to the Companies and the Consenting Parties, acting in a manner consistent with the terms of the Support Agreement;
- (g) the amendment, modification or filing of a pleading by the Requisite Consenting Parties seeking to amend or modify the Recapitalization Terms or the Plan, or any material document or order relating thereto, if such amendment or modification is not acceptable to the Companies, acting in a manner consistent with the terms of the Support Agreement;
- (h) if the Support Agreement is amended, modified or supplemented or any matter herein is approved, consented to or waived such that the Outside Date is extended, or the effect of any such amendment materially adversely changes the fundamental terms of the Recapitalization as they relate to the Companies, in each case without the Companies' consent;
- (i) if either (i) Baiyin does not obtain the regulatory approvals required under item 18 of Section 7 of the Interim Financing Term Sheet by January 19, 2018, or such other day as may be agreed to with the Companies and the Requisite Consenting Parties, or (ii) the Interim Lenders (as defined in the Support Agreement) breach their funding obligations under the DIP Facility in accordance with the terms of the Interim Financing Term Sheet; or
- (j) the conditions set forth in Section 8 of the Support Agreement are not satisfied or waived by the Outside Date.

In addition, the Support Agreement may be terminated by mutual consent of the Companies and the Requisite Consenting Parties.

Upon termination, the Support Agreement shall be of no further force and effect and each party is automatically and simultaneously released from its commitments, undertakings, and agreements under or related to the Support Agreement, except for the rights, agreements, commitments and obligations under certain specified sections.

EFFECT OF THE RECAPITALIZATION

The Recapitalization is expected to improve the capital structure of the Companies by reducing the amount of outstanding debt and deferring certain upcoming gold delivery obligations in order to increase liquidity. The Companies expect to continue normal business operations at ~~its~~[the](#) mines and the Company's obligations to employees, trade creditors, equipment leases and suppliers will not be affected by the Recapitalization.

Recommendation of the Board

The Board [of Directors of Banro](#), after careful consideration of a number of factors, and after consultation with its advisors, unanimously determined that the Recapitalization is in the best interests of the Companies and their stakeholders and unanimously determined to recommend: (a) to Affected Secured Creditors that they **VOTE FOR** the Affected Secured Creditors' Resolution at the Affected Secured Creditors' Meeting; and (b) to Affected Banro Unsecured Creditors that they **VOTE FOR** the Affected Banro Unsecured Creditors Resolution at the Affected Banro Unsecured Creditors' Meeting. In making its determinations and recommendations, the Board [of Directors of Banro](#) relied upon legal, tax and other advice and information received during the course of its deliberations.

PROXIES OR BENEFICIAL NOTEHOLDER VOTING INSTRUCTIONS RECEIVED BY THE MONITOR WILL BE VOTED IN FAVOUR OF THE RESOLUTION, UNLESS THE AFFECTED CREDITOR HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS AFFECTED CLAIMS ARE TO BE VOTED AGAINST SUCH RESOLUTION.

RISK FACTORS

Risk Factors Relating to the Companies

Certain risk factors relating to the business and securities of ~~the Companies~~[Banro](#) are contained in the AIF, which has been publicly filed on SEDAR at www.sedar.com. Affected Creditors should review and carefully consider the risk factors set forth in the AIF, which are hereby incorporated herein by reference, and consider all other information contained therein and herein and in Banro's other public filings before determining how to vote on the Plan.

Risk Factors Relating to the Plan

The completion of the Recapitalization may not occur in the time or manner expected, if at all

The Companies will not complete the Plan unless and until all conditions precedent to the Plan are satisfied or waived, in particular, the Plan is subject to regulatory, court and creditor approval. There can be no certainty, nor can the Companies provide any assurance, that all conditions precedent to the Plan will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. ~~See "Conditions to the Arrangement"~~. Even if the Plan is completed, it may not be completed on the terms or schedule described in this Circular.

The Recapitalization may not improve the financial condition of the ~~Company's~~[Companies'](#) business

The Companies ~~believes~~[believe](#) that the Recapitalization will enhance the Companies' liquidity and provide them with greater operating flexibility. However, such belief is based on certain assumptions,

including, without limitation, assumptions about future gold prices, the economic environment of future operations and development projects. Should any of those assumptions prove false, or if other unforeseen developments arise, the financial position of the Companies may be materially adversely affected and the Companies may not be able to pay their debts as they become due.

Potential Effect of the Recapitalization on Banro's Relationships

There can be no assurance as to the effect of the announcement of the Recapitalization on Banro's relationships with ~~its~~the Government of the DRC, the Companies' suppliers, customers, purchasers, contractors or lenders, nor can there be any assurance as to the effect on such relationships of any delay in the completion of the Recapitalization, or the effect if the Recapitalization is completed. To the extent that any of these events result in the tightening of payment or loan terms, increases in the price of supplied goods, or the loss of a major supplier or contractor, or of multiple other suppliers or contractors, this could have a material adverse effect on Banro's business, financial condition, liquidity and results of operations. The Companies may also be unable to retain and motivate key executives and employees following the Recapitalization and the Companies may have difficulty attracting new employees.

Exchange of Debt for Equity

By exchanging or converting the Affected Secured Claims for New Equity pursuant to the Plan, the Affected Secured Creditors will be changing the nature of their investment from debt to equity. Equity carries certain risks that are not applicable to debt. Claims of holders of New Equity will be subordinated in priority to the claims of creditors in the event of an insolvency, winding up, or other distribution of the assets of Newco.

Risk Factors Relating to Non-Implementation of the Recapitalization

The Companies may be unable to continue as a going concern

If the Recapitalization is not implemented, the Companies may not be able to generate sufficient cash flow from operations to meet their obligations and, as such, the Companies may be unable to continue as a going ~~concern~~concerns and may be required to liquidate in the near or medium term. The Companies have constrained ability to generate cash flow and a significant debt burden and obligations under streaming and gold forward purchase agreements which severely limit the alternatives available to the Companies to raise additional capital. There can be no assurance that the Companies will be able to obtain additional capital on terms acceptable to ~~Banro~~the Companies or at all. The inability to secure additional capital required to meet ~~Banro's~~the Companies' financial obligations under the Secured Notes, and other indebtedness of the Companies would have a material adverse effect on the Companies' financial condition and ~~its~~their ability to continue as a going ~~concern~~concerns.

