

ARRANGEMENT AGREEMENT

NORTHERN SUPERIOR RESOURCES INC.

– and –

ROYAL FOX GOLD INC.

September 6, 2022

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ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of September 6, 2022

BETWEEN

NORTHERN SUPERIOR RESOURCES INC.,
a corporation incorporated under the laws of the
Province of British Columbia (the “**Purchaser**”)

- and -

ROYAL FOX GOLD INC.,
a corporation incorporated under the laws of the
Province of Ontario (the “**Company**”).

WHEREAS the Purchaser proposes to acquire all of the outstanding securities of the Company pursuant to the Arrangement (as defined herein), as provided in this Agreement;

AND WHEREAS the Company Board (as defined herein) has unanimously determined that the Arrangement is fair to the Company Shareholders (as defined herein) and that the Arrangement is in the best interests of the Company and its stakeholders and has unanimously resolved, subject to the terms of this Agreement, to recommend that the Company Shareholders vote in favour of the Arrangement Resolution (as defined herein);

NOW THEREFORE in consideration of the premises and the covenants and agreements herein contained, the Parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 **Definitions**

In this Agreement, unless otherwise defined or expressly stated herein or something in the subject matter or the context is inconsistent therewith:

“**Acceptable Confidentiality Agreement**” means a confidentiality agreement between the Company and a third party other than the Purchaser: (a) that is entered into in accordance with Section 5.1(c) hereof; (b) that contains confidentiality and standstill restrictions that are no less restrictive than those set out in the Purchaser Confidentiality Agreement; (c) that does not permit the sharing of confidential information with potential co-bidders; (d) that does not preclude or limit the ability of the Company to disclose information relating to such agreement or the negotiations contemplated thereby, to the Purchaser;

“**Acquisition Agreement**” has the meaning ascribed thereto in Section 5.1(e);

“Acquisition Proposal” means, whether or not in writing, any (a) proposal with respect to: (i) any direct or indirect acquisition by take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in any person or group of persons acting jointly or in concert (as such term is defined in NI 62-104, or in the case of a parent to parent transaction, their shareholders) (other than the Purchaser and its affiliates) beneficially owning Company Shares (or securities convertible into or exchangeable or exercisable for Company Shares) representing 20% or more of the Company Shares then outstanding; (ii) any plan of arrangement, amalgamation, merger, share exchange, consolidation, recapitalization, reorganization, liquidation, dissolution, business combination or other similar transaction in respect of the Company or the Company Subsidiaries; or (iii) any direct or indirect acquisition by any person or group of persons (other than the Purchaser and its affiliates) of any assets of the Company and/or any interest in the Company Subsidiaries (including shares or other equity interest of the Company Subsidiaries) (or any sale, disposition, lease, license, royalty, alliance or joint venture, long-term supply agreement or other arrangement having a similar economic effect), whether in a single transaction or a series of related transactions; or (b) inquiry, expression or other indication of interest or offer to, or public announcement of or of an intention to do any of the foregoing, in each case excluding the Arrangement and the other transactions contemplated by this Agreement;

“affiliate” and **“associate”** have the meanings respectively ascribed thereto under the Securities Act;

“Agreement” means this arrangement agreement (including the Schedules attached hereto), as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof;

“Arrangement” means the arrangement of the Company under Section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of this Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Purchaser and the Company, each acting reasonably;

“Arrangement Resolution” means the special resolution to be considered and, if thought fit, passed by the Company Securityholders at the Company Meeting to approve the Arrangement, to be substantially in the form and content of Schedule B hereto;

“Articles of Arrangement” means the articles of arrangement of the Company in respect of the Arrangement, to be sent to the Director after the Final Order is made, subject to the terms of this Agreement;

“Budget” means the budget agreed upon between the Company and the Purchaser and attached to the Company Disclosure Letter as Annex A;

“Business Day” means a day other than a Saturday, a Sunday or any other day on which commercial banking institutions in Toronto, Ontario or in Vancouver, British Columbia are authorized or required by applicable Law to be closed;

“**Code**” means the *United States Internal Revenue Code of 1986*, as amended;

“**commercially reasonable efforts**” with respect to any Party means the cooperation of such Party and the use by such Party of its reasonable efforts consistent with reasonable commercial practice without payment or incurrence of any material liability or obligation;

“**Company**” has the meaning ascribed thereto in the preamble hereto;

“**Company Board**” means the board of directors of the Company;

“**Company Board Recommendation**” means the unanimous determination of the Company Board, after consultation with legal and financial advisors, and following the receipt the unanimous recommendation from the Special Committee, that the Arrangement is in the best interests of the Company and the unanimous recommendation of the Company Board to Company Securityholders that they vote in favour of the Arrangement Resolution;

“**Company Change of Recommendation**” has the meaning ascribed thereto in Section 6.1(c)(i);

“**Company Circular**” means the notice of meeting and accompanying management information circular (including all schedules, appendices and exhibits thereto) to be sent to the Company Securityholders in connection with the Company Meeting, including any amendments or supplements thereto;

“**Confidentiality Agreement**” means the confidentiality and standstill agreement dated as of May 28, 2022 between the Purchaser and the Company;

“**Company Diligence Information**” means the documents provided or made available to the Purchaser by the Company following execution of the Confidentiality Agreement and prior to the execution of this Agreement for the purposes of its due diligence in connection with the Arrangement, including all documents included in the Company Public Disclosure Record and in any electronic data room to which the Purchaser has been provided access;

“**Company Director Nominees**” means any three director nominees to be selected by the Company prior to completion of the Arrangement that are eligible to serve as a director of the Purchaser under applicable Law and are acceptable to the TSXV;

“**Company Disclosure Letter**” means the disclosure letter dated the date hereof regarding this Agreement that has been executed by the Company and delivered to the Purchaser concurrently with the execution of this Agreement;

“**Company DSU Plan**” means the deferred share unit plan of the Company approved by the Company Shareholders on May 18, 2022;

“**Company Financial Statements**” means the audited consolidated financial statements of the Company as at, and for the years ended, March 31, 2022 and March 31, 2021 including the notes

thereto and the independent auditors' report thereon and the interim consolidated financial statements for the three months ended June 30, 2022 and June 30, 2021 including the notes thereto;

“Company Material Adverse Effect” means any result, fact, change, effect, event, circumstance, occurrence or development that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has or would reasonably be expected to have a material and adverse effect on the business, prospects, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), or financial condition of the Company and the Company Subsidiaries, taken as a whole, or on the Company Material Property, provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a Company Material Adverse Effect: (a) changes, developments or conditions in or relating to general political, economic or financial or capital market conditions in Canada, the United States or globally; (b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Authority; (c) changes or developments affecting the global mining industry in general; (d) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster or general outbreaks of illness (including COVID-19); (e) any changes in the price of gold; (f) any generally applicable changes in IFRS; (g) the announcement or pendency of this Agreement, including any lawsuit in respect of this Agreement or the transactions contemplated hereby; (h) any actions taken (or omitted to be taken) at the written request, or with the prior written consent, of the Purchaser; (i) any action taken by the Company or the Company Subsidiaries that is required pursuant to this Agreement (excluding any obligation to act in the ordinary course of business); or (j) a change in the market price or trading volume of the Company Shares as a result of the announcement of the execution of this Agreement or of the transactions contemplated hereby, provided, however, that each of clauses (a) through (f) above shall not apply to the extent that any of the changes, developments, conditions or occurrences referred to therein relate primarily to (or have the effect of relating primarily to) the Company and the Company Subsidiaries, taken as a whole, or disproportionately adversely affect the Company and the Company Subsidiaries, taken as a whole, in comparison to other persons who operate in the gold mining industry and provided further, however, that references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a Company Material Adverse Effect has occurred;

“Company Material Contract” means any Contract to which the Company or the Company Subsidiaries is party or by which it or any of its assets, rights or properties are bound, that, if terminated or modified, would be material to the Company or the Company Subsidiaries and shall, without limitation, include the following: (a) the agreements listed in Schedule 3.1(cc) of the Company Disclosure Letter; (b) any lease, license of occupation or mining claim relating to real property or the exploration or extraction of minerals from such subject real property by the Company or the Company Subsidiaries, as tenant, with third parties; (c) any Contract under which the Company or the Company Subsidiaries is obliged to make payments, or receives

payments; (d) any partnership, limited liability company agreement, joint venture, alliance agreement or other similar agreement or arrangement relating to the formation, creation, operation, management, business or control of any partnership or Joint Venture; (e) any shareholders or stockholders agreements, registration rights agreements, voting trusts, proxies or similar agreements, arrangements or commitments with respect to any shares or other equity interests of the Company or the Company Subsidiaries or any other Contract relating to disposition, voting or dividends with respect to any shares or other equity securities of the Company or the Company Subsidiaries; (f) any Contract under which indebtedness of the Company or the Company Subsidiaries for borrowed money is outstanding or may be incurred or pursuant to which any property or asset of the Company or the Company Subsidiaries is mortgaged, pledged or otherwise subject to a Lien, any Contract under which the Company or the Company Subsidiaries has directly or indirectly guaranteed any liabilities or obligations of any person or any Contract restricting the incurrence of indebtedness by the Company or the Company Subsidiaries or the incurrence of Liens on any properties or securities of the Company or the Company Subsidiaries or restricting the payment of dividends or other distributions; (g) any Contract that purports to limit in any material respect the right of the Company or the Company Subsidiaries to (i) engage in any line of business or (ii) compete with any person or operate or acquire assets in any location; (h) any agreement or Contract by virtue of which any of the Company Properties were acquired or constructed or are held by the Company or the Company Subsidiaries or pursuant to which the construction, ownership, operation, exploration, exploitation, extraction, development, production, transportation, refining or marketing of such Company Properties are subject or which grant rights which are or may be used in connection therewith; (i) any Contract providing for the sale or exchange of, or option to sell or exchange, the Company Material Property or any property or asset of the Company, or for the purchase or exchange of, or option to purchase or exchange, the Company Material Property or any property or asset of the Company; (j) any Contract entered into in the past 12 months or in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition, directly or indirectly (by merger or otherwise), of material assets or shares (or other equity interests) of another person; (k) any Contract providing for indemnification by the Company or the Company Subsidiaries; (l) any Contract providing for a royalty, streaming or similar arrangement or economically equivalent arrangement in respect of any of the Company Properties; (m) any standstill or similar Contract currently restricting the ability of the Company to offer to purchase or purchase the assets or equity securities of another person; (p) any Contract that is an agreement with a Governmental Authority or with any First Nations Group; or (q) any other Contract that is or would reasonably be expected to be material to the Company or the Company Subsidiaries;

“Company Material Property” means the Company’s legal and beneficial right, title and interest in the Philibert Project, located in the Province of Quebec;

“Company Meeting” means the special meeting of the Company Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution;

“Company Option In-The-Money-Amount” in respect of a Company Option means the amount, if any, by which the total fair market value of the Company Shares that a holder is

entitled to acquire on exercise of the Company Option immediately before the Effective Time exceeds the aggregate exercise price to acquire such Company Shares at that time;

“Company Optionholder” means a holder of one or more Company Options;

“Company Options” means options to acquire Company Shares granted pursuant to or otherwise subject to the Company Option Plan;

“Company Option Plan” means the 2022 stock option plan of the Company approved by the Company Shareholders on May 18, 2022;

“Company Properties” has the meaning ascribed thereto in Section 3.1(u)(i);

“Company Public Disclosure Record” means all documents filed by or on behalf of the Company on SEDAR since April 1, 2020 and prior to the date hereof that are publicly available on the date hereof;

“Company RSU Plan” means the restricted share unit plan of the Company approved by the Company Shareholders on May 18, 2022;

“Company Securityholders” means Company Shareholders and Company Optionholders;

“Company Senior Management” means, collectively, the Company’s Chief Executive Officer, Chief Financial Officer and Executive Chairman;

“Company Shareholder” means a holder of one or more Company Shares;

“Company Shares” means the common shares without par value in the capital of the Company;

“Company Subsidiaries” means 9396-1217 Quebec Inc. and, indirectly, 9220-5392 Quebec Inc.;

“Company Support Agreements” means the voting and support agreements dated as of the date hereof between the Purchaser and the Company Supporting Securityholders and other voting and support agreements that may be entered into after the date hereof by the Purchaser and other securityholders of the Company, which agreements provide that such securityholders shall, among other things, vote all Company Shares and Company Options of which they are the registered or beneficial holder or over which they have control or direction, in favour of the Arrangement and not dispose of their Company Shares;

“Company Supporting Securityholders” means, collectively, the directors and officers of the Company, each of whom have entered into Company Support Agreements;

“Company Technical Report” has the meaning ascribed thereto in Section 3.1(x)(ii);

“Company Warrantholder” means a holder of one or more Company Warrants;

“Company Warrants” means all of the issued and outstanding common share purchase warrants of the Company as listed in the Company Disclosure Letter;

“Competition Act” means the *Competition Act*, R.S.C. 1985, c. C-34, as amended, and the regulations thereunder;

“Consideration” means 0.12 of a Purchaser Share and 1.0 Purchaser CVR for each Company Share;

“Consideration Shares” means the Purchaser Shares to be issued pursuant to the Arrangement;

“Contract” means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership, note, instrument, or other right or obligation (whether written or oral) to which a Party, or any of its subsidiaries, is a party or by which a Party, or any of its subsidiaries, is bound or affected or to which any of their respective properties or assets is subject;

“Court” means the Ontario Superior Court of Justice;

“Depository” means Computershare Investor Services Inc. or any other trust company, bank or other financial institution agreed to in writing by each of the Parties for the purpose of, among other things, exchanging certificates representing Company Shares for the Consideration in connection with the Arrangement;

“Director” means the Director appointed pursuant to Section 278 of the OBCA;

“Dissent Rights” has the meaning ascribed thereto in Section 1.1 of the Plan of Arrangement;

“Dissenting Company Shareholder” has the meaning ascribed thereto in Section 1.1 of the Plan of Arrangement;

“Effective Date” has the meaning ascribed thereto in Section 1.1 of the Plan of Arrangement;

“Effective Time” has the meaning ascribed thereto in Section 1.1 of the Plan of Arrangement;

“Eligible Holder” has the meaning ascribed thereto in the Plan of Arrangement;

“Employee Plans” means all benefit, bonus, incentive, pension, retirement, savings, stock purchase, profit sharing, stock option, stock appreciation, phantom stock, termination, change of control, life insurance, medical, health, welfare, hospital, dental, vision care, drug, sick leave, disability, and similar plans, programmes, arrangements or practices relating to any current or former director, officer or employee of the Company other than benefit plans established pursuant to statute;