The Companies are in default on certain of their obligations under the Note Indenture

~~The Company~~BGB is in default on its accrued interest payment obligations under the ~~Secured Notes~~Note Indenture. The stay granted by the Court in the CCAA proceedings currently prevents any action being taken by the holders of Secured Notes or the Trustees. If the Recapitalization or similar transaction is not completed, the CCAA stay may not be continued and the holders of the Secured Notes could accelerate the payment obligations under the Secured Notes and pursue the remedies provided in the Note Indenture in the event of non-payment.

If the Plan is not implemented, the amendments to and deferrals of delivery and other obligations under the Gold Streams and Forward Agreements will terminate

As described above under "Amendments to the Streaming and Forward Agreements" the counterparties to certain of the Companies' existing streaming and forward agreements have agreed to amendments to,

and deferrals of required deliveries under, certain gold forward and streaming agreements which are intended to provide the Companies with additional liquidity during the period following the implementation of the Plan. If the Plan is not implemented, these amendments and deferrals cease to be in effect and the Companies will be required to adhere to the original terms of such agreements which would likely lead to a significant loss of liquidity and cash flow.

Risk Factors ~~relating~~ Relating to Newco

Affected Secured Creditors will become shareholders of Newco

Affected Secured Creditors will become shareholders of Newco, which is a holding company without any significant assets other than the shares of its subsidiary companies. Affected Secured Creditors, as the holders of the Secured Notes, had the benefit of security and guarantees from each of the members of the Banro group of companies and would rank ahead of any equityholders of any of the Banro group of companies in a liquidation of any of such companies. As shareholders of Newco, Affected Secured Creditors who become shareholders of Newco will have no right or claim to the assets of any other companies of the Banro Group in the event of a liquidation of Newco.

Certain Newco Shareholders will have greater rights than other Newco Shareholders

The Major Shareholders will hold Class A Common Shares, which will be voting common shares and it is anticipated that the Major Shareholders will control the operations of Newco, both in their capacities as voting shareholders and by their appointment rights in respect of the Board of Directors of Newco.

The Newco Board of Directors will determine the overall policies, objectives, operations, business and affairs of Newco and its subsidiaries. Each Major Shareholder will have the right to nominate as members of the Newco Board of Directors two ~~(2)~~ individuals and will have the right to unilaterally replace them at any time. The four directors selected by the Major Shareholders will appoint a fifth director, who is anticipated to act as Chair of the Newco Board.

Moreover, as described in further detail in the Restructuring Term Sheet, there are certain matters of business that Newco may not undertake without the affirmative ~~vote of at least one member of the Board representing consent of~~ each Major Shareholder, ~~or by the affirmative vote of each Major Shareholder (as may be determined in each case by the Board)~~. These matters include material changes to the business, corporation or legal structure of Newco, changes in management and compensation matters, acquisitions, dispositions, lending arrangements, approval of operational budgets, capital expenditures, and dividends.

Newco will be organized under the laws of a foreign jurisdiction

Newco will be an exempted company organized under the laws of the Cayman Islands. While Cayman Islands corporate law is similar to the CBCA, there are important differences which affect the rights of shareholders. Affected Secured Creditors should review the comparison of rights of shareholders of CBCA corporations and those of Cayman Islands exempted companies set out in this ~~information-circular~~ Circular.

Newco will be a private company

It is not intended that the ~~Newco Shares~~ New Equity will be ~~or become~~ listed on any stock exchange. As a consequence there will be no market for the ~~Newco shares~~ New Equity and it may be difficult or impossible for shareholders to sell or value their ~~Newco Shares~~ New Equity. Newco shareholders will ~~also be subject to so-called~~ have certain rights including rights to information, pre-emptive rights, and a right to "tag along" in the context of certain transactions and will have obligations ("ROFO" and "drag along" rights that will be set out in a shareholders' agreement or in the articles of Newco) in the context of transfers of the New Equity, as described in "Newco Share Terms" in this Circular.

CERTAIN LEGAL MATTERS

Canadian Securities Laws

Resale of Securities

The ~~Newco Shares~~New Equity to be issued pursuant to the Plan will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian securities laws. Consequently, certain protections, rights and remedies provided by Canadian securities legislation, including statutory rights of rescission or damages, will not be available in respect of the ~~Newco Shares~~New Equity issued pursuant to the Plan. The ~~Newco Shares~~New Equity so issued will generally be “freely tradable” (other than as a result of usual resale restrictions under applicable securities laws, including, without limitation, any “control person” restrictions which may arise by virtue of ownership thereof) under applicable Canadian securities laws. All prospective holders of ~~Newco Shares~~New Equity are urged to consult their legal advisors to ensure that the resale of their ~~Newco Shares~~New Equity complies with applicable securities legislation. Holders of ~~Newco Shares~~New Equity residing elsewhere than in Canada are urged to consult their legal advisors to determine the extent of all applicable resale provisions in their jurisdiction of residency.

MI 61-101

As a reporting issuer in each of the provinces of Canada other than Quebec, Banro is subject to applicable securities laws of such provinces. The securities regulatory authority in the Provinces of Ontario, Quebec, Alberta, Manitoba and ~~{•}~~New Brunswick have adopted Multilateral Instrument 61-101 (“**MI 61-101**”), which regulates transactions that raise the potential for conflicts of interest.

MI 61-101 regulates certain types of transactions to ensure fair treatment of security holders when, in relation to a transaction, there are persons in a position that could cause them to have an actual or reasonably perceived conflict of interest or informational advantage over other security holders. If MI 61-101 applies to a proposed transaction of a reporting issuer, then enhanced disclosure in documents sent to security holders, the approval of security holders excluding, among others, “interested parties” (as defined in MI 61-101), and a formal valuation prepared by an independent and qualified valuator, are all mandated (subject to certain exemptions).

The protections afforded by MI 61-101 apply to, among other transactions, “related party transactions” (as defined in MI 61-101) which include issuances of securities to “related parties” of the issuer (as defined in MI 61-101) and material amendments to debts or liabilities owed by or to a “related party”.

The Directors and the senior Officers of Banro, any Person that has beneficial ownership of, or control or direction over, directly or indirectly, or a combination of beneficial ownership of, and control or direction over, directly or indirectly, more than 10% of the Common Shares of Banro, and the Directors or senior Officers of such Persons are all related parties of Banro for the purposes of MI 61-101. Pursuant to MI 61-101, the Plan, the amendments to the Streaming Agreements, the Forward Agreements and the issuance of the New Equity, the Stream Equity Warrants and the New Secured Facility Warrants to certain existing debt/~~noteholders will~~noteholders will be considered “related party transactions” ~~{and the Plan may be considered to be and/or~~ a “business combination” within the meaning of MI 61-101 as, among other things, certain related parties of Banro will receive shares of an affiliate of Banro pursuant to the Plan, Banro and such related parties will amend the terms of certain streaming and gold forward agreements and the related parties will receive Stream Equity Warrants and New Secured Facility Warrants of Newco in connection with such amendments.

Banro is not subject to the requirements of MI 61-101 to prepare a formal valuation as its shares are not listed for trading on certain specified markets. The Companies have advised the Court of the requirements of MI 61-101 regarding minority approval of related party transactions and business combinations and the

Court has determined, in accordance with the CCAA, that a meeting of the shareholders of the Company is not required to be held in order to approve the Recapitalization.

United States Securities Laws

Status under U.S. securities laws

At the time of the implementation of the Plan, Banro will be a “foreign private issuer” as defined in Rule 3b-4 under the Securities Exchange Act of 1934 (the “1934 Act”). On ~~December~~January 22, ~~2017, 2018,~~ the NYSE American ~~announced that it had commenced proceedings pursuant to Section 1003(a)(iv) of the NYSE American Company Guide to delist Banro’s Common Shares from NYSE American. Banro’s Common Shares have been suspended from trading pending a delisting review by~~delisted Banro’s common shares from NYSE American.

At the time of the implementation of the Plan Newco will be a corporation formed under the laws of the Cayman Islands and no issuance of any classes of its securities will be registered under the Securities Act of 1933 (the “1933 Act”).

Issuance and resale of Securities under U.S. Securities laws

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to ~~Securityholders~~securityholders. All ~~Securityholders~~securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of securities issued to them under the Plan complies with applicable securities legislation.

The following discussion does not address the Canadian securities laws that will apply to the issuance to or the resale by ~~Securityholders~~securityholders within Canada of securities of Newco.

Exemption from the registration requirements of the 1933 Act

The issuance of the ~~Newco Shares~~New Equity under the Plan will not be registered under the 1933 Act or the securities laws of any state of the United States.

The ~~Newco Shares~~New Equity to be issued to Affected Secured Creditors pursuant to the Plan will be issued in reliance on the exemption from registration set forth in Section 3(a)(10) of the 1933 Act on the basis of the approval of the Court, which will consider, among other things, the fairness of the Plan to the persons affected. Section 3(a)(10) of the 1933 Act exempts from registration the distribution of a security that is issued in exchange for outstanding securities and/or claims where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval. Accordingly, the Sanction Order will, if granted, constitute a basis for the exemption from the registration requirements of the 1933 Act with respect to the ~~Newco Shares~~New Equity issued under the Plan.

Persons who are not affiliates of Newco after the Plan may resell the ~~Newco Shares~~New Equity that they receive in the United States without restriction under the 1933 Act. A Person who will be an “affiliate” of Newco after the Plan will be subject to certain restrictions on resale imposed by the 1933 Act. As defined in Rule 144 under the 1933 Act, an “affiliate” of an issuer is a person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the issuer and may include certain officers and directors of such issuer as well as principal shareholders of such issuer.

Persons who are affiliates of after the implementation of the Plan may not resell the ~~Newco Shares~~New Equity that they receive pursuant to the Plan in the absence of registration under the 1933 Act, unless an

exemption from registration is available, such as the exemptions provided by Rule 144 or Regulation S under the 1933 Act.

All other ~~Newco Shares~~New Equity to be issued under the Plan will be subject to restrictions on transfer and such ~~Newco Shares~~New Equity may be offered, sold or otherwise transferred only (a) to Newco; (b) outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act; or (c) inside the United States in accordance with an exemption from registration under the 1933 Act, if available. Such ~~Newco Shares~~New Equity will bear a legend to the following effect:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE U.S. SECURITIES ACT, (B) IN A SALE ON OR THROUGH THE FACILITIES OF THE TORONTO STOCK EXCHANGE OR ANOTHER DESIGNATED OFFSHORE SECURITIES MARKET (AS DEFINED IN RULE 902 OF REGULATION S PROMULGATED UNDER THE U.S. SECURITIES ACT (“REGULATION S”)) PURSUANT TO RULE 904 OF REGULATION S; (C) THROUGH OTHER OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S, OR (D) IN ANY OTHER TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS (IT BEING UNDERSTOOD THAT THE COMPANY MAY REQUIRE AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY IN CONNECTION WITH ANY SALE OR OTHER TRANSFER OF SHARES MADE PURSUANT TO CLAUSE (D) OF THIS SENTENCE).”

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the ~~Newco Shares~~New Equity received upon completion of the Plan. Holders of ~~Newco Shares~~New Equity will also be subject to the restrictions on transfer of such shares set forth in the ~~[Shareholders’ Agreement/Share Terms]~~terms of the New Equity. All holders of ~~Newco Shares~~New Equity are urged to consult with their counsel to ensure that the resale of ~~Newco Shares~~New Equity complies with applicable securities legislation.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) and the Regulations thereunder (collectively, the “Tax Act”) of the Recapitalization under the Plan applicable to an Affected Creditor who is a Noteholder or a holder of an Equity Interest in Banro who, at all relevant times for purposes of the Tax Act, deals at arm’s length with, and is not affiliated with, the Applicants, and holds their Secured Notes and Equity Interests in Banro, as applicable, and will hold any New Equity, as capital property. A Secured Note, an Equity Interest in Banro and New Equity will generally be considered to be capital property for this purpose to an Affected Creditor, unless either the Affected Creditor acquires or holds such property in the course of carrying on a business or the Affected Creditor has held or acquired such property in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and counsel’s understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency. This summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “Tax Proposals”), and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in the form proposed or at all. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law or administrative policy or assessing practice, whether by way of legislative, judicial, regulatory or

administrative decision or action, nor does it address any other federal or any foreign, provincial or territorial tax considerations.

On July 18, 2017, the Minister of Finance (Canada) released a consultation paper that indicated an announcement of the Government's intention to amend the Tax Act to increase the amount of tax applicable to passive investment income earned through a private corporation. The Minister has indicated that he intends to release draft legislation relating to this proposal as part of the 2018 federal budget. Affected Creditors that are private corporations should consult their own tax advisors.

The following summary is of a general nature only and is not intended to be, and should not be construed to be, legal or tax advice to Affected ~~Creditor~~Creditors, and no representation with respect to the tax consequences to any particular Affected Creditor is made. Accordingly, all Affected Creditors should consult with their own tax advisors for advice with respect to the income tax consequences to them of the Plan. The discussion below is qualified accordingly.