“Environment” means the environment as defined in all Laws with respect to the environment,

and includes air (and all layers of the atmosphere), surface water, groundwater, land surface, soil, underground spaces, cavities, land submerged under water, subsurface strata, stream sediments, ambient air (including indoor air), plant and animal life, organic and inorganic matter and other living organisms and any sewer system; for greater certainty, the interacting natural systems that include components referred to above or any combination or part thereof are included in the definition of “Environment”; and “Environmental” shall have the correlative meaning;

“Environmental Approvals” means the Permits issued, granted, conferred or required by a Governmental Authority with respect to any Environmental Law, including authorizations, certificates of authorization, decree, declaration of compliance, environmental compliance approvals permits, orders, consents, agreements (including any sewer surcharge or discharge agreement), instructions, directions or registrations issued, granted, conferred or required by a Governmental Authority with respect to any Environmental Law;

“Environmental Laws” means all applicable Laws relating in any way to the Environment, including applicable Laws aimed at or relating to, or providing for enforcement law actions aimed at or relating to, or imposing liability or standards of conduct for or relating to, development, operation, reclamation or restoration of properties; abatement of pollution; protection of the Environment; health or safety of Persons or the public; protection of wildlife, including endangered species; withdrawal, contamination and use of groundwater and surface water; management, treatment, storage, disposal or control of, or exposure to, Hazardous Substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances or relating to Remedial Actions in connection with same; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes;

“Exchange Ratio” means the number of Purchaser Shares to be issued for each Company Share pursuant to the Arrangement;

“Fairness Opinion” means the opinion of the Fairness Opinion Author to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set forth therein, the implied value of the Consideration to be received by the Company Shareholders under the Arrangement is fair, from a financial point of view, to the Company Shareholders;

“Fairness Opinion Author” means Stifel Nicolaus Canada Inc.;

“Final Order” means the order of the Court approving the Arrangement, after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to the Consideration Shares, the Purchaser CVRs and the Replacement Options issued pursuant to the Arrangement, in form and substance acceptable to the Company and the Purchaser, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if

appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied;

“First Nations Claims” means any and all claims (whether or not proven) by any person to or in respect of: (a) rights, title or interests of any First Nations Group by virtue of its status as a First Nations Group; (b) treaty rights; (c) Métis rights, title or interests; or (d) specific or comprehensive claims being considered by the Government of Canada, and includes any alleged or proven failure of the Crown to satisfy any of its duties to any claimant of any of the foregoing, whether such failure is in respect of matters before, on or after the Effective Time;

“First Nations Group” means any Indian or Indian band (as those terms are defined in the *Indian Act* (Canada)), First Nation person or people, Métis person or people, Inuit person or people, or other aboriginal person or people, native person or people, indigenous person or people, or any person or group asserting or otherwise claiming an aboriginal right (including aboriginal title), treaty right or any other aboriginal or Indian or Métis or Inuit interest, and any person or group representing, or purporting to represent, any of the foregoing and which, for greater certainty, includes all persons who are “aboriginal peoples of Canada” as such term is used in Section 35(2) of the *Constitution Act, 1982*;

“First Nations Information” means any and all written documents or electronic and other communications and any oral communications respecting First Nations Claims, the issuance of any Permit that involve First Nations Claims and the duty to consult a First Nations Group;

“Governmental Authority” means (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, agency, commission, board or authority of any government, governmental body, quasi-governmental or private body exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing, (b) any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the authority of any of the foregoing, and (c) any stock exchange, including the TSXV;

“Hazardous Substances” means any waste or other substance that is prohibited, listed, defined, designated or classified as dangerous, hazardous, radioactive, corrosive, explosive, infectious, carcinogenic, mutagenic or toxic or a pollutant or a contaminant under or pursuant to, or that could result in liability under, any applicable Environmental Laws including petroleum and all derivatives thereof or synthetic substitutes therefor, hydrogen sulphide, arsenic, cyanide, cadmium, lead, mercury, polychlorinated biphenyls (“PCBs”), PCB-containing equipment and material, mould, asbestos, asbestos-containing material, urea-formaldehyde, urea-formaldehyde-containing material and any other material or substance that may impair the natural environment, the health of any individual, property or plant or animal life;

“IFRS” means International Financial Reporting Standards as incorporated in the Handbook of the Canadian Institute of Chartered Accountants, at the relevant time applied on a consistent basis;

“Indemnified Parties” has the meaning ascribed thereto in Section 4.8(a);

“Interim Order” means the interim order of the Court to be issued following the application therefor submitted to the Court as contemplated by Section 2.2(b), after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to the Consideration Shares, the Purchaser CVRs and Replacement Options issued pursuant to the Arrangement, in form and substance acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both the Company and the Purchaser, each acting reasonably;

“Investment Canada Act” means the *Investment Canada Act*, R.S.C. 1985, c. 28, as amended, and the regulations thereunder;

“Joint Venture” means a joint venture, partnership or other similar arrangement, whether in corporate, partnership, contractual or other legal form, in which the Company directly or indirectly holds voting shares, equity interests or other rights of participation but which is not a subsidiary of the Company, and any subsidiary of any such entity;

“Laws” means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term “applicable” with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities;

“Liens” means any pledge, claim, lien, charge, option, hypothec, mortgage, security interest, restriction, adverse right, prior assignment, lease, sublease, royalty, levy, right to possession or any other encumbrance, easement, license, right of first refusal, covenant, voting trust or agreement, transfer restriction under any shareholder or similar agreement, right or restriction of any kind or nature whatsoever, whether contingent or absolute, direct or indirect, or any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

“Litigation” has the meaning ascribed thereto in Section 3.1(q);

“material fact” has the meaning attributed to such term under the Securities Act;

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

“**Misrepresentation**” has the meaning attributed to such term under the Securities Act;

“**Money Laundering Laws**” has the meaning ascribed thereto in Section 3.1(n)(iii);

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

“**NI 52-109**” means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*;

“**NI 62-104**” means National Instrument 62-104 – *Takeover Bids and Issuer Bids*;

“**OBCA**” means the *Business Corporations Act* (Ontario);

“**Option Agreement**” means the option and joint venture agreement dated June 8, 2018, as amended on March 21, 2019, between 9220-5392 Quebec Inc. and SOQUEM Inc. in relation to the Company Material Property;

“**ordinary course of business**”, or any similar reference, means, with respect to an action taken or to be taken by any person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person and, in any case, is not unreasonable or unusual in the circumstances when considered in the context of the provisions of this Agreement, as the same may be varied, in good faith and on a commercially reasonable basis, to take into account any response to the actual or reasonably anticipated effect of the COVID-19 pandemic;

“**Outside Date**” means December 31, 2022, subject to the right of either Party to postpone the Outside Date for up to an additional 90 days (in 30-day increments) if the Regulatory Approvals have not been obtained and have not been denied by a non-appealable decision of a Governmental Authority, by giving written notice to the other Party to such effect no later than 5:00 p.m. (Toronto time) on the date that is 15 days prior to the original Outside Date (and any subsequent Outside Date), or such later date as may be agreed to in writing by the Parties; provided that notwithstanding the foregoing, a Party shall not be permitted to postpone the Outside Date if the failure to obtain a Regulatory Approval is materially the result of such Party’s failure to cooperate in obtaining such Regulatory Approval;

“**Parties**” means the parties to this Agreement and “**Party**” means any one of them;

“**Permit**” means any lease, license, permit, certificate, certificate of exemption, consent, order, grant, approval, classification, registration or other authorization of or from any Governmental Authority;

“**Permitted Liens**” means, as of any particular time and in respect of any particular person, each of the following Liens: (a) Liens for Taxes which are not delinquent or that are being contested in good faith and that have been adequately reserved on the person’s financial statements; (b) undetermined or inchoate Liens of contractors, subcontractors, mechanics, materialmen, carriers, workmen, suppliers, warehousemen, repairmen and similar Liens granted or which arise in the

ordinary course of business and which relate to obligations not yet due or delinquent; and (c) easements, rights-of-way, encroachments, restrictions, covenants, conditions and other similar matters that, individually or in the aggregate, do not materially and adversely impact such person's and its subsidiaries' current or contemplated use, occupancy, utility or value of the applicable real property;

“person” includes an individual, sole proprietorship, corporation, body corporate, incorporated or unincorporated association, syndicate or organization, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, joint stock company, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, a government or Governmental Authority or other entity, whether or not having legal status;

“Plan of Arrangement” means the plan of arrangement substantially in the form and content set out in Schedule A hereto, as amended, modified or supplemented from time to time in accordance with this Agreement and Article 6 of the Plan of Arrangement or at the direction of the Court in the Final Order, with the consent of the Company and the Purchaser, each acting reasonably;

“Pre-Acquisition Reorganization” has the meaning ascribed to it in Section 4.9;

“Proceedings” has the meaning ascribed thereto in Section 3.1(q);

“Purchaser” has the meaning ascribed thereto in the preamble hereto;

“Purchaser Board” means the board of directors of the Purchaser;

“Purchaser Board Recommendation” means the unanimous determination of the Purchaser Board that the Arrangement is in the best interests of the Purchaser;

“Purchaser CVR” means a non-transferable contingent value right of the Purchaser, each entitling the holder thereof to receive a fraction of a Purchaser Share to a maximum of 0.06 of a Purchaser Share, on the terms and subject to the conditions governed by the Rights Indenture and issued to Company Shareholders pursuant to the Plan of Arrangement;

“Purchaser Diligence Information” means the documents provided or made available to the Company by the Purchaser following execution of the Confidentiality Agreement and prior to the execution of this Agreement for the purposes of its due diligence in connection with the Arrangement, including all documents included in the Purchaser Public Disclosure Record and in any electronic data room to which the Company has been provided access;

“Purchaser Disclosure Letter” means the disclosure letter dated the date hereof regarding this Agreement that has been executed by the Purchaser and delivered to the Company concurrently with the execution of this Agreement;

“Purchaser Financial Statements” means the audited consolidated financial statements of the Purchaser as at, and for the years ended, December 31, 2021 and December 31, 2020 including

the notes thereto and the auditor's report thereon and the condensed interim consolidated financial statements for the six months ended June 30, 2022 and June 30, 2021 including the notes thereto;

“Purchaser Material Adverse Effect” means any result, fact, change, effect, event, circumstance, occurrence or development that, taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments, has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise), or financial condition of the Purchaser provided, however, that any result, fact, change, effect, event, circumstance, occurrence or development that arises out of, relates directly or indirectly to, results directly or indirectly from or is attributable to any of the following shall not be deemed to constitute, and shall not be taken into account in determining whether there has been, a Purchaser Material Adverse Effect: (a) changes, developments or conditions in or relating to general political, economic or financial or capital market conditions in Canada, the United States or globally; (b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Authority; (c) changes or developments affecting the global mining industry in general; (d) any outbreak or escalation of hostilities or war or acts of terrorism or any natural disaster or general outbreaks of illness (including COVID-19); (e) any changes in the price of gold; (f) any generally applicable changes in IFRS; (g) the announcement or pendency of this Agreement, including any lawsuit in respect of this Agreement or the transactions contemplated hereby; (h) any actions taken (or omitted to be taken) at the written request, or with the prior written consent, of the Company; (i) any action taken by the Purchaser that is required pursuant to this Agreement (excluding any obligation to act in the ordinary course of business); or (j) a change in the market price or trading volume of the Purchaser Shares as a result of the announcement of the execution of this Agreement or of the transactions contemplated hereby; provided, however, that each of clauses (a) through (f) above shall not apply to the extent that any of the changes, developments, conditions or occurrences referred to therein relate primarily to (or have the effect of relating primarily to) the Purchaser or disproportionately adversely affect the Purchaser in comparison to other persons who operate in the gold mining industry and provided further, however, that references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a Purchaser Material Adverse Effect has occurred;

“Purchaser Material Contract” means any Contract to which the Purchaser or the Purchaser Subsidiaries is party or by which it or any of its assets, rights or properties are bound, that, if terminated or modified, would be material to the Purchaser or the Purchaser Subsidiaries and shall, without limitation, include the following: (a) the agreements listed in Schedule 3.2(ff) of the Purchaser Disclosure Letter; (b) any lease, license of occupation or mining claim relating to real property or the exploration or extraction of minerals from such subject real property by the Purchaser or the Purchaser Subsidiaries, as tenant, with third parties; (c) any Contract under which the Purchaser or the Purchaser Subsidiaries is obliged to make payments, or receives payments; (d) any partnership, limited liability company agreement, joint venture, alliance agreement or other similar agreement or arrangement relating to the formation, creation, operation, management, business or control of any partnership or Joint Venture; (e) any

shareholders or stockholders agreements, registration rights agreements, voting trusts, proxies or similar agreements, arrangements or commitments with respect to any shares or other equity interests of the Purchaser or the Purchaser Subsidiaries or any other Contract relating to disposition, voting or dividends with respect to any shares or other equity securities of the Purchaser or the Purchaser Subsidiaries; (f) any Contract under which indebtedness of the Purchaser or the Purchaser Subsidiaries for borrowed money is outstanding or may be incurred or pursuant to which any property or asset of the Purchaser or the Purchaser Subsidiaries is mortgaged, pledged or otherwise subject to a Lien, any Contract under which the Purchaser or the Purchaser Subsidiaries has directly or indirectly guaranteed any liabilities or obligations of any person or any Contract restricting the incurrence of indebtedness by the Purchaser or the Purchaser Subsidiaries or the incurrence of Liens on any properties or securities of the Purchaser or the Purchaser Subsidiaries or restricting the payment of dividends or other distributions; (g) any Contract that purports to limit in any material respect the right of the Purchaser or the Purchaser Subsidiaries to (i) engage in any line of business or (ii) compete with any person or operate or acquire assets in any location; (h) any agreement or Contract by virtue of which any of the Purchaser Properties were acquired or constructed or are held by the Purchaser or the Purchaser Subsidiaries or pursuant to which the construction, ownership, operation, exploration, exploitation, extraction, development, production, transportation, refining or marketing of such Purchaser Properties are subject or which grant rights which are or may be used in connection therewith; (i) any Contract providing for the sale or exchange of, or option to sell or exchange, the Purchaser Material Properties or any property or asset of the Purchaser, or for the purchase or exchange of, or option to purchase or exchange, the Purchaser Material Properties or any property or asset of the Purchaser; (j) any Contract entered into in the past 12 months or in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition, directly or indirectly (by merger or otherwise), of material assets or shares (or other equity interests) of another person; (k) any Contract providing for indemnification by the Purchaser or the Purchaser Subsidiaries; (l) any Contract providing for a royalty, streaming or similar arrangement or economically equivalent arrangement in respect of any of the Purchaser Properties; (m) any standstill or similar Contract currently restricting the ability of the Purchaser to offer to purchase or purchase the assets or equity securities of another person; (p) any Contract that is an agreement with a Governmental Authority or with any First Nations Group; or (q) any other Contract that is or would reasonably be expected to be material to the Purchaser or the Purchaser Subsidiaries;