This summary does not describe the income tax consequences under the Plan to Excluded Creditors, Affected Banro Unsecured Creditors (other than with respect to the Affected Banro Unsecured Deficiency Claim) ~~and with respect to holders of~~ Stream Equity Warrants. Such Creditors and holders of Stream Equity Warrants should consult their own tax advisors in this regard.

For purposes of the Tax Act, all amounts relevant in computing the income, taxable income and taxes payable by an Affected Creditor, including the cost and adjusted cost base of Secured Notes, Equity Interest in Banro and New Equity, must be determined in Canadian dollars based on the exchange rate quoted by the Bank of Canada on the ~~relevant~~ date such amount first arose or such other ~~rate of~~ exchange rate that is acceptable to the Minister of National Revenue.

Residents of Canada

This portion of the summary is generally applicable to an Affected Creditor that, at all relevant times for purposes of the Tax Act, is (or is deemed to be) resident in Canada and meets the other relevant requirements described above (referred to in this portion of the summary as a "Resident Holder").

Certain Resident Holders whose Equity Interest in Banro might not otherwise be capital property may, in certain circumstances, be entitled to make an irrevocable election permitted by subsection 39(4) of the Tax Act to have such Equity Interest and all other "Canadian securities", as defined in the Tax Act, owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years, deemed to be capital property ~~by making the irrevocable election permitted by subsection 39(4) of the Tax Act~~. Resident Holders whose Equity Interest in Banro might not otherwise be considered capital property should consult their own tax advisors concerning this election.

This portion of the summary is not applicable to a Resident Holder (i) that is a "financial institution" for purposes of the "mark-to-market" rules, (ii) that is a "specified financial institution", (iii) an interest in which is a "tax shelter investment", (iv) that has elected to report its "Canadian tax results" in a currency other than the Canadian currency, ~~or~~ (v) that has entered or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement" with respect to the Secured Notes or Equity Interest in Banro, or (vi) for whom Newco is a "foreign affiliate", all within the meaning of the Tax Act. All such Resident Holders should consult with their own tax advisors.

Cancellation of Equity Interests in Banro

A Resident Holder will realize a capital loss on the cancellation of its Equity Interest in Banro equal to the aggregate of the Resident Holder's adjusted cost base of its Equity Interest in Banro immediately prior to such cancellation and any reasonable costs of disposition.

The tax treatment of any such capital loss is described below under “*Certain Canadian Federal Income Tax Considerations — Residents of Canada — Taxation of Capital Gains and Capital Losses*”.

Settlement of Affected Secured Claims and Affected Banro Unsecured Claims

A Resident Holder of Secured Notes will be considered to have disposed of its Secured Notes upon the exchange of Secured Notes for New Equity and the Resident Holder’s pro rata share of the Affected Banro Unsecured Cash Pool (collectively the “Secured Note Consideration”) on the Implementation Date.

Allocation of Secured Note Consideration

Under the Plan, the aggregate ~~amount of the~~ fair market value of the ~~New Equity and any amount from the Affected Banro Unsecured Cash Pool~~ Secured Note Consideration received by an Affected Creditor in exchange for Secured Notes will be allocated first to the principal amount of the Secured Notes and the balance, if any, to the accrued and unpaid interest on the Secured Notes. While ~~it is a question of fact based on~~ the fair market value of ~~New Equity at the time it is received by the Affected Creditor and the amount received from the Affected Banro Unsecured Cash Pool (collectively the “the Secured Note Consideration”)~~ at the time of exchange is a question of fact, it is not expected that the value of the Secured Note Consideration will exceed the principal amount of the Secured Notes ~~and consequently,~~ Consequently, it is not expected that any amount of interest accrued on the Secured Notes will be paid or satisfied under the Plan.

~~To the extent that any accrued interest on the~~ Interest on Secured Notes ~~is received by a~~

A Resident Holder that is a corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary, ~~such a Resident Holder~~ will generally be required to include in income ~~the amount of such interest accrued if such accrued interest has not otherwise been included in the Resident Holder’s income for the year or for a taxation year any interest on the Secured Notes that accrues (or is deemed to accrue) to it in that taxation year or that is received or becomes receivable by it in that year, except to the extent that such interest was included in computing its income for~~ a preceding taxation year.

Any other Resident Holder, including an individual, will be required to include in computing its income for a taxation year any interest on the Secured Notes that is received or receivable by such Resident Holder in ~~the~~ that taxation year, except to the extent that such amount was otherwise included in its income for the year or a preceding taxation year.

Where a Resident Holder included an amount in income on account of accrued and unpaid interest on the Secured Notes, the Resident Holder should be entitled to a deduction of an equivalent amount in computing income to the extent that such amount was not received by it on or before the exchange of Secured Notes pursuant to the Plan.

Disposition of Secured Notes

In general, on the exchange of Secured Notes pursuant to the Plan, a Resident Holder of Secured Notes will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any ~~amount~~ portion of Secured Note Consideration included in the Resident Holder’s income as interest, exceeds (or is less than) the Resident Holder’s ~~adjust~~ adjusted cost base of ~~its~~ such Secured Notes and any reasonable costs of disposition. A Resident Holder’s proceeds of disposition of its Secured Notes will be an amount equal to the aggregate of the fair market value of the Secured Note Consideration received on the exchange. Any such capital gain (or capital loss) will be subject to the tax treatment described ~~under is described~~ below under “*Certain Canadian Federal Income Tax Considerations — Residents of Canada — Taxation of Capital Gains and Capital Losses*”.

Dividends on New Equity

Dividends on New Equity

~~Dividends and deemed~~Any dividends ~~paid~~received (or deemed to be received) on New Equity by a Resident Holder will be included in ~~a Resident Holder's~~sits income for purposes of the Tax Act. ~~Dividends received by an individual~~A Resident Holder that is an individual will not be ~~subject to~~eligible for the gross-up and dividend tax credit ~~rules provided for under the Tax Act~~in respect of such dividends. A Resident Holder that is a corporation will ~~include such dividends in computing its income and will generally~~ not be entitled to deduct the amount of such dividends in computing its taxable income.

Disposition of New Equity

A Resident Holder will realize a capital gain (or capital loss) on a disposition (or deemed disposition) of New Equity equal to the amount by which the proceeds of disposition exceed (or ~~are exceeded by~~is less than) the aggregate of the adjusted cost base to the Resident Holder of such New Equity, ~~plus,~~ immediately prior to the time of disposition and any reasonable costs of disposition. The adjusted cost base to a ~~holder~~Resident Holder of New Equity at a particular time will generally be the average cost of all of the New Equity held by such holder as capital property at that time. The cost to a Resident Holder of New Equity acquired on the exchange of Secured Notes pursuant to the Plan will equal the fair market value of such New Equity at the time of acquisition.