“Purchaser Material Properties” means the Company’s legal and beneficial right, title and interest in the Lac Surprise gold property and the Chevrier gold property;

“Purchaser Public Disclosure Record” means all documents filed by or on behalf of the Purchaser on SEDAR since January 1, 2020 and prior to the date hereof that are publicly available on the date hereof;

“Purchaser Option Plan” means the 2020 stock option plan of the Purchaser with an effective date of May 6, 2020;

“Purchaser Properties” has the meaning ascribed thereto in Section 3.2(v)(i);

“Purchaser RSU Plan” means the restricted share unit plan of the Purchaser with an effective date of June 24, 2021;

“Purchaser Senior Management” means the Purchaser’s Chief Executive Officer;

“Purchaser Shareholder” means a holder of one or more Purchaser Shares;

“Purchaser Subsidiaries” means Genesis Metals Corp. and, indirectly, Chevrier Metals Corp.;

“Purchaser Shares” means common shares in the capital of the Purchaser;

“Purchaser Technical Reports” has the meaning ascribed thereto in Section 3.2(y)(ii);

“Québec Resources Credit” means the credit relating to mining, petroleum, gas or other resources provided for in Title III, Chapter III.1, Division II.6.15 of Book IX of Part I of the *Taxation Act* (Québec);

“Regulatory Approvals” means sanctions, rulings, consents, orders, exemptions, permits, waivers, early termination authorizations, clearances, written confirmations of no intention to initiate legal proceedings and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Authorities;

“Release” means any sudden, intermittent or gradual release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, migration, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into the Environment;

“Remedial Action” shall mean any investigation, feasibility study, monitoring, testing, sampling, removal (including removal of underground storage tanks), restoration, clean-up, remediation, closure, site restoration, remedial response or remedial work, in each case in relation to the Environment;

“Replacement Option In-The-Money Amount” in respect of a Replacement Option means the amount, if any, by which the total fair market value of the Purchaser Shares that a holder is entitled to acquire on exercise of the Replacement Option at and from the Effective Time exceeds the aggregate exercise price to acquire such Purchaser Shares at that time;

“Replacement Options” has the meaning ascribed thereto in the Plan of Arrangement;

“Representatives” means, collectively, with respect to a Party, that Party’s officers, directors, employees, consultants, advisors, agents or other representatives (including lawyers, accountants, investment bankers and financial advisors);

“Returns” means all returns, reports, declarations, elections, notices, filings, forms, statements

and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes;

“Rights Indenture” means the rights indenture to be entered into between the Purchaser and Computershare Trust Company of Canada, as rights agent, setting out the terms and conditions of the Purchaser CVRs to be issued in accordance with the terms of the Plan of Arrangement, in substantially the form set out in Schedule C hereto;

“Securities Act” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder;

“Securities Laws” means the Securities Act and all other applicable Canadian provincial and territorial securities Laws;

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

“Share Purchase Agreement” means the share purchase agreement dated November 30, 2020, as amended March 23, 2021 and April 21, 2021, among the Company, Frank Guillemette, Jonathan Girard and Jean-Francois Girard;

“Special Committee” means the special committee established by the Company Board in connection with the transactions contemplated by this Agreement;

“subsidiary” means, with respect to a specified entity, any:

- (a) corporation of which issued and outstanding voting securities of such corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are owned by such specified entity and the votes attached to those voting securities are sufficient, if exercised, to elect a majority of the directors of such corporation;
- (b) partnership, unlimited liability company, joint venture or other similar entity in which such specified entity has more than 50% of the equity interests and the power to direct the policies, management and affairs thereof; and
- (c) a subsidiary (as defined in clauses (a) and (b) above) of any subsidiary (as so defined) of such specified entity;

“Superior Proposal” means a *bona fide* Acquisition Proposal made in writing on or after the date of this Agreement by a person or persons “acting jointly or in concert” (as such term is defined in NI 62-104) (other than the Purchaser and its affiliates) that did not result from a breach of Article 5 and which (or in respect of which):

- (a) is to acquire not less than all of the outstanding Company Shares not owned by the person or persons or all or substantially all of the assets of the Company on a consolidated basis;
- (b) the Company Board has determined in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal would, taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction which is more favourable to the Company Shareholders from a financial point of view than the Arrangement (taking into account any amendments to this Agreement and the Arrangement proposed by the Purchaser pursuant to Section 5.1(g));
- (c) in the case of an Acquisition Proposal that relates to the acquisition of all of the outstanding Company Shares, is made available to all of the Company Shareholders on the same terms and conditions;
- (d) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required funds will be available to effect payment in full;
- (e) is not subject to any due diligence and/or access condition;
- (f) the Company Board has determined in good faith, after consultation with financial advisors and outside legal counsel, is capable of being completed in accordance with its terms, without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person making such Acquisition Proposal; and
- (g) the Company has sufficient financial resources available to pay or has made arrangements to pay any Termination Fee payable pursuant to the terms hereof in accordance with the terms hereof;

“Superior Proposal Notice Period” has the meaning ascribed thereto in Section 5.1(f)(iii);

“Tax” or **“Taxes”** means any and all taxes, dues, duties, rates, imposts, fees, levies, other assessments, tariffs, charges or obligations of the same or similar nature, however denominated, imposed, assessed or collected by any Governmental Authority, including all income taxes, including any tax on or based on net income, gross income, income as specifically defined, earnings, gross receipts, capital gains, profits, business royalty or selected items of income, earnings or profits, and specifically including any federal, provincial, state, territorial, county, municipal, local or foreign taxes, state profit share taxes, windfall or excess profit taxes, capital taxes, royalty taxes, production taxes, payroll taxes, health taxes, employment taxes, withholding taxes, sales taxes, use taxes, goods and services taxes, harmonized sales taxes, custom duties, value added taxes, ad valorem taxes, excise taxes, alternative or add-on minimum taxes, franchise taxes, gross receipts taxes, licence taxes, occupation taxes, real and personal property

taxes, stamp taxes, anti-dumping taxes, countervailing taxes, occupation taxes, environment taxes, transfer taxes, and employment or unemployment insurance premiums, social insurance premiums and worker's compensation premiums, and government pension plan (including Canada Pension Plan and Quebec Pension Plan) premiums or contributions, and other taxes, fees, imposts, assessments or charges of any kind whatsoever together with any interest, penalties, additional taxes, fines and other charges and additions that may become payable in respect thereof including any interest in respect of such interest, penalties and additional taxes, fines and other charges and additions, whether disputed or not;

"Tax Act" means the *Income Tax Act* (Canada), as amended, and the regulations promulgated thereunder;

"Taxing Authority" means the Canada Revenue Agency and any other domestic or foreign Governmental Authority responsible for the administration or collection of any Taxes;

"Termination Fee" has the meaning ascribed thereto in Section 5.2(b);

"Termination Fee Event" has the meaning ascribed thereto in Section 5.2(a);

"TSXV" means the TSX Venture Exchange;

"U.S. Exchange Act" means the United States *Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder;

"U.S. Investment Company Act" means the United States *Investment Company Act of 1940*, as amended;

"U.S. Securities Act" means the United States *Securities Act of 1933*, as amended and the rules and regulations promulgated thereunder;

"U.S. Securities Laws" means federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder; and

"U.S. Treasury Regulations" means the treasury regulations under the Code.

1.2 Currency

Except where otherwise specified, (a) all references to currency herein are to lawful money of Canada and "\$" refers to Canadian dollars; and (b) "US\$" refers to United States dollars.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof",

“herein”, “hereunder” and similar expressions refer to this Agreement, including the Schedules hereto, and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to an Article, Section or Schedule by number or letter or both are to that Article, Section or Schedule in or to this Agreement.

1.4 Knowledge

Any reference in this Agreement to the “knowledge” of the Company, means to the knowledge and information of the Company Senior Management, after making due inquiry regarding the relevant matter. Any reference in this Agreement to the “knowledge” of the Purchaser, means to the knowledge and information of the Purchaser Senior Management, after making due inquiry regarding the relevant matter.

1.5 Extended Meanings, Etc.

Unless the context otherwise requires, words importing the singular number only include the plural and vice versa; words importing any gender include all genders. The terms “including” or “includes” and similar terms of inclusion, unless expressly modified by the words “only” or “solely”, mean “including without limiting the generality of the foregoing” and “includes without limiting the generality of the foregoing”. Any Contract, instrument or Law defined or referred to herein means such Contract, instrument or Law as from time to time amended, modified, supplemented or consolidated, including, in the case of Contracts or instruments, by waiver or consent and, in the case of Laws, by succession of comparable successor Laws, and all attachments thereto and instruments incorporated therein and, in the case of statutory Laws, all rules and regulations made thereunder.

1.6 Date of any Action

In the event that any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day, such action will be required to be taken on the next succeeding day which is a Business Day.

1.7 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature required to be made shall be made in a manner consistent with IFRS consistently applied.

1.8 Statutes

Any reference to a statute refers to such statute and all rules and regulations made or promulgated under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

1.9 Consent

If any provision requires approval or consent of a Party and such approval or consent is not delivered within the specified time limit, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

1.10 Schedules

The following are the Schedules to this Agreement:

- Schedule A - Plan of Arrangement
- Schedule B - Arrangement Resolutions
- Schedule C - Rights Indenture

ARTICLE 2 **THE ARRANGEMENT**

2.1 Articles of Arrangement and Effective Date

The Company and the Purchaser agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement. Subject to the terms and conditions of this Agreement, on or prior to the Effective Date, the Articles of Arrangement shall be filed by the Company with the Director. From and after the Effective Time, the steps to be carried out pursuant to the Arrangement shall become effective in accordance with the Plan of Arrangement. The closing of the transactions contemplated hereby and by the Plan of Arrangement will take place electronically at 8:00 a.m. (Eastern time) on the Effective Date at the offices in Toronto, Ontario of Cassels Brock & Blackwell LLP, or at such other time on the Effective Date or such other place as may be agreed to by the Parties. The Effective Date shall occur following the satisfaction or waiver (subject to applicable Laws) of the last of the conditions set forth in Article 7 (excluding conditions that by their terms cannot be satisfied until the Effective Date, but subject to the satisfaction or, when permitted, waiver of those conditions as of the Effective Date). The Arrangement shall be effective at the Effective Time.

2.2 Implementation Steps by the Company

The Company covenants in favour of the Purchaser that, subject to the terms of this Agreement, the Company will:

- (a) subject to compliance with applicable Securities Laws, prior to the next opening of markets in Toronto, Ontario following the execution of this Agreement, issue a news release announcing the entering into of this Agreement and other related matters referred to in Section 4.3(b), which news release shall be satisfactory in form and substance to each of the Company and the Purchaser, each acting reasonably, and, thereafter, file such news release and a corresponding material change report in prescribed form in accordance with applicable Securities Laws;

- (b) as soon as reasonably practicable after the execution of this Agreement, in consultation with the Purchaser, fix and publish the record date for the Company Securityholders entitled to receive notice of and vote at the Company Meeting;
- (c) as soon as reasonably practicable after the execution of this Agreement, but in any event in sufficient time to permit the Company Meeting to be convened in accordance with Section 2.2(d), apply to, and have the hearing for the Interim Order before the Court pursuant to Section 182(5) of the OBCA in a manner and form acceptable to the Purchaser, acting reasonably, and thereafter proceed with such application and diligently pursue obtaining the Interim Order;
- (d) lawfully convene and hold the Company Meeting in accordance with the Interim Order, the Company's articles and by-laws and applicable Laws, as soon as reasonably practicable after the Interim Order is issued and, in any event, not later than November 15, 2022, for the purpose of having the Company Securityholders consider the Arrangement Resolution, and will not, unless the Purchaser otherwise consents in writing, adjourn, postpone or cancel the Company Meeting or propose to do any of the foregoing except:
 - (i) for an adjournment as required for quorum purposes or by applicable Law or a Governmental Authority; or
 - (ii) as required or permitted under Section 5.1(h) or Section 6.3;
- (e) subject to the terms of this Agreement, solicit from the Company Securityholders proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any person that is inconsistent with, or which seeks (without the Purchaser's consent) to hinder or delay the Arrangement Resolution and the completion of the transactions contemplated by this Agreement including, at the Company's discretion or if so requested by the Purchaser, using the services of a proxy solicitation agent (the costs of such proxy solicitation agent if so requested by the Purchaser to be paid by the Purchaser), consulting with the Purchaser in the selection and retainer of any such proxy solicitation agent and reasonably considering the Purchaser's recommendation with respect to any such agent, and cooperating with any persons engaged by the Purchaser, to solicit proxies in favour of the approval of the Arrangement Resolution, recommend to all Company Securityholders that they vote in favour of the Arrangement Resolution, and take all other actions that are reasonably necessary or desirable to obtain the approval of the Arrangement by the Company Securityholders, and (i) permit the Purchaser to assist and participate in all calls and meetings with such proxy solicitation agent, (ii) provide the Purchaser with all material information distributions or updates from the proxy solicitation agent, (iii) consult with, and consider any suggestions from, the Purchaser with regards to the proxy solicitation agent, and (iv) consult with the Purchaser and keep the Purchaser apprised, with respect to such solicitation and other actions; provided that, the

Company shall not be required to solicit from the Company Securityholders proxies in favour of the approval of the Arrangement Resolution, or take any other actions under this Section 2.20, if a Company Change of Recommendation has been made in accordance with Section 5.1(f);

- (f) advise the Purchaser as reasonably requested, and on a daily basis commencing 10 Business Days prior to the Company Meeting, as to the aggregate tally of the proxies and votes received in respect of the Company Meeting and all matters to be considered at the Company Meeting;
- (g) consult with the Purchaser in fixing the date of the Company Meeting, promptly provide the Purchaser with any notice relating to the Company Meeting and allow Representatives of the Purchaser to attend the Company Meeting;
- (h) not change the record date for the Company Securityholders entitled to vote at the Company Meeting in connection with any adjournment or postponement of the Company Meeting unless required by Law or the Company's articles and by-laws; and
- (i) subject to obtaining the Final Order and to the satisfaction or waiver (subject to applicable Laws) of each of the conditions set forth in Article 7 (excluding conditions that by their terms cannot be satisfied until the Effective Date, but subject to the satisfaction or, when permitted, waiver of those conditions as of the Effective Date), as soon as reasonably practicable thereafter, and, in any event, not later than two Business Days thereafter, the Articles of Arrangement required to be filed prior to the Effective Date shall be filed by the Company with the Director, provided, however, that the Articles of Arrangement shall not be sent to the Director, except as contemplated hereby or with the Purchaser's prior written consent.