The tax treatment of any such capital gain (or capital loss) is described below under "Certain Canadian Federal Income Tax Considerations — Residents of Canada — Taxation of Capital Gains and Capital Losses".

Taxation of Capital Gains and Capital Losses

In general, one-half of any capital gain (a "taxable capital gain") realized by a Resident Holder in a taxation year will be included in the Resident Holder's income in the year and one-half of the amount of any capital loss (an "allowable capital loss") realized by a Resident Holder in a taxation year is required to be deducted from taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back three years or forward indefinitely, subject to the rules in the Tax Act. The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a share may be reduced by the amount of dividends previously received (or deemed to have been received) by it on such share (or on a share for which the share has been substituted) subject to the rules in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns shares, directly or indirectly, through a partnership or a trust.

Additional Refundable Tax

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 10²/₃% on certain investment income including amounts in respect of interest, taxable capital gains and dividends.

Alternative Minimum Tax

Capital gains realized by an individual (including certain trusts) may give rise to liability for alternative minimum tax under the detailed rules set out in the Tax Act.

Foreign Property Information Reporting

In general, a Resident Holder that is a "specified Canadian entity" (as defined in the Tax Act) for a taxation year or a fiscal period and whose total "cost amount" (as defined in the Tax Act) of "specified foreign property" (as defined in the Tax Act), including New Equity, at any time in the year or fiscal period

exceeds C\$100,000 will be required to file an information return with the CRA for the taxation year or fiscal period disclosing certain prescribed information in respect of such property. Subject to certain exceptions, a Resident Holder generally will be a “specified Canadian entity”. New Equity will be “specified foreign property” to a Resident Holder. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Holder’s “specified foreign property” on a timely basis in accordance with the Tax Act.

The reporting rules in the Tax Act relating to “specified foreign property” are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. Resident Holders should consult their own tax advisors regarding the reporting rules contained in the Tax Act.

Eligibility for Investment

New Equity will not be a qualified investment under the Tax Act for trusts governed by a registered retirement savings plan, registered retirement income fund, deferred profit sharing plan, registered disability savings plan, registered education savings plan and tax-free savings account (“**Deferred Plans**”) and should not be acquired or held in Deferred Plans. Adverse tax consequences will arise for Deferred Plans and their beneficiaries, subscribers or annuitants ~~in~~(as the case may be) if such Deferred Plans acquire or hold New Equity.

Non-Residents of Canada

~~The following~~This portion of ~~this~~the summary applies to an Affected Creditor who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, (i) is a non-resident of Canada, (ii) does not use or hold any Equity Interest in Banro or Secured Notes, and will not use or hold any New Equity or Secured Notes, in carrying on a business in Canada, (iii) is not a foreign affiliate of a taxpayer resident in Canada, and (iv) is not an insurer who carries on an insurance business in Canada and elsewhere or an authorized foreign bank that carries on a Canadian banking business (a “Non-Resident Holder”).

Cancellation of Equity Interests in Banro

A Non-Resident Holder will realize a capital loss on the cancellation of its Equity Interest in Banro equal to the aggregate of the Non-Resident Holder’s adjusted cost base of its Equity Interest in Banro immediately prior to such cancellation and any reasonable costs of disposition.

A capital loss realized by a Non-Resident Holder on the disposition of ~~its~~ Equity ~~Interests~~Interest in Banro will not be deductible in computing such Non-Resident Holder’s income under the Tax Act unless such Equity ~~Interests constitute~~Interest constitutes “taxable Canadian property” (as defined in the Tax Act) to ~~the~~such Non-Resident Holder at the time of the disposition.

If the common shares of Banro are not listed on a “designated stock exchange” (as defined in the Tax Act) at the time of a disposition of ~~the~~an Equity ~~Interests~~Interest in Banro by a Non-Resident Holder on the Implementation Date, the Equity Interest in Banro generally will not constitute taxable Canadian property to ~~a~~such Non-Resident Holder at that time, unless at any time during the 60-month period immediately preceding that time more than 50% of the fair market value of the common shares of Banro was derived directly or indirectly from one or any combination of (A) real or immovable property situated in Canada, (B) Canadian resource properties, (C) timber resource properties, or (D) options in respect of, interests in, or for civil law rights in, any of the foregoing properties, whether or not such property exists. The Equity Interests in Banro should generally not constitute taxable Canadian property, as all of the Banro Group’s resource properties are, and have at all relevant times been, ~~all~~ located outside of Canada. However, a Non-Resident Holder’s Equity ~~Interests~~Interest in Banro may be deemed to be taxable Canadian property in certain circumstances set out in the Tax Act.

Settlement of Affected Secured Claims and Affected Banro Unsecured Claims

A Non-Resident Holder who exchanges its Secured Notes for the Secured Note Consideration pursuant to the Plan generally will not be subject to tax under the Tax Act in respect of such exchange.

Dividends on, and Dispositions of, New Equity

A Non-Resident Holder who acquires New Equity on the exchange pursuant to the Plan generally will not be subject to tax under the Tax Act in respect of dividends received (or deemed to be received) on such New Equity or capital gains realized on the disposition (or deemed disposition) of such New Equity.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONSCERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

[To follow]

The following is a general summary of certain U.S. federal income tax consequences of the Plan to U.S. Holders (as defined below) of certain Claims. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations promulgated under the Code, administrative pronouncements, and judicial decisions, all as in effect on the date hereof. Future legislative, judicial, or administrative modifications, revocations, or interpretations, which may or may not be retroactive, may result in U.S. federal income tax consequences significantly different from those discussed herein. Due to the lack of definitive judicial and administrative authority in a number of areas, substantial uncertainty may exist with respect to some of the tax consequences described below. This discussion is not binding on the U.S. Internal Revenue Service (the "IRS"). No opinion of counsel has been obtained and no ruling has been or will be sought from the IRS with respect to any of the U.S. federal income tax consequences discussed herein. No representations are being made regarding the particular tax consequences of the Plan to any holder of a Claim. There can be no assurance that the IRS will not challenge any of the conclusions described herein or that a U.S. court will not sustain such a challenge.