2.3 Implementation Steps by the Purchaser

The Purchaser covenants in favour of the Company that, subject to the terms of this Agreement, the Purchaser will:

- (a) subject to compliance with applicable Securities Laws, prior to the next opening of markets in Toronto, Ontario following the execution of this Agreement issue a news release announcing the entering into of this Agreement and other related matters referred to in Section 4.4(a), which news release shall be satisfactory in form and substance to each of the Purchaser and the Company, each acting reasonably, and, thereafter, file such news release in prescribed form in accordance with applicable Securities Laws; and
- (b) cooperate with, assist and consent to the Company seeking the Interim Order and the Final Order and, subject to the Company obtaining the Final Order and to the satisfaction or waiver (subject to applicable Laws) of each of the conditions set

forth in Article 7 (excluding conditions that by their terms cannot be satisfied until the Effective Date, but subject to the satisfaction or, when permitted, waiver of those conditions as of the Effective Date), as soon as reasonably practicable thereafter, take all steps and actions including, if applicable, making all filings with Governmental Authorities necessary to give effect to the Arrangement and carry out the terms of the Plan of Arrangement applicable to each of them prior to the Outside Date.

2.4 Interim Order

The application referred to in Section 2.2(c) shall, unless the Company and the Purchaser otherwise agree, include a request that the Interim Order provide, among other things:

- (a) for the class of persons to whom notice is to be provided in respect of the Arrangement and the Company Meeting and for the manner in which such notice is to be provided;
- (b) confirmation of the record date for the purposes of determining the Company Securityholders entitled to receive notice of and vote at the Company Meeting (which date shall be fixed and published by the Company in consultation with the Purchaser);
- (c) that the Company Meeting may be adjourned or postponed from time to time by the Company in accordance with the terms of this Agreement without the need for additional approval by the Court and without the necessity of first convening the Company Meeting or first obtaining any vote of the Company Securityholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as the Company Board may determine is appropriate in the circumstances;
- (d) that the record date for the Company Securityholders entitled to receive notice of and to vote at the Company Meeting will not change in respect of or as a consequence of any adjournment or postponement of the Company Meeting, unless required by Law;
- (e) that the requisite and sole approval of the Arrangement Resolution will be: (i) 66 $\frac{2}{3}$ % of the votes cast on the Arrangement Resolution by the Company Shareholders present in person or represented by proxy and entitled to vote at the Company Meeting; (ii) 66 $\frac{2}{3}$ % of the votes cast on the Arrangement Resolution by the Company Shareholders and the Company Optionholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Company Meeting; and (iii) if required, a simple majority of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy and entitled to vote at the Company Meeting, excluding for the purposes of (iii) the votes for Company Shares held or controlled by persons described in items (a) through (d) of Section 8.1(2) of MI 61-101;

- (f) that, in all other respects, the terms, conditions and restrictions of the Company's constating documents, including quorum requirements and other matters shall apply with respect to the Company Meeting;
- (g) that the Parties intend to rely upon the exemption from registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereunder for the issuance of the Consideration Shares, the Purchaser CVRs and the Replacement Options, subject to and conditioned on the Court's determination that the Arrangement is substantively and procedurally fair to Company Securityholders who are entitled to receive Consideration Shares, Purchaser CVRs and Replacement Options, pursuant to the Arrangement, and based on the Court's approval of the Arrangement;
- (h) for the grant of Dissent Rights to the Company Shareholders who are registered holders of Company Shares as contemplated in the Plan of Arrangement; and
- (i) for the notice requirements with respect to the presentation of the application to the Court for the Final Order,

and, subject to the consent of the Company (such consent not to be unreasonably withheld or delayed), the Company shall also request that the Interim Order provide for such other matters as the Purchaser may reasonably require.

2.5 Company Circular

(a) Subject to the Purchaser complying with Section 2.5(e), the Company will, in consultation with the Purchaser:

- (i) as soon as reasonably practicable after the execution of this Agreement, promptly prepare the Company Circular together with any other documents required by the OBCA and other applicable Laws in connection with the approval of the Arrangement Resolution by the Company Securityholders at the Company Meeting; and
- (ii) as soon as reasonably practicable after the issuance of the Interim Order, cause the Company Circular to be sent to the Company Securityholders in compliance with the accelerated timing contemplated by National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and filed as required by the Interim Order and applicable Laws.

(b) The Company shall ensure that the Company Circular complies in all material respects with applicable Laws and, without limiting the generality of the foregoing, that the Company Circular (including with respect to any information incorporated therein by reference) will not contain any Misrepresentation (other than in each case with respect to any information furnished by the Purchaser) and will provide the Company Securityholders with information in

sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before them at the Company Meeting.

(c) The Company shall use commercially reasonable efforts to obtain any necessary consents from its auditor and any other advisors to the use of any financial, technical or other expert information required to be included in the Company Circular and to the identification in the Company Circular of each such advisor.

(d) The Company and the Purchaser will cooperate in the preparation, filing and mailing of the Company Circular. The Company will provide the Purchaser and its legal counsel with a reasonable opportunity to review and comment on all drafts of the Company Circular and other documents related thereto prior to filing the Company Circular with applicable Governmental Authorities and printing and mailing the Company Circular to the Company Securityholders and will give reasonable consideration to such comments. All information relating solely to the Purchaser included in the Company Circular shall be provided by the Purchaser in accordance with Section 2.5(e) and shall be in form and content satisfactory to the Purchaser, acting reasonably, and the Company Circular will include: (i) a statement that the Special Committee has unanimously, after consulting with management of the Company and legal and financial advisors in evaluating the Arrangement, recommended that the Company Board approve this Agreement and the Arrangement; (ii) a statement that the Company Board has unanimously, after consulting with management of the Company and legal and financial advisors in evaluating the Arrangement, determined that the Arrangement is fair to the Company Securityholders and it is in the best interests of the Company; (iii) the unanimous recommendation of the Company Board that the Company Securityholders vote in favour of the Arrangement Resolution and the rationale for that recommendation; (iv) a copy of the Fairness Opinion; and (iv) a statement that each of the Company Supporting Securityholders has signed a Company Support Agreement, pursuant to which, and subject to the terms thereof, they have agreed to, among other things, vote their Company Shares and Company Options in favour of the Arrangement Resolution.

(e) The Purchaser will, in a timely manner, furnish the Company with all such information regarding the Purchaser as may reasonably be required to be included in the Company Circular pursuant to applicable Laws and any other documents related thereto, and shall ensure that such information does not contain any Misrepresentation.

(f) The Company shall keep the Purchaser fully informed in a timely manner of any requests or comments made by the Canadian securities regulatory authorities and/or the TSXV in connection with the Company Circular.

(g) The Company and the Purchaser will each promptly notify the other if at any time before the Effective Date it becomes aware (in the case of the Company only with respect to the Company and in the case of the Purchaser only with respect to the Purchaser) that the Company Circular or any other document referred to in Section 2.5(e) contains any Misrepresentation or otherwise requires any amendment or supplement and promptly deliver written notice to the other Party setting out full particulars thereof. In any such event, the Company and the Purchaser will cooperate with each other in the preparation, filing and dissemination of any required

supplement or amendment to the Company Circular or such other document, as the case may be, and any related news release or other document necessary or desirable in connection therewith.

2.6 Final Order

If (i) the Interim Order is received; and (ii) the Arrangement Resolution is approved by Company Securityholders at the Company Meeting as provided for in the Interim Order and as required by applicable Law, subject to the terms of this Agreement, the Company shall take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 182(5) of the OBCA as soon as reasonably practicable after the Company Meeting, but in any event not later than three Business Days thereafter, subject to the availability of the Court, and, if at any time after the issuance of the Final Order and on or before the Effective Date, the Company is required by the terms of the Final Order or by Law to return to the Court with respect to the Final Order, it will only do so after prior notice to the Purchaser, and affording the Purchaser a reasonable opportunity to consult with the Company regarding the same.

2.7 Court Proceedings

The Company will provide the Purchaser and its counsel with a reasonable opportunity to review and comment upon drafts of all materials to be filed with the Court in connection with the Arrangement prior to the service and filing of such materials and will give reasonable consideration to such comments. The Company will ensure that all materials filed with the Court in connection with the Arrangement are consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. Subject to applicable Law, the Company will not file any material with the Court in connection with the Arrangement or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated by this Section 2.7 or with the Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed, provided, however, that nothing herein shall require the Purchaser to agree or consent to any increase or change in the consideration payable under the terms of the Plan of Arrangement or any modification or amendment to such filed or served materials that expands or increases the Purchaser's obligations set forth in any such filed or served materials or under this Agreement or the Plan of Arrangement. In addition, the Company will not object to legal counsel to the Purchaser making such submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided that the Company or its legal counsel is advised of the nature of any submissions prior to the hearing and such submissions are consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. The Company will also provide the Purchaser on a timely basis with copies of any notice of appearance and evidence or other documents served on the Company or its legal counsel in respect of the application for the Interim Order or the Final Order or any appeal therefrom and of any notice, whether or not in writing, received by the Company or its legal counsel indicating any intention to oppose the granting of the Interim Order or the Final Order or to appeal the Interim Order or the Final Order.

2.8 Dissenting Company Shareholders

The Company will give the Purchaser prompt notice of receipt of any written communication from any Company Shareholder in opposition to the Arrangement, written notice of dissent or purported exercise by any Company Shareholder of Dissent Rights received by the Company in relation to the Arrangement and any withdrawal of Dissent Rights received by the Company, and any written communications sent by or on behalf of the Company to any Company Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement. The Company shall not make any payment or settlement offer, or agree to any such settlement, or conduct any negotiations prior to the Effective Time with respect to any such dissent, notice or instrument without the prior written consent of the Purchaser.

2.9 List of Securityholders

Upon the reasonable request from time to time of the Purchaser, the Company will provide the Purchaser with lists (in electronic form) of: (i) the registered Company Shareholders, together with their addresses and respective holdings of Company Shares; (ii) the names and addresses and holdings of all persons having rights (including Company Optionholders and Company Warrantholders) issued or granted by the Company to acquire Company Shares; and (iii) non-objecting beneficial owners of Company Shares and participants in book-based nominee registers (such as CDS & Co.), together with their addresses and respective holdings of Company Shares. The Company will from time to time require that its registrar and transfer agent furnish the Purchaser with such additional information, including updated or additional lists of Company Shareholders, information regarding beneficial ownership of Company Shares and lists of holdings and other assistance as the Purchaser may reasonably request.

2.10 Securityholder Communications

The Company and the Purchaser agree to cooperate in the preparation of presentations, if any, to any Company Shareholders or other securityholders of the Company or the analyst community regarding the Arrangement. The Company and the Purchaser agree to consult with each other in connection with any communications or meeting with Company Shareholders or other securityholders of the Company or analysts that it may have, provided, however, that the foregoing shall be subject to each of the Company's and the Purchaser's respective overriding obligation to make any disclosure or filing required by applicable Laws or stock exchange rules and if the Company or the Purchaser is required to make any such disclosure or filing, it shall use its commercially reasonable efforts to give prior oral or written notice to the other Party and a reasonable opportunity to review and comment thereon prior to its dissemination or filing. The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. Notwithstanding the foregoing, the restrictions set forth in this Section 2.10 will not apply to any release or public statement (a) made or proposed to be made by the Company in connection with a Company Change of Recommendation or any action taken pursuant thereto; or (b) in connection with any dispute between the Parties regarding this Agreement, the Arrangement or the transactions

contemplated by this Agreement.

2.11 Payment of Consideration

The Purchaser will, following receipt by the Company of the Final Order and the conditional acceptance of the TSXV, and in any event prior to the closing of the Arrangement, deposit in escrow with the Depositary (the terms and conditions of such escrow to be satisfactory to the Parties, acting reasonably) sufficient Purchaser Shares and Purchaser CVRs to satisfy the aggregate Consideration payable pursuant to the Plan of Arrangement. For greater certainty, the Purchaser shall not be required pursuant to this Section 2.11 to provide or deposit in escrow with the Depositary prior to the Effective Date any cash, Purchaser Shares or Purchaser CVRs as Consideration for the Company Shares held by Company Shareholders validly exercising Dissent Rights and who have not withdrawn their notice of objection.

2.12 U.S. Securities Law Matters

The Parties agree that the Arrangement will be carried out with the intention that all Consideration Shares, Purchaser CVRs and Replacement Options issued pursuant to the Arrangement will be issued by the Purchaser in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and will be issued pursuant to available exemptions from applicable U.S. state securities laws, but that the exemption provided by Section 3(a)(10) does not exempt the issuance of securities upon the exercise of the Replacement Options issued under the Arrangement, as applicable. In order to ensure the availability of the exemption under Section 3(a)(10) of the U.S. Securities Act, the Parties agree that the Arrangement will be carried out on the following basis:

- (a) the Arrangement will be subject to the approval of the Court, after considering the procedural and substantive fairness of the terms and conditions of the Arrangement;
- (b) pursuant to Section 2.4(g), the Court will be advised as to the intention of the Parties to rely on the exemption under Section 3(a)(10) of the U.S. Securities Act prior to the hearing required to approve the procedural and substantive fairness of the terms and conditions of the Arrangement to the Company Shareholders to whom Consideration Shares and Purchaser CVRs will be issued, and to all Company Optionholders who are entitled to receive Replacement Options pursuant to the Arrangement;
- (c) the Court will be advised prior to the hearing to approve the Interim Order that the Parties intend to rely on the exemption under Section 3(a)(10) of the U.S. Securities Act, and that its approval of the Arrangement will be relied upon as a determination that the Court has satisfied itself as to the procedural and substantive fairness of the terms and conditions of the Arrangement to all Company Shareholders who are entitled to receive Consideration Shares and Purchaser CVRs pursuant to the Arrangement and to all Company Optionholders who are entitled to receive Replacement Options pursuant to the Arrangement;

- (d) the Company will ensure that each person entitled to receive Consideration Shares, Purchaser CVRs and Replacement Options pursuant to the Arrangement will be given adequate and appropriate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;
- (e) each person entitled to receive Consideration Shares, Purchaser CVRs and Replacement Options will be advised that the Consideration Shares, the Purchaser CVRs and the Replacement Options issued pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and will be issued by the Purchaser in reliance on the exemption under Section 3(a)(10) of the U.S. Securities Act and available exemptions from applicable U.S. state securities laws, and that certain restrictions on resale under the U.S. Securities Laws, including, as applicable, Rule 144 under the U.S. Securities Act, may be applicable with respect to securities issued to persons who are, or have been within 90 days, affiliates (as defined in Rule 144 of the U.S. Securities Act) of the Purchaser;
- (f) Company Optionholders entitled to receive Replacement Options will be advised that the Replacement Options issued pursuant to the Arrangement have not been registered under the U.S. Securities Act and will be issued by the Purchaser in reliance on the exemption provided by Section 3(a)(10) of the U.S. Securities Act, but that such exemption does not exempt the issuance of securities upon the exercise of such Replacement Options; therefore, the underlying Purchaser Shares issuable upon the exercise of the Replacement Options, if any, cannot be issued in the U.S. or to a person in the U.S. in reliance upon the exemption provided by Section 3(a)(10) of the U.S. Securities Act and the Replacement Options may only be exercised pursuant to an effective registration statement or pursuant to a then available exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws, if any;
- (g) the Final Order will expressly state that the Arrangement serves as a basis of a claim to the exemption under Section 3(a)(10) of the U.S. Securities Act from the registration requirements otherwise imposed by the U.S. Securities Act regarding the distribution of securities pursuant to the Plan of Arrangement and is approved by the Court as being substantively and procedurally fair to the Company Shareholders and the Company Optionholders;
- (h) the Interim Order will specify that each Company Shareholder and Company Optionholder will have the right to appear before the Court at the hearing of the Court to give approval of the Arrangement so long as they enter an appearance within a reasonable time and in accordance with the requirements of Section 3(a)(10) under the U.S. Securities Act; and
- (i) the Final Order will include a statement to substantially the following effect: "This Order will serve as a basis of a claim to an exemption, pursuant to Section

3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that act, regarding the distribution of securities of the Purchaser pursuant to the Plan of Arrangement.”

2.13 Adjustment to Share Consideration Regarding Distributions

Notwithstanding anything to the contrary contained in this Agreement, if between the date of this Agreement and the Effective Time, the Company pays any dividend or other distribution on the Company Shares (or declares such a dividend or distribution with a record date prior to the Effective Date), then the Share Consideration to be paid per Company Share, the Exchange Ratio and any other dependent items shall be appropriately adjusted to provide to the Company and the Purchaser and their respective shareholders the same economic effect as contemplated by this Agreement and the Arrangement prior to such action and as so adjusted shall, from and after the date of such event, be the Share Consideration to be paid per Company Share, the Exchange Ratio or other dependent item, subject to further adjustment in accordance with this Section 2.13.

2.14 Withholding Rights

The Company, the Purchaser and the Depositary will be entitled to deduct or withhold from any consideration or other amount payable or deliverable to any Company Securityholder and any other securityholder of the Company under the Plan of Arrangement (including any payment to Dissenting Company Shareholders and Company Warrantholders) such amounts as the Company, the Purchaser or the Depositary, as the case may be, is required to deduct or withhold, or reasonably believe to be required to deduct or withhold, with respect to such payment or delivery under any provision of any Law in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated for all purposes under this Agreement as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority by or on behalf of the Company, the Purchaser or the Depositary, as applicable. Any of the Company, the Purchaser or the Depositary, as the case may be, is hereby authorized to sell or otherwise dispose of Consideration Shares as is necessary to provide sufficient funds to enable the Company, the Purchaser or the Depositary, as the case may be, to comply with all deduction or withholding requirements applicable to it, and none of the Company, the Purchaser or the Depositary shall be liable to any person for any deficiency in respect of any proceeds received, and the Company, the Purchaser or the Depositary, as applicable, shall notify the holder thereof and remit to the holder thereof any unapplied balance of the net proceeds of such sale.

2.15 Company Options

Pursuant to the Arrangement, each Company Option outstanding immediately prior to the Effective Time shall immediately vest to the fullest extent and shall be exchanged for a fully vested Replacement Option to purchase from the Purchaser such number of Purchaser Shares (rounded down to the nearest whole number) equal to (A) Exchange Ratio, multiplied by (B) the number of Company Shares subject to such Company Option immediately prior to the

Effective Time, at an exercise price per Purchaser Share (rounded up to the nearest whole cent) equal to (M) the exercise price per Company Share at which such Company Option was exercisable immediately prior to the Effective Time, divided by (N) the Exchange Ratio, exercisable until the earlier of (X) the date that is 12 months following the Effective Date, notwithstanding the holder ceasing to hold office or ceasing to be a director, employee or consultant at or after the Effective Time, and (Y) the original expiry date of the Company Option for which it was exchanged. Except as set out above, the terms and conditions of the Replacement Option, including the conditions to and manner of exercising, shall be the same as the Company Options so exchanged, and shall be governed by the terms of the Company Option Plan and any document evidencing Company Options shall thereafter evidence and be deemed to evidence such Replacement Options. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to any such exchange. Therefore, in the event that the Replacement Option In-The-Money Amount in respect of a Replacement Option would otherwise exceed the Company Option In-The-Money Amount in respect of the Company Option, the exercise price per Purchaser Share of such Replacement Option will be increased accordingly with effect at and from the Effective Time by the minimum amount necessary to ensure that the Replacement Option In-The-Money Amount in respect of the Replacement Option does not exceed the Company Option In-The-Money Amount in respect of the Company Option.

2.16 Company Warrants

In accordance with the terms of each of the Company Warrants, each holder of a Company Warrant shall be entitled to receive (and such holder shall accept) upon the exercise of such holder's Company Warrants, in lieu of Company Shares to which such holder was theretofore entitled upon such exercise, and for the same aggregate consideration payable therefor, the number of Consideration Shares which the holder would have been entitled to receive as a result of the transactions contemplated by the Arrangement if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Company Shares to which such holder would have been entitled if such holder had exercised such holder's Company Warrants immediately prior to the Effective Time. Each Company Warrant shall continue to be governed by and be subject to the terms of the applicable Company Warrant certificate or indenture, as applicable, subject to any supplemental exercise documents issued by the Purchaser to holders of Company Warrants to facilitate the exercise of the Company Warrants and the payment of the corresponding portion of the exercise price thereof. Holders of Company Warrants will be advised that securities issuable upon the exercise of the Company Warrants, if any, will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, and may be issued only pursuant to an effective registration statement or a then available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws, if any.

2.17 Directors and Officers

- (a) The Purchaser agrees that it and the Purchaser Board shall use all commercially reasonable efforts necessary to appoint or have elected to the Purchaser Board, prior to or as of the Effective Time, subject to applicable Laws and the constating documents and articles of the Purchaser and otherwise agreed to by the Parties,

the Company Director Nominees. The Purchaser agrees that the maximum size of the Purchaser Board as of the Effective Time will be seven directors, or such other number as agreed to by the Parties.

- (b) The Purchaser agrees that it and the Purchaser Board shall use all commercially reasonable efforts necessary to appoint, prior to or as of the Effective Time, subject to applicable Laws and the constating documents and articles of the Purchaser and otherwise agreed to by the Parties, Simon Marcotte as the President and Chief Executive Officer of the Purchaser.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company

Except as specifically disclosed in the Company Disclosure Letter (which shall make reference to the applicable section in respect of which such qualification is being made), the Company represents and warrants to and in favour of the Purchaser as follows and acknowledges that the Purchaser is relying upon such representations and warranties in entering into this Agreement:

- (a) Organization and Qualification.
 - (i) The Company has been duly incorporated and validly exists and is in good standing under the OBCA, and has the requisite corporate and legal power and capacity to own its assets as now owned and to carry on its business as it is now being carried on. The Company is duly qualified to carry on business in each jurisdiction in which the nature or character of its properties and assets, owned, leased or operated by it, or the nature of its business or activities, makes such qualification necessary.
 - (ii) The Company Diligence Information includes complete and correct copies of the constating documents of the Company, as amended to the date of this Agreement, and the Company has not taken any action to amend or supersede such documents. The Company Diligence Information includes complete and correct copies of the resolutions or minutes (or, in the case of draft minutes, the most recent drafts thereof) of all meetings of the Company Shareholders, the Company Board and each committee of the Company Board, excluding any minutes (or portion thereof) of the Company Board in relation to this Agreement and the Company has not taken any action to amend or supersede such documents.
- (b) Subsidiaries.
 - (i) The Company does not have any subsidiaries other than the Company Subsidiaries, which are duly incorporated and existing under the laws of

Quebec and have the requisite corporate and legal power and capacity to own its respective assets as now owned and to carry on its respective business as it is now being carried on.

- (ii) The Company Subsidiaries are duly qualified to carry on business in each jurisdiction in which the nature or character of its properties and assets, owned, leased or operated by it, or the nature or character of the properties and assets owned, leased or operated by it, or the nature of its business or activities, makes such qualification necessary.
 - (iii) The Company is, directly or indirectly, the legal, beneficial and registered owner of all of the issued shares of the Company Subsidiaries and the Company Subsidiaries have no outstanding agreement, subscription, warrant, option, right or commitment (nor have the Company Subsidiaries granted any right or privilege capable of becoming an agreement, subscription, warrant, option, right or commitment) obligating it to issue or sell any of its shares, including any security or obligation of any kind convertible into or exchangeable or exercisable for any shares or other securities of the Company Subsidiaries. All of the issued and outstanding shares in the capital of the Company Subsidiaries have been duly authorized and validly issued and are fully-paid and non-assessable, and all such shares are, except pursuant to restrictions on transfer contained in constating documents or by-laws, owned free and clear of all Liens of any kind or nature whatsoever and are free of any other restrictions including any restrictions on the right to vote, sell or otherwise dispose of such shares or other equity interests.
 - (iv) Except for the shares owned by the Company in its subsidiary, neither the Company nor the Company Subsidiaries owns, beneficially, any shares in the capital of any corporation, and neither the Company nor the Company Subsidiaries holds any securities or obligations of any kind convertible into or exchangeable for shares in the capital of any corporation. Neither the Company nor the Company Subsidiaries is a party to any agreement to acquire any shares in the capital of any corporation.
 - (v) The Company Diligence Information includes complete and correct copies of the constating documents of the Company Subsidiaries, as amended to the date of this Agreement, and complete and correct copies of the resolutions or minutes (or, in the case of draft minutes, the most recent drafts thereof) of all meetings of the shareholders of the Company Subsidiaries, the board of directors of the Subsidiary and each committee thereof, excluding any minutes (or portion thereof) in relation to this Agreement.
- (c) Authority Relative to this Agreement. The Company has the requisite corporate power, authority and capacity to enter into this Agreement and (subject to obtaining the approval of the Company Securityholders of the Arrangement Resolution, the Interim Order and the Final Order as contemplated in Section 2.2)

to perform its obligations hereunder and to complete the transactions contemplated by this Agreement. The execution and delivery of this Agreement, the performance by the Company of its obligations hereunder and the completion by the Company of the transactions contemplated by this Agreement have been duly authorized by the Company Board and no other corporate proceedings on the part of the Company are necessary to authorize the execution and delivery by it of this Agreement or, subject to obtaining the approval of the Company Securityholders of the Arrangement Resolution and the Interim Order and the Final Order as contemplated in Section 2.2, the performance by the Company of its obligations hereunder, the completion of the Arrangement or the completion by the Company of the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other Laws relating to or affecting the availability of equitable remedies and the enforcement of creditors' rights generally and general principles of equity and public policy and to the qualification that equitable remedies such as specific performance and injunction may be granted only in the discretion of a court of competent jurisdiction.

- (d) Required Approvals. No authorization, licence, permit, certificate, registration, consent or approval of, or filing with, or notification to, any Governmental Authority is required to be obtained or made by or with respect to the Company for the execution and delivery of this Agreement, the performance by the Company of its obligations hereunder or the completion by the Company of the Arrangement, other than:
 - (i) the Interim Order and any filings required in order to obtain, and approvals required under, the Interim Order;
 - (ii) the Final Order, and any filings required in order to obtain the Final Order; and
 - (iii) such filings and other actions required under applicable Securities Laws and the rules and policies of the TSXV as are contemplated by this Agreement.
- (e) No Violation. Subject to obtaining the authorizations, consents and approvals and making the filings referred to in Section 3.1(d), the execution and delivery by the Company of this Agreement, the performance by the Company of its obligations hereunder and the completion by the Company of the Arrangement do not and will not (nor will they with the giving of notice or the lapse of time or both):
 - (i) conflict with, result in a violation or breach of, constitute a default or require any consent (other than such as has already been obtained), to be obtained under, or give rise to any termination rights or payment obligations under, any provision of:

- (A) any Law applicable to it, the Company Subsidiaries or any of their properties or assets;
 - (B) the articles or by-laws of the Company or those of the Company Subsidiaries or any other agreement or understanding with any party holding an ownership interest in the Company; or
 - (C) any licence or registration or any agreement, contract or commitment, written or oral, which the Company or the Company Subsidiaries is a party to or bound by or subject to;
 - (ii) result in a conflict, contravention, breach or default under or termination of, or acceleration or permit the acceleration of the performance required by, or loss of any benefit under, or require any consent or approval under, any Company Material Contract or permit or license to which it is a party or by which it is bound or to which the Company Material Property, or any of its material assets are subject or give to any person any interest, benefit or right, including any right of purchase, termination, suspension, alteration, payment, modification, reimbursement, cancellation or acceleration, under any such contracts, permits or licenses;
 - (iii) other than as set out in Schedule 3.1(e)(iii) of the Company Disclosure Letter, give rise to any rights of first refusal, rights of first offer or other similar third party rights, trigger any change in control or influence provisions or any restriction or limitation under any such agreement, Contract, indenture, authorization, deed of trust, mortgage, bond, instrument, licence or Permit;
 - (iv) result in the creation or imposition of any Lien upon the Company Material Property or any of the Company's assets or the assets of the Company Subsidiaries, or restrict, hinder, impair or limit the Company's or the Company Subsidiaries' ability to carry on their respective business as and where it is now being carried on.
- (f) Capitalization.
- (i) The authorized capital of the Company consists of an unlimited number of Company Shares. As at September 6, 2022, there were (A) 289,965,145 Company Shares issued and outstanding; (B) Company Options outstanding providing for the issuance of an aggregate of 16,850,000 Company Shares upon the exercise thereof; and (C) Company Warrants outstanding providing for the issuance of an aggregate of 78,123,000 Company Shares upon the exercise thereof. All outstanding Company Shares have been, and all Company Shares issuable upon the exercise, vesting or conversion, as applicable, of the Company Options and Company Warrants in accordance with their terms have been duly authorized and, upon issuance, will be, validly issued as fully paid and non-assessable shares of the Company and

are not and will not be, as applicable, subject to or issued in violation of, any pre-emptive rights.