This discussion does not address the U.S. federal income tax consequences to U.S. Holders subject to special treatment under U.S. federal income tax law, including, without limitation, banks, governmental authorities or agencies, financial institutions, insurance companies, pass-through entities, tax-exempt organizations, brokers and dealers in securities, regulated investment companies, real estate investment trusts, small business investment companies, employees, persons who receive their Claims pursuant to the exercise of an employee stock option or otherwise as compensation, persons holding Claims that are a hedge against, or that are hedged against, currency risk or that are part of a straddle, constructive sale, or conversion transaction and regulated investment companies. In addition, this discussion does not address any U.S. federal estate, gift, or other non-income tax, or any state, local, or non-U.S. tax. This discussion assumes that holders of Claims hold such Claims as capital assets within the meaning of the Code.

As used herein, "U.S. Holder" means a beneficial owner of a Claim that is: (i) an individual who is a citizen or resident of the United States for U.S. federal income tax purposes; (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If an entity treated as a partnership for U.S. federal income tax purposes holds a Claim, the U.S. federal income tax consequences to a partner (or other owner) of the entity generally will depend on the status of

the partner (or other owner) and the activities of the entity. Such partner (or other owner) should consult its tax advisor as to the tax consequences of the Plan.

THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX. THE FOLLOWING SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED ON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. HOLDERS OF CLAIMS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR REGARDING THE APPLICATION OF U.S. FEDERAL TAX LAWS TO THEIR PARTICULAR SITUATIONS AND ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S., OR OTHER TAXING JURISDICTION.

U.S. Federal Income Tax Consequences to U.S. Holders of Affected Secured Claims

Receipt of New Equity

The U.S. federal income tax treatment of the exchange of Proven Affected Secured Claims for New Equity by U.S. Holders pursuant to the Plan is unclear, due in part to the uncertainty regarding the formal steps of the exchange. One possibility is that the Plan could be implemented by means of the New Equity being deemed to be transferred, directly or indirectly, by Newco to BGB, and such New Equity then being deemed to be transferred by BGB to the Holders in satisfaction of their Claims. In this scenario, a U.S. Holder would treat the exchange as a taxable transaction in which it generally recognizes gain or loss for U.S. federal income tax purposes in an amount equal to the difference between (a) the fair market value of the New Equity, and (b) the U.S. Holder's adjusted tax basis in the Claim surrendered in the exchange. In light of the fact that the Secured Notes have been treated as contingent payment debt instruments for U.S. federal income tax purposes, any gain on the exchange of a Proven Secured Notes Claim would be treated as ordinary income and any loss on such a claim would be treated as ordinary loss to the extent of prior inclusions of original issue discount ("OID"), with any excess loss a capital loss. The deductibility of capital losses is subject to certain limitations under the Code. A U.S. Holder's tax basis in the New Equity would be its fair market value as of the Implementation Date and its holding period for the New Equity would begin on the day after the Implementation Date.

It is also possible that the U.S. Holders of Proven Affected Secured Claims could be treated as exchanging their Claims directly with Newco for the New Equity. In that case, the U.S. federal income tax consequences to a U.S. Holder would depend in part on whether the Claims surrendered in the exchange constitute "securities" for U.S. federal income tax purposes. Whether a debt instrument constitutes a "security" under the reorganization provisions for U.S. federal income tax purposes is determined based on all the relevant facts and circumstances, but most authorities have held that the length of the term of a debt instrument is an important factor in determining whether such instrument is a security for U.S. federal income tax purposes. These authorities have indicated that a term of less than five years is evidence that the instrument is not a security, whereas a term of ten years or more is evidence that it is a security. There are numerous other factors that generally are taken into account in determining whether a debt instrument is a security, including the security for payment, the creditworthiness of the obligor, the subordination or lack thereof to other creditors, the right to vote or otherwise participate in the management of the obligor, convertibility of the instrument into an equity interest of the obligor, whether payments of interest are fixed, variable or contingent, and whether such payments are made on a current basis or accrued. The term of the Secured Notes is four (4) years, so they are unlikely to be treated as a "security" for this purpose.

If a U.S. Holder of a Proven Affected Secured Claim is treated as exchanging its Claim directly with Newco for the New Equity and such Claim is not treated as a "security," the U.S. Holder would be required to recognize gain (but not loss) on the exchange in an amount equal to the difference between (a) the fair market value of the New Equity, and (b) the U.S. Holder's adjusted tax basis in the Claim surrendered in the exchange. If, on the other hand, the Proven Affected Secured Claim is treated as a "security," a U.S. Holder generally would not recognize gain or loss on the exchange, provided that a U.S. Holder owning 5% or more of the total voting power or total value of the stock of Newco immediately after the exchange

may be required to recognize gain (but not loss) unless it enters into a gain recognition agreement with the IRS. If a U.S. Holder recognizes gain on the exchange, the U.S. Holder's tax basis in the New Equity would be its fair market value as of the Implementation Date and its holding period for the New Equity would begin on the day after the Implementation Date. If a U.S. Holder has a loss in the Proven Affected Secured Claim that is not recognized, the U.S. Holder's tax basis in the New Equity received would generally equal its tax basis in the Claim surrendered by such Holder and its holding period for the New Equity received should generally include the Holder's holding period in the Claims surrendered therefor. The character of any gain or loss recognized on the exchange would be as described above for a taxable transaction.

Given the uncertainties described above, U.S. Holders are urged to consult their own tax advisors regarding the U.S. federal income tax treatment of the exchange of Proven Affected Secured Claims for New Equity pursuant to the Plan.

Accrued Interest

To the extent that any consideration received by U.S. Holders of Proven Affected Secured Claims is attributable to accrued but unpaid interest (including OID, if any), such amount should be excluded from the U.S. Holder's amount realized for purposes of determining capital gain or loss and should instead be taxed as ordinary income to the extent it has not yet been included in the U.S. Holder's gross income for U.S. federal income tax purposes.

Market Discount

The "market discount" provisions of the Code may apply to U.S. Holders of Proven Affected Secured Claims who receive New Equity pursuant to the Plan. In general, a Proven Affected Secured Claim is a "market discount bond" for a U.S. Holder that acquired such Claim in the secondary market (or, in certain circumstances, upon original issuance) if its stated redemption price at maturity exceeds the adjusted tax basis of such Claim in the U.S. Holder's hands immediately after its acquisition.