- (ii) Schedule 3.1(f)(ii) of the Company Disclosure Letter sets forth a schedule, as of the date hereof of all outstanding Company Options and Company Warrants and, as applicable, the number, exercise price, date of grant, expiration dates, vesting schedules and performance criteria thereof, and the names of the holders of such Company securities. Other than Company Shares to be issued to Frank Guillemette, Jonathan Girard and Jean-Francois Girard, pursuant to the Share Purchase Agreement, as set forth in Schedule 3.1(cc)(a) of the Company Disclosure Letter, the Company has no other outstanding agreement, subscription, warrant, option, right or commitment or other right or privilege (whether by law, pre-emptive or contractual), nor has it granted any right or privilege capable of becoming an agreement, subscription, warrant, option, right or commitment, obligating it to issue or sell any Company Shares or other equity or voting securities, including any security or obligation of any kind convertible into or exchangeable or exercisable for any Company Shares or other equity or voting security of Company.
- (iii) There are no outstanding contractual obligations of the Company to repurchase, redeem or otherwise acquire any such Company Shares.
- (iv) Other than the Company Option Plan, the Company DSU Plan and the Company RSU Plan, the Company does not have any share or stock appreciation right, phantom equity, restricted share unit, deferred share unit or similar right, agreement, arrangement or commitment based on the book value, price of Company Shares, income or any other attribute of or related to the Company.
- (v) The Company Shares are listed and posted for trading on the TSXV and, except for such listing and trading, no securities of the Company are listed or quoted for trading on any other stock or securities exchange or market or registered under any securities Laws.
- (vi) No holder of securities issued by the Company or the Company Subsidiaries has any right to compel the Company or the Company Subsidiaries to register or otherwise qualify securities for public sale in Canada, the United States or elsewhere.
- (g) Shareholder and Similar Agreements. The Company is not party to any shareholder, pooling, voting trust or other similar agreement relating to the issued and outstanding shares in the capital of the Company with any of its shareholders.
- (h) Reporting Issuer Status and Securities Laws Matters. The Company is a “reporting issuer” within the meaning of applicable Securities Laws in each of

British Columbia, Alberta and Ontario, and is not on the list of reporting issuers in default under applicable Securities Laws, and no securities commission or similar regulatory authority has issued any order preventing or suspending trading of any securities of the Company, and the Company is not in default of any provision of applicable Securities Laws or the rules or regulations of the TSXV. Trading in the Company Shares on the TSXV is not currently halted or suspended. No delisting, suspension of trading or cease trading order with respect to any securities of the Company is pending or, to the knowledge of the Company, threatened. No inquiry, review or investigation (formal or informal) of the Company by any securities commission or similar regulatory authority under applicable Securities Laws, U.S. Securities Laws or the TSXV is in effect or ongoing or expected to be implemented or undertaken. The Company has not taken any action to cease to be a reporting issuer in British Columbia, Alberta and Ontario nor has the Company received notification from any securities commission or similar regulatory authority seeking to revoke the reporting issuer status of the Company. Except as set forth in this Section 3.1(h), the Company is not subject to continuous disclosure or other public reporting requirements under any Securities Laws, U.S. Securities Laws or the securities Laws of any other jurisdiction. The Company Subsidiaries are not subject to continuous disclosure or other disclosure requirements under any Securities Laws, United States Securities Laws or the securities Laws of any other jurisdiction. The documents and information comprising the Company Public Disclosure Record, as at the respective dates they were filed, were in compliance in all material respects with applicable Securities Laws, and, where applicable, the rules and policies of the TSXV and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Company has publicly disclosed in the Company Public Disclosure Record all information regarding any event, circumstance or action taken or failed to be taken which could, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect. The Company is up to date in all forms, reports, statements and documents, including financial statements and management's discussion and analysis, required to be filed by the Company under applicable Securities Laws and the rules and policies of the TSXV. The Company has not filed any confidential material change report that at the date hereof remains confidential. There are no outstanding or unresolved comments in comment letters from any securities commission or similar regulatory authority with respect to any of the Company Public Disclosure Record and neither the Company nor any of the Company Public Disclosure Record is, to its knowledge, subject of an ongoing audit, review, comment or investigation by any securities commission or similar regulatory authority or the TSXV.

(i) U.S. Securities Laws Matters.

- (i) The Company is a "foreign private issuer" within the meaning of Rule 405 under the U.S. Securities Act.

- (ii) The Company is not registered, and is not required to be registered, as an “investment company” pursuant to the U.S. Investment Company Act.
 - (iii) The Company is not currently subject to the reporting requirements of the U.S. Exchange Act.
- (j) Company Financial Statements.
 - (i) The Company Financial Statements have been, and all financial statements of the Company which are publicly disseminated by the Company in respect of any subsequent periods prior to the Effective Date will be, prepared in accordance with IFRS applied on a basis consistent with those of previous periods (except (i) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of the Company’s independent auditors or (ii) in the case of unaudited interim statements, to the extent they are subject to normal year-end adjustments) and in accordance with applicable Laws. The Company Financial Statements, together with the related management’s discussion and analysis, present fairly, the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Company and the Company Subsidiaries, on a consolidated basis, as at the respective dates thereof and the losses, comprehensive losses, results of operations, changes in shareholders’ equity and cash flows of the Company for the periods covered thereby (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments) and reflect appropriate and adequate reserves in respect of contingent liabilities, if any. The Company does not intend to correct or restate, nor is there any basis for any correction or restatement of, any aspect of any of the Company Financial Statements.
 - (ii) Neither the Company nor the Company Subsidiaries is a party to, or has any commitment to become a party to, any off-balance sheet transaction, arrangement, obligation or other relationship or any similar Contract (including any Contract relating to any transaction or relationship between or among the Company or the Company Subsidiaries, on the one hand, and any unconsolidated affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand) where the result, purpose or effect of such transaction, arrangement, obligation, relationship or contract is to avoid disclosure of any material transaction involving, or material liabilities of, the Company or the Company Subsidiaries, in the Company Public Disclosure Record.
 - (iii) Management of the Company has designed a process of internal control over financial reporting (as such term is defined in NI 52-109) for the Company providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

accordance with IFRS and has otherwise complied with NI 52-109.

- (iv) Since June 30, 2022, neither the Company, the Company Subsidiaries nor any Representative of the Company or the Company Subsidiaries has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Company or the Company Subsidiaries or their respective internal accounting controls, including any complaint, allegation, assertion, or claim that the Company or the Company Subsidiaries has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the Company Board.
- (v) There are no outstanding loans made by the Company to any director or officer of the Company.
- (k) Undisclosed Liabilities. Except for: (i) liabilities and obligations that are specifically presented on the audited balance sheet of the Company as of March 31, 2022 or disclosed in the notes thereto; (ii) liabilities and obligations incurred in the ordinary course of business consistent with past practice since March 31, 2022; and (iii) pursuant to or in connection with this Agreement and the transactions contemplated hereby, neither the Company nor the Company Subsidiaries has incurred any liabilities or obligations of any nature, whether or not accrued, contingent or otherwise and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar contract with respect to the obligations, liabilities or indebtedness of any person.
- (l) Auditors. The Company's auditors are independent with respect to the Company within the meaning of the rules of professional conduct applicable to auditors in Canada and there has never been a "reportable event" (within the meaning of Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the Company's auditors.
- (m) Absence of Certain Changes. Since June 30, 2022, except as specifically contemplated by this Agreement or disclosed in the Company Public Disclosure Record:
 - (i) the Company and the Company Subsidiaries have conducted their respective businesses only in the ordinary course of business and consistent with past practice;
 - (ii) there has not been any event, occurrence, development or state of circumstances or facts that has had or would be reasonably expected to require the filing of a material change report under applicable Securities Laws or have a Company Material Adverse Effect;

- (iii) there has not been any write-down by the Company of any of the assets of the Company;
- (iv) there has not been any expenditure or commitment to expend by the Company with respect to capital expenses;
- (v) neither the Company nor the Company Subsidiaries has approved or entered into any agreement in respect of any acquisition or sale, lease, license or other disposition by the Company of any interest in any of the Company Properties or any other material assets whether by asset sale, transfer of property, shares or otherwise;
- (vi) there has not been any incurrence, assumption or guarantee by the Company of any material debt for borrowed money, any creation or assumption by the Company of any Lien, or any making by the Company of any loan, advance or capital contribution to or material investment in any other person;
- (vii) there has not been any satisfaction or settlement of any material claim, liability or obligation of the Company;
- (viii) none of the Company, the Company Subsidiaries or any of the directors, officers, employees, consultants or auditors thereof has received or otherwise had or obtained knowledge of any fraud or complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of the Company or the Company Subsidiaries or their respective internal accounting controls;
- (ix) neither the Company nor the Company Subsidiaries has effected any change in its accounting policies, principles, methods, practices or procedures;
- (x) neither the Company nor the Company Subsidiaries has suffered any casualty, damage, destruction or loss to any of its properties or assets;
- (xi) neither the Company nor the Company Subsidiaries has entered into, or amended, any Company Material Contract;
- (xii) neither the Company nor the Company Subsidiaries has declared, set aside or paid any dividends or made any distribution or payment or return of capital in respect of the Company Shares or any other securities of the Company or the Company Subsidiaries;
- (xiii) neither the Company nor the Company Subsidiaries has effected or passed any resolution to approve a split, division, consolidation, combination or reclassification of the Company Shares or any other securities of the Company or the Company Subsidiaries;

- (xiv) there has not been any increase in or modification of the compensation payable to or to become payable by the Company to any of its directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay or any increase or modification of any bonus, pension, insurance or benefit arrangement to, for or with any of such directors, officers, employees or consultants;
 - (xv) other than the Company Option Plan, the Company DSU Plan or the Company RSU Plan, neither the Company nor the Company Subsidiaries has adopted, or amended, any collective bargaining agreement, bonus, pension, profit sharing, stock purchase, stock option or other benefit plan; and
 - (xvi) neither the Company nor the Company Subsidiaries has agreed, announced, resolved or committed to do any of the foregoing.
- (n) Compliance with Laws.
- (i) The business of the Company and the Company Subsidiaries has been and is currently being conducted in compliance in all material respects with applicable Laws and neither the Company nor the Company Subsidiaries have received any notice of any alleged violation of any such Laws. The Company does not have any knowledge of any future or potential changes in any Law that may impact the business, operations, financial condition, prospects or otherwise of the Company or the Company Subsidiaries. Without limiting the generality of the foregoing, all issued and outstanding Company Shares have been issued in compliance with all applicable Securities Laws.
 - (ii) Neither the Company nor the Company Subsidiaries and, to the Company's knowledge, none of their respective directors, officers, supervisors, managers, employees, or agents has: (A) violated any applicable anti-corruption, anti-bribery, export control, and economic sanctions Laws, including the *Corruption of Foreign Public Officials Act* (Canada) and the *United States Foreign Corrupt Practices Act*, (B) made or authorized any direct or indirect contribution, payment or gift of funds, property or anything else of value to any official, employee or agent of any Governmental Authority, authority or instrumentality in Canada, other jurisdictions in which the Company or the Company Subsidiaries has assets or any other jurisdiction other than in accordance with applicable Laws, (C) used any corporate funds, or made any direct or indirect unlawful payment from corporate funds, to any foreign or domestic government official or employee or for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; or (D) violated or is in violation of any provision of the *Criminal Code* (Canada) relating to foreign corrupt

practices, including making any contribution to any candidate for public office, in either case, where either the payment or gift or the purpose of such contribution payment or gift was or is prohibited under the foregoing or any other applicable Law of any locality.

- (iii) The operations of the Company and the Company Subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court or governmental authority or any arbitrator non-Governmental Authority involving the Company or the Company Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.
- (o) Code of Ethics. The Company currently does not have a code of ethics.
- (p) Permits.
 - (i) Each of the Company and the Company Subsidiaries has identified, obtained, acquired or entered into, and are in compliance with all Permits required by applicable Laws necessary to conduct its current businesses as it is now being conducted or proposed to be conducted (as described in the Company Public Disclosure Record). Section 3.1(p) of the Company Disclosure Letter sets out a complete and accurate list of all such Permits (whether governmental, regulatory or similar type) relating to the Company’s business, and there are no other Permits necessary to carry on the business of the Company or the Company Subsidiaries as presently carried on or to own or lease any of the property or the assets utilized by the Company or the Company Subsidiaries.
 - (ii) Any and all of the Permits pursuant to which the Company or any of its subsidiaries holds or will hold an interest in its properties and assets (including any interest in, or right to earn an interest in, any mineral property) are valid and subsisting permits, certificates, agreements, leases, licenses, documents or instruments in full force and effect, enforceable in accordance with terms thereof. All Permits are in good standing and there has been no default under any such Permit, and all fees and other amounts required to be paid with respect to such Permits to the date hereof have been paid. There are no actions, proceedings or investigations, pending or, to the knowledge of the Company, threatened, against the Company or any of its subsidiaries that could reasonably be expected to result in the suspension, loss or revocation of any such Permits.
 - (iii) The Company and its subsidiaries are in material compliance with all Permits

set out in Section 3.1(p) of the Company Disclosure Letter.

- (q) Litigation. There is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, investigation or inquiry before or by any Governmental Authority, or any claim, action, suit, demand, arbitration, charge, indictment, hearing, demand letter or other similar civil, quasi-criminal or criminal, administrative or investigative matter or proceeding, including by any third party whatsoever (collectively, “**Proceedings**”) against or involving the Company or the Company Subsidiaries, or affecting any of their property or assets (whether in progress or, to the knowledge of the Company, threatened). There is no judgment, writ, decree, injunction, rule, award or order of any Governmental Authority outstanding against the Company or the Company Subsidiaries in respect of its businesses, properties or assets.
- (r) Insolvency. No act or proceeding has been taken by or against the Company or the Company Subsidiaries in connection with the dissolution, liquidation, winding up, bankruptcy, reorganization, compromise or arrangement of the Company or the Company Subsidiaries or for the appointment of a trustee, receiver, manager or other administrator of the Company or the Company Subsidiaries or any of its properties or assets nor, to the knowledge of the Company, is any such act or proceeding threatened. Neither the Company nor the Company Subsidiaries has sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) or similar legislation. Neither the Company nor the Company Subsidiaries nor any of their respective properties or assets is subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of the Company or the Company Subsidiaries to conduct its business as it has been carried on prior to the date hereof, or that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect or would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (s) Operational Matters. All rentals, royalties (whether statutory or contractual), overriding royalty interests, net profits, earn-outs, metal pre-payment or similar agreements, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of the Company and the Company Subsidiaries and affiliates, have been: (i) duly paid; (ii) duly performed; or (iii) provided for prior to the date hereof.
- (t) Costs, Expenses and Liabilities. All costs, expenses and liabilities payable on or prior to the date hereof under the terms of any Contracts and agreements to which the Company or the Company Subsidiaries and affiliates is directly or indirectly bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.

(u) Interest in Properties.