Under the market discount rules (subject to a de minimis exception), any gain recognized by a U.S. Holder on the disposition of debt instruments that it acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such debt instruments were considered to be held by the U.S. Holder (unless such U.S. Holder elected to include market discount in income as it accrued). To the extent that debt instruments that were acquired with market discount are exchanged in a tax-free transaction for other property, any market discount that accrued on such debt instruments (i.e., up to the time of the exchange) but was not recognized by the U.S. Holder is carried over to the property received therefor and any gain recognized on the subsequent sale, exchange, redemption or other disposition of such property is treated as ordinary income to the extent of such accrued, but not recognized, market discount.

U.S. Federal Income Tax Consequences to U.S. Holders of New Equity

Distributions on New Equity

The following discussion assumes that Newco is not and will not become a "passive foreign investment company" ("PFIC") for U.S. federal income tax purposes. Newco does not believe that it was a PFIC for the preceding taxable year and, based on current business plans and financial expectations, does not expect to become a PFIC in the next taxable year or in the foreseeable future. However, because the determination of PFIC status must be made on an annual basis, and will depend on the composition of the income and assets, as well as the nature of the activities, of Newco and its subsidiaries, from time to time, there can be no assurance that Newco will not be considered a PFIC for any taxable year. No opinion of counsel or ruling from the IRS concerning PFIC status has been or will be sought. If Newco becomes a PFIC, the tax consequences set forth below generally would not apply.

In general, a cash distribution made by Newco in respect of the New Equity will constitute a taxable dividend to a U.S. Holder when such distribution is actually or constructively received, to the extent such distribution is paid out of the current and accumulated earnings and profits of Newco (as determined under U.S. federal income tax principles). To the extent that a distribution in respect of the New Equity exceeds the amount of Newco's current or accumulated earnings and profits, as determined under U.S. federal income tax principles, the distribution would be treated first as a non-taxable return of capital, causing a reduction in the U.S. Holder's adjusted basis in the New Equity held by such U.S. Holder (thereby increasing the amount of gain, or decreasing the amount of loss, to be recognized by such U.S. Holder upon a subsequent disposition of the New Equity), with any amount that exceeds the adjusted basis being taxed as capital gain recognized on a sale or exchange (as discussed under "Sale, Exchange, or Other Taxable Disposition of New Equity" below). However, Newco does not intend to maintain calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution by Newco with respect to the New Equity will constitute ordinary dividend income.

Under recently enacted legislation, a domestic corporation that is a U.S. shareholder of a specified 10-percent owned foreign corporation is allowed a deduction in an amount equal to the foreign-source portion of any dividend received from the specified 10-percent owned foreign corporation. For this purpose, the term "specified 10-percent owned foreign corporation" means any foreign corporation with respect to which any domestic corporation is a U.S. shareholder, provided that the foreign corporation is not a PFIC which is not a "controlled foreign corporation," and the term "U.S. shareholder" means, with respect to any foreign corporation, a U.S. person who owns, or is considered as owning, 10 percent or more of the total combined voting power of all classes of stock entitled to vote of such foreign corporation or 10 percent or more of the total value of shares of all classes of stock of such foreign corporation. The rules governing this deduction are complex and U.S. Holders that are corporations are urged to consult their own tax advisors regarding the availability of the deduction under their particular circumstances.

The gross amount of distributions paid in any currency other than the U.S. dollar will be included by each U.S. Holder in gross income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the distributions are actually or constructively received, regardless of whether the payment is in fact converted into U.S. dollars. If such currency is converted into U.S. dollars on the date of receipt, the U.S. Holder should not be required to recognize any foreign currency gain or loss with respect to the receipt of the foreign currency distributions. If the foreign currency received is not converted into U.S. dollars on the date of receipt, a U.S. Holder will have a tax basis in the currency equal to the U.S. dollar value on the date of receipt. Any gain or loss realized on a subsequent conversion or other disposition of such currency will be treated as U.S. source ordinary income or loss. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

Sale, Exchange, or Other Taxable Disposition of New Equity

A U.S. Holder generally will recognize a U.S. source capital gain or loss on the sale, exchange, or other taxable disposition of New Equity in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the New Equity. Such gain or loss would be a long-term capital gain or loss if the U.S. Holder's holding period for the New Equity (determined under the rules discussed above) was longer than one year as of the date of the sale, exchange, or other taxable disposition. Long-term capital gain recognized by certain non-corporate U.S. Holders, including individuals, generally is eligible for preferential rates of U.S. federal income tax. The deductibility of capital losses is subject to certain limitations under the Code.

With respect to the sale, exchange, or other taxable disposition of New Equity, the amount realized generally will be the U.S. dollar value of the payment received determined on (1) the date of receipt of payment in the case of a cash basis U.S. Holder and (2) the date of disposition in the case of an accrual basis U.S. Holder. Additionally, if a U.S. Holder receives any foreign currency on the sale of New Equity, such U.S. Holder may recognize ordinary income or loss as a result of currency fluctuations between the date of the sale of New Equity and the date the sale proceeds are converted into U.S. dollars.

Foreign Tax Credit Considerations

For purposes of the U.S. foreign tax credit limitations, dividends received by a U.S. Holder with respect to New Equity will be foreign source income and generally will be “passive category income” but could, in the case of certain U.S. Holders, constitute “general category income.” In general, gain or loss realized upon sale or exchange of the New Equity by a U.S. Holder will be U.S. source income or loss, as the case may be.

Subject to certain limitations, any non-U.S. tax withheld with respect to distributions made on the New Equity may be treated as foreign taxes eligible for credit against a U.S. Holder’s U.S. federal income tax liability. Alternatively, a U.S. Holder may, subject to applicable limitations, elect to deduct the otherwise creditable non-U.S. withholding taxes for U.S. federal income tax purposes. However, no foreign tax credit or deduction of creditable foreign taxes is allowed for any taxes paid or accrued with respect to dividends received by a domestic corporation from a specified 10-percent owned foreign corporation for which a deduction is allowed under section 245A of the Code. The rules governing the foreign tax credit are complex and their application depends on each taxpayer’s particular circumstances. Accordingly, U.S. Holders are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

U.S. Federal Income Tax Consequences to Holders of Affected Banro Unsecured Claims

Receipt of Distribution from Affected Banro Unsecured Pool

In general, U.S. Holders of Proven Affected Banro Unsecured Claim will be treated as exchanging such Claims in a fully taxable transaction. Where gain or loss is recognized by a U.S. Holder in respect of its Proven Affected Banro Unsecured Claim, the character of such gain or loss as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including, among others, the tax status of the U.S. Holder, whether the Claim constitutes a capital asset in the hands of the U.S. Holder and how long it has been held, and whether and to what extent the U.S. Holder had previously claimed a bad debt deduction in respect of such Claim. The deductibility of capital losses are subject to certain limitations under the Code. U.S. Holders of Proven Affected Banro Unsecured Claims should consult their tax advisors as to the determination of the character of any gain or loss to them.