- (i) Other than as set out in Schedule 3.1(u) of the Company Disclosure Letter, each of the Company and the Company Subsidiaries is the sole legal and beneficial owner, and has valid and sufficient right, title and interest free and clear of any Lien (other than Permitted Liens): (A) to its concessions, claims, leases, licences of any nature whatsoever and all other rights relating in any manner whatsoever to the interest in, or exploration for minerals on the Company Properties, all of which have been accurately and completely set out in Schedule 3.1(u) of the Company Disclosure Letter and, in each case, as are necessary to perform the operations of the Company and the Company Subsidiaries' businesses as presently owned and conducted and as contemplated to be conducted; (B) to its real property interests of any nature whatsoever including fee simple estate of and in real property, licences (from landowners and authorities permitting the use of land by the Company or the Company Subsidiaries), leases, rights of way, occupancy rights, surface rights, mineral rights, easements and all other real property interests, all of which have been identified completely and accurately in Schedule 3.1(u) of the Company Disclosure Letter, and, in each case, as are necessary to perform the operations of its business as presently owned and conducted and contemplated to be conducted; and (C) to, or is entitled to the benefits of, all of its properties and assets of any nature whatsoever and to all benefits derived therefrom and mineral rights including all the properties (including, without limitation, the Company Material Property) and assets reflected in the balance sheet forming part of the Company Public Disclosure Record (collectively, the "**Company Properties**").
- (ii) Other than as set out in Schedule 3.1(u) of the Company Disclosure Letter, all mineral tenures and mineral property claims in which the Company or the Company Subsidiaries has an interest or right, including the Company Properties, have been validly located, staked, recorded and maintained in accordance with all Laws and are valid and subsisting. Each of the Company and the Company Subsidiaries have all necessary surface rights, access rights and other rights and interests relating to its mineral properties, granting the Company or the Company Subsidiaries the right and ability to explore for minerals, ore and metals for development purposes, with only such exceptions as do not interfere with the use made by the Company or the Company Subsidiaries of the rights or interests so held, and each of the property interests or rights and each of the documents, agreements, instruments and obligations relating thereto and referred to above is currently in good standing in the name of the Company or the Company Subsidiaries and free and clear of all material encumbrances and no third party or group holds any such rights that would be required by the Company to so develop the Company Properties.

- (iii) Other than as set out in Schedule 3.1(u) of the Company Disclosure Letter, the Company and each of the Company Subsidiaries has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by the Company or the Company Subsidiaries under any agreement pertaining to their respective Company Properties and each such lease, contract or other agreement is enforceable and in full force and effect.
- (iv) Other than as set out in Schedule 3.1(u) of the Company Disclosure Letter, (A) the Company and the Company Subsidiaries have the exclusive right to deal with the Company Properties; (B) no person or entity of any nature whatsoever other than the Company or the Company Subsidiaries has any interest in the Company Properties or the production or profits therefrom or any right to acquire or otherwise obtain any such interest; (C) there are no back-in rights, earn-in rights, rights of first refusal, off-take rights or obligations, royalty rights, streaming rights, or other rights of any nature whatsoever which would affect the Company's or the Company Subsidiaries' interests in the Company Properties, and no such rights are, to the knowledge of the Company, threatened; (D) neither the Company nor the Company Subsidiaries has received any notice, whether written or oral, from any Governmental Authority or any other person of any revocation or intention to revoke, diminish or challenge its interest in the Company Properties; and (E) the Company Properties are in good standing under and comply with all Laws and all work required to be performed has been performed and all Taxes, fees, expenditures and all other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.
- (v) To the knowledge of the Company, there are no adverse claims, demands, actions, suits or proceedings that have been commenced or are pending or, to the knowledge of the Company, that are threatened, affecting or which could affect the Company's or the Company Subsidiaries' right, title or interest in the Company Properties or the ability of the Company or the Company Subsidiaries to explore or develop the Company Properties, including the title to or ownership by the Company or the Company Subsidiaries of the foregoing, or which might involve the possibility of any judgement or liability affecting the Company Properties.
- (vi) Other than as set out in Schedule 3.1(u) of the Company Disclosure Letter, none of the directors or officers of the Company holds any right, title or interest in, nor has taken any action to obtain, directly or indirectly, any right, title and interest in any of Company Properties or in any permit, concession, claim, lease, licence or other right to explore for, exploit, develop, mine or produce minerals from or in any manner in relation to the Company

Properties or any other properties located within 20 kilometres of any of the Company Properties.

- (vii) No person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from the Company or the Company Subsidiaries of any of the assets of the Company. Neither the Company nor the Company Subsidiaries is obligated under any prepayment contract or other prepayment arrangement to deliver mineral products at some future time without then receiving full payment therefor.
- (v) Expropriation. No Company Property or any other property or asset of the Company or the Company Subsidiaries has been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of the Company, is there any intent or proposal to give any such notice or to commence any such proceeding.
- (w) Cultural Heritage. None of the areas covered by the Company Properties (including any construction, remains or similar elements located on them) have been declared as a culture heritage site by any Governmental Authority.
- (x) Technical Matters.
 - (i) The Company Material Property is the only material property of the Company for the purposes of NI 43-101.
 - (ii) The technical report prepared for the Company entitled “NI 43-101 Technical Report, The Philibert Project, Quebec, Canada” with a filing date of May 12, 2021 and with an effective date of January 5, 2021, prepared by Dean Besserer, B.Sc., P.Geol., an independent Senior Geological Consultant (the “**Company Technical Report**”) complied in all material respects with the requirements of NI 43-101 at the time of filing thereof and as at the date stated therein based upon information available at the time the report was prepared. The Company does not have knowledge of a material change in any cost, price, mineral resources or other relevant information provided since the date such information was provided.
 - (iii) The Company has made available to the authors of the Company Technical Report, prior to the issuance thereof, for the purpose of preparing such report, all information requested by them, and none of such information contained any Misrepresentation at the time such information was so provided.
 - (iv) The Company is in compliance in all material respects with the provisions of NI 43-101, has filed all technical reports required thereby, and there has been no change of which the Company is or should be aware that would disaffirm or change any aspect of the Company Technical Report or that would require the filing of a new technical report under NI 43-101.

- (v) The Company has delivered to the Purchaser, or provided the Purchaser with access to, all material scientific and technical information in its possession or under its control relating to the Company Properties, whether in writing, graphic, machine readable, electronic or physical form, including (i) geological, geophysical, geochemical, sampling, drilling, trenching, analytical testing, assaying, mineralogical, metallurgical and other similar information, including maps, charts and surveys, and (ii) plans, blueprints, process flow sheets, equipment and parts lists, instructions, manuals, and equipment records and procedures. At the date hereof, there are no outstanding unresolved comments of any Securities authority or any stock exchange in respect of the technical disclosure made in the Company Public Disclosure Record.
- (y) Work Programs. Other than as set out in the Budget, the Company has not entered into any joint venture, work program or made any other commitment or undertaking of any nature for which the Company will be required to pay greater than \$20,000 over the next three months.
- (z) First Nations Claims.
 - (i) The Company has not received any First Nations Claim which affects the Company or the Company Subsidiaries nor, to the knowledge of the Company, has any First Nations Claim been threatened which relates to any of the Company Properties, any Permits or the operation by the Company or the Company Subsidiaries of its businesses in the areas in which such operations are carried on or in which any of the Company Properties are located.
 - (ii) The Company and the Company Subsidiaries have no outstanding agreements, memorandums of understanding or similar arrangements with any First Nations Group. The Company Due Diligence Information includes all information concerning, and true and correct copies of, all outstanding agreements, memorandums of understanding or similar arrangements with any First Nations Group.
 - (iii) All existing agreements, memorandums of understanding and similar arrangements with First Nations Groups are in full force and effect and there has been no assertion that the Company or the Company Subsidiaries is in breach or default under any such arrangements.
 - (iv) There are no ongoing or outstanding discussions, negotiations or similar communications with or by any First Nations Group concerning the Company, the Company Subsidiaries or their respective business, operations or assets.

- (v) No First Nations blockade, occupation, illegal action or on-site protest has occurred or, to the knowledge of the Company, has been threatened in connection with the activities on the Company Properties.
- (vi) No First Nations Information has been received by the Company or the Company Subsidiaries which would reasonably be expected to have a Company Material Adverse Effect.
- (aa) NGOs and Community Groups. No dispute between the Company or the Company Subsidiaries and any non-governmental organization, community, or community group exists or, to the knowledge of the Company, is threatened or imminent with respect to any of the Company Properties or operations. The Company has provided the Purchaser and its Representatives with full and complete access to all material correspondence received by the Company, the Company Subsidiaries or their Representatives from any non-governmental organization, community, community group or First Nations Group.
- (bb) Taxes.
 - (i) Each of the Company and the Company Subsidiaries has timely filed all Returns required to be filed by it with any Taxing Authority on or before the applicable due date and each such Return was complete and correct in all material respects at the time of filing.
 - (ii) Each of the Company and the Company Subsidiaries has paid or caused to be paid to the appropriate Governmental Authority on a timely basis all Taxes which are due and payable, all assessments and reassessments and all other Taxes as are due and payable by it, other than those which are being or have been contested in good faith pursuant to applicable Laws, and in respect of which, in the reasonable opinion of the Company, adequate reserves or accruals in accordance with IFRS have been provided in the Company Financial Statements.
 - (iii) Neither the Company nor the Company Subsidiaries has received any notice asserting an audit, action, investigation, deficiencies, litigation or proposed adjustments or, to the knowledge of the Company, has such an audit, action, investigation, deficiencies, litigation or proposed adjustments been threatened with respect to Taxes of the Company or the Company Subsidiaries, and neither the Company nor the Company Subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of the Company, threatened. No Return of the Company or the Company Subsidiaries, to the knowledge of the Company, is under investigation, review, audit or examination by any Taxing Authority with respect to any Taxes, and no written notice of any investigation, review, audit or examination by any

Taxing Authority has been received by the Company or the Company Subsidiaries with respect to any Taxes.

- (iv) No Lien for Taxes has been filed or exists with respect to any assets or properties of the Company or the Company Subsidiaries other than for Taxes not yet due and payable or Liens for Taxes that are being contested in good faith by appropriate proceedings. There are no currently effective elections, agreements or waivers extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of any Taxes, the filing of any Return or any payment of Taxes by the Company or the Company Subsidiaries. Neither the Company nor the Company Subsidiaries has made, prepared and/or filed any elections, designations or similar filings relating to Taxes or entered into any agreement or other arrangement in respect of Taxes or Returns that could, in and of itself, require a material amount to be included in the income of the Company or the Company Subsidiaries for any period ending after the Effective Date.
- (v) To the knowledge of the Company, the Company and each Company Subsidiary has duly and timely withheld or collected amounts required to be withheld or collected by it on account of Taxes and has duly and timely remitted all such Taxes or other amounts to the appropriate Governmental Authority when required by Law to do so.
- (vi) There are no rulings or closing agreements relating to the Company or the Company Subsidiaries which may affect the Company's or the Company Subsidiaries' liability for Taxes for any taxable period commencing after the Effective Date.
- (vii) For any transactions between the Company or the Company Subsidiaries and any person who is not resident in Canada for purposes of the Tax Act with whom the Company or the Company Subsidiaries was not dealing at arm's length for purposes of the Tax Act, the Company or the Company Subsidiaries has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act (or comparable provisions of any other applicable legislation).
- (viii) No circumstances exist or may reasonably be expected to arise as a result of matters existing before the Effective Date that may result in the Company or the Company Subsidiaries being subject to the application of Section 159 or Section 160 of the Tax Act (or comparable provisions of any other applicable legislation).
- (ix) None of Sections 78 or 80 to 80.04 of the Tax Act (or comparable provisions of any other applicable legislation) have applied to the Company or the Company Subsidiaries, and there are no circumstances existing which could reasonably be expected to result in the application of Sections 78 or 80 to 80.04 of the Tax Act (or comparable provisions of any other applicable

legislation) to the Company or the Company Subsidiaries.

- (x) Other than as set out in Schedule 3.1(bb) of the Company Disclosure Letter, the Company has satisfied all of its obligations in respect of its issuance of any “flow-through shares” (as defined in subsection 66(15) of the Tax Act and any corresponding definition of any applicable provincial legislation), has not breached any of the representations, warranties or covenants in any subscription agreements relating to such issuances and has no outstanding liabilities, contingent, or otherwise, in respect of any such share issuances or pursuant to such subscription agreements. The Company has filed all prescribed forms and returns that were required to be filed by the Company with any Governmental Authority in connection with such issuances and has delivered all prescribed forms to the subscribers of such flow-through shares, which prescribed forms and returns were complete and correct in all respects, including any entitlement to receive the Québec Resources Credit in relation to flow-through shares issued to residents of provinces other than Québec.
- (xi) There are no circumstances which exist and would result in, or which have existed and resulted in, Section 17 of the Tax Act applying to the Company or to any of the Company Subsidiaries. Neither the Company nor any of the Company Subsidiaries is obligated to make any payments or is a party to any agreement under which it could be obligated to make any payment that will not be deductible in computing its income under the Tax Act by virtue of Section 67 of the Tax Act.
- (xii) Neither the Company nor any of the Company Subsidiaries has any liability under U.S. Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Law), or liability as a successor or transferee, by contract, or otherwise, for Taxes of any person other than the Company or the Company Subsidiaries, excluding any agreement or arrangement where the inclusion of a Tax indemnification or allocation provision is customary or incidental to an agreement the primary nature of which is not Tax sharing or indemnification.
- (xiii) Neither the Company nor any of the Company Subsidiaries has participated in a “listed transaction” within the meaning of U.S. Treasury Regulations Section 1.6011-4(b)(2).
- (xiv) Neither the Company nor any of the Company Subsidiaries is or has been a party to any “reportable transaction” within the meaning of Code Section 6707A(c)(1) and U.S. Treasury Regulations Section 1.6011-4.
- (xv) During the last two years, neither the Company nor any of the Company Subsidiaries has distributed stock of another person, has had its stock distributed by another person, or been a party to any transaction (other than a transaction described in Section 355(e)(2)(C) of the Code) treated by the

parties thereto as one to which Sections 355 or 361 of the Code (or any similar provision of state, local, or foreign Law) applied.

(cc) Contracts.

- (i) Set out in Schedule 3.1(cc) of the Company Disclosure Letter is a list of each Company Material Contract as of the date hereof. True and complete copies of all Company Material Contracts have been provided to the Purchaser as part of Company Diligence Information and, as of the date hereof, no such Company Material Contract has been modified, rescinded or terminated.
- (ii) Each Company Material Contract is in full force and effect and is a valid and binding obligation of the Company or the Company Subsidiaries and, to the knowledge of the Company without any inquiry, the other parties thereto and is enforceable by the Company or the Company Subsidiaries in accordance with its respective terms, except as may be limited by bankruptcy, insolvency and other Laws affecting the enforcement of creditors' rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.
- (iii) The Company or the Company Subsidiaries, as applicable, has performed all respective obligations required to be performed by it to date under the Company Material Contracts and none of the Company or the Company Subsidiaries or, to the knowledge of the Company, the other parties thereto, is in breach or violation of or in default under (in each case, with or without notice or lapse of time or both) any Company Material Contract. Neither the Company nor the Company Subsidiaries has received or given any notice of default under any Company Material Contract which remains uncured, and there exists no state of facts which after notice or lapse of time or both would constitute a default under or material breach of any Company Material Contract or result in the inability of a party to any Company Material Contract to perform its obligations thereunder.
- (iv) Neither the Company nor the Company Subsidiaries has received any written notice or, to the knowledge of the Company, other notice that any party to a Company Material Contract intends to cancel, terminate or otherwise modify or not renew its relationship with the Company or with the Company Subsidiaries and, to the knowledge of the Company, no such action has been threatened.