Accrued Interest

To the extent that any consideration received by U.S. Holders of Proven Affected Banro Unsecured Claims is attributable to accrued but unpaid interest (including OID, if any), such amount should be excluded from the U.S. Holder’s amount realized and should instead be taxed as ordinary income to the extent it has not yet been included in the U.S. Holder’s gross income for U.S. federal income tax purposes.

Market Discount

The “market discount” provisions of the Code may apply to U.S. Holders of Proven Affected Banro Unsecured Claims who receive a distribution from the Affected Banro Unsecured Pool pursuant to the Plan. In general, a Proven Affected Banro Unsecured Claim is a “market discount bond” for a U.S. Holder that acquired such Claim in the secondary market (or, in certain circumstances, upon original issuance) if its stated redemption price at maturity exceeds the adjusted tax basis of such Claim in the U.S. Holder’s hands immediately after its acquisition.

Under the market discount rules (subject to a de minimis exception), any gain recognized by a U.S. Holder on the disposition of debt instruments that it acquired with market discount should be treated as ordinary income to the extent of the market discount that accrued thereon while such debt instruments were

considered to be held by the U.S. Holder (unless such U.S. Holder elected to include market discount in income as it accrued).

Special Rules for Certain Accrual Method Taxpayers

Under recently enacted legislation, certain U.S. Holders that use an accrual method of accounting for tax purposes generally will be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements, which may be earlier than would be the case under the rules described above. This rule generally will be effective for tax years beginning after December 31, 2017 or, for debt instruments issued with OID, for tax years beginning after December 31, 2018. U.S. Holders that use an accrual method of accounting should consult with their tax advisors regarding the potential applicability of this legislation to their particular situation.

Net Investment Income Tax

Certain U.S. Holders that are individuals, estates, or trusts are required to pay an additional 3.8% Medicare tax on “unearned” net investment income (i.e., income received from, among other things, the sale or other disposition of certain capital assets). Holders that are individuals, estates, or trusts should consult their tax advisors regarding the effect, if any, of this tax provision on their ownership and disposition of any consideration to be received under the Plan.

U.S. Information Reporting and Backup Withholding

Under U.S. federal income tax law and regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. Penalties for failure to file certain of these information returns are substantial. U.S. information reporting obligations (and related penalties for failure to file) are also been imposed on U.S. individuals that hold certain specified foreign financial assets with an aggregate value in excess of \$50,000 at the end of the taxable year or \$75,000 at any time during the taxable year. The thresholds are higher for individuals living outside of the United States and married couples filing jointly. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also may include the New Equity. U.S. Holders of the New Equity should consult with their own tax advisors regarding the requirements of filing U.S. information returns.

Dividends on the New Equity and proceeds from the sale or other disposition of New Equity that are paid in the United States or by a U.S.-related financial intermediary will be subject to U.S. information reporting rules, unless a U.S. Holder is a corporation or other exempt recipient. In addition, payments that are subject to information reporting may be subject to backup withholding (currently at a 24.0% rate) if a U.S. Holder fails to provide its taxpayer identification number, fails to certify that such number is correct, fails to certify that such U.S. Holder is not subject to backup withholding, or otherwise fails to comply with the applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax but merely an advance payment, which may be refunded to the extent it results in an overpayment of tax and if the required information is timely furnished to the IRS. Certain persons are exempt from backup withholding, including, in certain circumstances, corporations and financial institutions.

OTHER BUSINESS

~~The Board~~Banro is not aware of any matters intended to come before the Creditors’ Meetings other than those items of business set forth in the ~~Notice~~Notices of Meeting of Creditors and Sanction Motion accompanying this Circular. If any other matters properly come before the Creditors’ Meeting, it is the intention of the Persons named in the Proxy Form to vote in respect of those matters in accordance with their judgment.

ADDITIONAL INFORMATION

Financial information relating to the ~~Companies~~Company is provided in the Annual Financial Statements of Banro and Annual ~~Management Discussion & Analysis~~ (“MD&A”). Copies of this Circular, the Annual Financial Statements, the MD&A, the interim consolidated financial statements of Banro’s subsequent to the Annual Financial Statements and Banro’s management’s discussion and analysis relating to such interim financial statements, as well as additional information relating to the Company, are available on SEDAR at www.sedar.com. Copies of such documents may also be obtained without charge by writing to the Chief Financial Officer of the Company at Suite ~~7070~~7005, 1 First Canadian Place, 100 King Street West, Toronto, Ontario, M5X 1E3, Canada.

APPROVAL OF BOARD OF DIRECTORS

The contents and sending of this Circular and its distribution to Affected Creditors has been approved by the Board of Directors of Banro and the Court.

DATED at Toronto, Ontario, this ● day of ●, 2018.

BANRO CORPORATION BY ORDER OF THE BOARD OF DIRECTORS

(signed) ~~“Geoffrey G. Farr”~~

~~Geoffrey G. Farr~~

~~Vice President, General Counsel and
Corporate Secretary~~

APPENDIX A
AFFECTED SECURED CREDITORS' RESOLUTION

APPENDIX B
AFFECTED BANRO UNSECURED CREDITORS' RESOLUTION

APPENDIX C
FORM OF PLAN

APPENDIX D
INITIAL ORDER

APPENDIX E
MEETING ORDER

APPENDIX F
CLAIMS PROCEDURE ORDER

Court File No. CV-17-589016-00CL

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BANRO CORPORATION, BANRO GROUP (BARBADOS) LIMITED, BANRO CONGO (BARBADOS) LIMITED, NAMOYA (BARBADOS) LIMITED, LUGUSHWA (BARBADOS) LIMITED, TWANGIZA (BARBADOS) LIMITED AND KAMITUGA (BARBADOS) LIMITED

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF SOPHIE MOHER
(Sworn January 31, 2018)

Cassels Brock & Blackwell LLP

2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

Ryan C. Jacobs LSUC# 59510J
Tel: 416.860.6465
Fax: 416.640.3189
rjacobs@casselsbrock.com

Jane Dietrich LSUC# 49302U
Tel: 416.860.5223
Fax: 416.640.3144
jdietrich@casselsbrock.com

Sophie Moher LSUC# 723173H
Tel: 416.860.2903
Fax: 416.640.3144
smoher@casselsbrock.com

Lawyers for the Applicants