(dd) Employment Matters.

- (i) Schedule 3.1(dd) of the Company Disclosure Letter sets out a true and complete list of all employees of the Company and the Company Subsidiaries, whether actively at work or not, including their respective hire date, term of contract (if fixed), position, compensation (including but not

limited to salary, bonus and commissions), eligibility to participate in short-term and long-term incentive plans (and grants received under these plans, if any), benefits, vacation entitlement in days, current status (full time or part-time, active or non-active (and if non-active, the reason for leave)) and whether they are unionized or subject to a written employment Contract as well as a list of all former employees of the Company and the Company Subsidiaries to whom the Company or the Company Subsidiaries has or may have any outstanding obligations, indicating the nature and the value of such obligations. Other than as set out in Schedule 3.1(dd) of the Company Disclosure Letter, no employee of the Company or the Company Subsidiaries with a base salary has any agreement as to length of notice or severance payment required to terminate his or her employment, other than such as results by Law from the employment of an employee without an agreement as to notice or severance. All written Contracts in relation to the employees listed in Schedule 3.1(dd) of the Company Disclosure Letter have been provided to the Purchaser as part of the Company Diligence Information.

- (ii) Schedule 3.1(dd) of the Company Disclosure Letter contains a correct and complete list of each independent contractor currently engaged by the Company or the Company Subsidiaries, including their consulting fees, any other forms of compensation or benefits to which they are entitled and whether they are subject to a written Contract. Current and complete copies of all such independent contractor Contracts have been provided to the Purchaser. Each independent contractor of the Company or the Company Subsidiaries has been properly classified as an independent contractor and neither the Company nor the Company Subsidiaries has received any notice from any Governmental Authority disputing such classification.
- (iii) Except as set out in Schedule 3.1(dd) of the Company Disclosure Letter, neither the Company nor the Company Subsidiaries is a party to or bound or governed by, or subject to:
 - (A) any employment, consulting, retention or change of control agreement with, or any written or, to the knowledge of the Company, oral agreement, arrangement or understanding providing for retention, severance or termination payments to, any officer, employee or consultant of the Company or the Company Subsidiaries in connection with the termination of their position or their employment as a direct result of a change in control of the Company (including as a result of the Arrangement);
 - (B) any collective bargaining or union agreement, or any actual or, to the knowledge of the Company, threatened application for certification or bargaining rights in respect of the Company or the Company Subsidiaries;

- (C) any labour dispute, strike, lock-out, work slowdown or stoppage relating to or involving any employees of the Company or the Company Subsidiaries and no such event has occurred; or
- (D) any actual or, to the knowledge of the Company, threatened material claim against the Company or the Company Subsidiaries arising out of or in connection with employment or consulting relationship or the termination thereof.

Complete and correct copies of any written agreements, arrangements and understandings referred to in paragraphs (A) and (B) of this Section 3.1(dd) are included in the Company Diligence Information.

- (iv) Neither the Company nor the Company Subsidiaries has engaged in any unfair labour practice and no unfair labour practice complaint, grievance or arbitration proceeding is pending or, to the knowledge of the Company, threatened against the Company or the Company Subsidiaries.
- (ee) Health and Safety. Except as would not, individually or in the aggregate, have a Company Material Adverse Effect:
 - (i) Each of the Company and the Company Subsidiaries have operated in all material respects in accordance with all applicable Laws with respect to employment and labour, including employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights, labour relations and privacy, and there are no current, pending, or to the knowledge of the Company, threatened proceedings before any Governmental Authority with respect to any such matters.
 - (ii) Neither the Company nor the Company Subsidiaries has received any demand or notice with respect to a breach of any applicable health and safety Laws, the effect of which would be reasonably expected to affect operations relating to the Company Properties.
 - (iii) There are no outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation and neither the Company nor the Company Subsidiaries has been reassessed in any material respect under such legislation during the past three years and, no audit of the Company or the Company Subsidiaries is currently being performed pursuant to any applicable workplace safety and insurance legislation. There are no claims, investigations or inquiries pending against the Company or the Company Subsidiaries (or naming the Company or the Company Subsidiaries as a potentially responsible party) based on non-compliance with any applicable health and safety Laws at any of the operations relating to the Company

Properties.

- (ff) Acceleration of Benefits. Except as set out in Schedule 3.1(ff) of the Company Disclosure Letter, no person will, as a result of any of the transactions contemplated herein or in the Plan of Arrangement, become entitled to, (i) any retirement, severance, bonus or other similar payment from the Company or the Company Subsidiaries, (ii) the acceleration of the vesting or the time to exercise of any outstanding stock option or employee or director awards of the Company or the Company Subsidiaries, (iii) the forgiveness or postponement of payment of any indebtedness owing by such person to the Company or the Company Subsidiaries, or (iv) receive any additional payments or compensation under or in respect of any employee or director benefits or incentive or other compensation plans or arrangements from the Company or the Company Subsidiaries.
- (gg) Pension and Employee Benefits. Neither the Company nor the Company Subsidiaries has any pension or retirement income plans or other employee compensation or benefit plans, agreements, policies, programs, arrangements or practices, whether written or oral, which are maintained by or binding upon the Company.
- (hh) Employee Matters. Any individual who performs services for the Company's or the Company Subsidiaries' business and who is not treated as an employee is not an employee under applicable Laws or for any purpose including, without limitation, for Tax withholding purposes or benefit plan purposes. Neither the Company nor the Company Subsidiaries has any liability by reason of an individual who performs or performed services for the Company's or the Company Subsidiaries' business in any capacity being improperly excluded from participating in a benefit plan.
- (ii) Employment Withholdings. Except as would not, individually or in the aggregate, have a Company Material Adverse Effect, the Company has withheld from each payment made to any of its present or former employees, officers or directors, or to other persons, all amounts required by Law or administrative practice to be withheld by it on account of income taxes, pension plan contributions, employment insurance premiums, employer health taxes and similar taxes and levies, and has remitted such withheld amounts within the required time to the appropriate Governmental Authority.
- (jj) Intellectual Property. Except as would not, individually or in the aggregate, have a Company Material Adverse Effect, neither the Company nor the Company Subsidiaries owns or possesses any intellectual property rights including any patents, copyrights, trade secrets, trademarks, service marks or trade names which are, individually or in the aggregate, material to the business and operations of the Company and the Company Subsidiaries as a whole as currently conducted.
- (kk) Environment. Except as would not, individually or in the aggregate, have a

Company Material Adverse Effect:

- (i) The Company and the Company Subsidiaries have carried on and are currently carrying on their operations in compliance with all applicable Environmental Laws and the Company Properties and assets comply with all applicable Environmental Laws, except to the extent that a failure to be in such compliance, individually or in the aggregate, would not reasonably be expected to be material to the Company or the Company Subsidiaries.
- (ii) Each of the Company and the Company Subsidiaries have obtained from the relevant Governmental Authorities, and are in compliance with, any Environmental Approvals required to conduct their previous and current businesses and such Environmental Approvals remain valid and in good standing on the date hereof.
- (iii) Neither the Company nor the Company Subsidiaries is subject to any contingent or other liability relating to (A) the restoration or rehabilitation of land, water or any other part of the environment, (B) mine closure, reclamation, remediation or other post operational requirements, or (C) non-compliance with Environmental Laws.
- (iv) The Company Properties have not been used to generate, manufacture, refine, treat, recycle, transport, store, handle, dispose of, discharge, release, transfer, produce or process Hazardous Substances, except in compliance in with all Environmental Laws and except to the extent that such non-compliance would not be material to the Company or the Company Subsidiaries. Neither the Company nor the Company Subsidiaries have caused or permitted the Release of any Hazardous Substances at, in, on, under or from any Company Property, except in compliance with all Environmental Laws. All Hazardous Substances handled, recycled, disposed of, discharged, released, treated or stored on or off site of the Company Properties by the Company or the Company Subsidiaries have been handled, recycled, disposed of, discharged, released, treated and stored in compliance with all Environmental Laws. There are no Hazardous Substances at, in, on, under or migrating from any Company Property, except in material compliance with all Environmental Laws.
- (v) Neither the Company nor the Company Subsidiaries have treated, disposed of, discharged, released, or arranged for the treatment, disposal, discharge or release of, any Hazardous Substances at any location: (A) listed on any list of hazardous sites or sites requiring Remedial Action issued by any Governmental Authority; (B) proposed for listing on any list issued by any Governmental Authority of hazardous sites or sites requiring Remedial Action, or any similar federal, state or provincial lists; or (C) which is the subject of enforcement actions by any Governmental Authority that creates the reasonable potential for any proceeding, action, or other claim against the

Company or the Company Subsidiaries. No site or facility now or previously owned, operated or leased by the Company or the Company Subsidiaries is listed or, to the knowledge of the Company, is proposed for listing on any list issued by any Governmental Authority of hazardous sites or sites requiring Remedial Action or is the subject of Remedial Action.

- (vi) Neither the Company nor the Company Subsidiaries have caused or permitted the Release of any Hazardous Substances on or to any Company Property in such a manner as: (A) would reasonably be expected to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property; or (B) would be reasonably expected to result in imposition of a lien, charge or other encumbrance or the expropriation of any Company Property or any of the assets of the Company or the Company Subsidiaries.
- (vii) Neither the Company nor the Company Subsidiaries have received from any person or Governmental Authority any notice, formal or informal, of any proceeding, action or other claim, liability or potential liability arising under any Environmental Law that is pending as of the date of this Agreement. To the knowledge of the Company, there are no facts or circumstances that reasonably could be expected to give rise to any such notice, action or other claim, liability or potential liability.
- (ll) Insurance. Each of the Company and the Company Subsidiaries have in place reasonable and prudent insurance policies appropriate for its size, nature and stage of development. All insurance policies of the Company and the Company Subsidiaries are disclosed in Schedule 3.1(ll) of the Company Disclosure Letter and are in full force and effect. All premiums due and payable under all such policies have been paid and the Company and the Company Subsidiaries are otherwise in compliance with the terms of such policies. The Company has not received any notice of cancellation or termination with respect to any such policy. There has been no denial of claims nor claims disputed by the Company's and the Company Subsidiaries' insurers. All proceedings covered by any insurance policy of the Company and the Company Subsidiaries have been properly reported to and accepted by the applicable insurer.
- (mm) Books and Records. The corporate records and minute books of the Company and the Company Subsidiaries have been maintained in accordance with all applicable Laws and such corporate records and minute books are complete and accurate in all material respects. The financial books and records and accounts of the Company have been maintained in accordance with good business practices and in accordance with IFRS or the accounting principles generally accepted in the country of domicile of each such entity on a basis consistent with prior years.
- (nn) Non-Arm's Length Transactions. Other than as disclosed in the Company Public Disclosure Record and other than employment or compensation agreements

entered into in the ordinary course of business, as of the date hereof there are no current contracts, commitments, agreements, arrangements or other transactions between the Company or the Company Subsidiaries, on the one hand, and any (i) officer or director of the Company or the Company Subsidiaries, (ii) any holder of record of 5% or more of the outstanding Company Shares or any person that, to the knowledge of the Company, beneficially owns 5% or more of the outstanding Company Shares, or (iii) any affiliate or associate or any such officer, director or Company Shareholder, on the other hand.

- (oo) Financial Advisors or Brokers. Neither the Company nor the Company Subsidiaries have incurred any obligation or liability, contingent or otherwise, or agreed to pay or reimburse any broker, finder, financial adviser or investment banker, for any brokerage, finder's, advisory or other fee or commission, or for the reimbursement of expenses, in connection with this Agreement, the transactions contemplated hereby or any alternative transaction in relation to the Company, other than with respect to the Fairness Opinion Author. The Company has provided to the Purchaser correct and complete copies of the agreements under which the Fairness Opinion Author has agreed to provide the Fairness Opinion to the Company. Schedule 3.1(oo) of the Company Disclosure Letter sets out the amount of the fee to be payable to and as agreed upon with the Fairness Opinion Author in the event the Arrangement is completed.
- (pp) Fairness Opinion. The Special Committee and the Company Board have received the Fairness Opinion, which opinion, as of the date of this Agreement, has not been modified, amended, qualified or withdrawn. The Company has been authorized by the Fairness Opinion Author to permit inclusion of a copy of the Fairness Opinion in the Company Circular.
- (qq) Special Committee and Company Board Approval. The Special Committee, at a meeting duly called and held, after consultation with management of the Company and legal and financial advisors, has unanimously determined that this Agreement and the Arrangement are fair to the Company Shareholders and are in the best interests of the Company and unanimously determined to recommend approval of this Agreement and the Arrangement to the Company Board and that the Company Board recommend that the Company Securityholders vote in favour of the Arrangement Resolution. The Company Board, at a meeting duly called and held, after consultation with management of the Company and legal and financial advisors and acting on the unanimous recommendation of the Special Committee, has unanimously determined that this Agreement and the Arrangement are fair to the Company Securityholders and are in the best interests of the Company, have unanimously approved the execution and delivery of this Agreement and the transactions contemplated by this Agreement and have unanimously resolved to recommend that the Company Securityholders vote in favour of the Arrangement Resolution. No action has been taken to amend, or supersede such determinations, resolutions or authorizations of the Special Committee or the Company Board.

- (rr) Ownership of Purchaser Shares or other Securities. Neither the Company nor the Company Subsidiaries or affiliates own any Purchaser Shares or any other securities of the Purchaser.
- (ss) Collateral Benefits. As of the date hereof, to the knowledge of the Company, other than Victor Cantore and Simon Marcotte, no related party of the Company (within the meaning of MI 61-101) together with its associated entities, beneficially owns or exercises control or direction over 1% or more of the outstanding Company Shares, except for related parties who will not receive a “collateral benefit” (within the meaning of MI 61-101) as a consequence of the transactions contemplated by this Agreement.
- (tt) Arrangements with Securityholders. Other than the Company Support Agreements and this Agreement, the Company does not have any agreement, arrangement or understanding (whether written or oral) with respect to the Purchaser or any of its securities, businesses or operations, with any shareholder of the Purchaser, any interested party of the Purchaser or any related party of any interested party of the Purchaser, or any joint actor with any such persons (and for this purpose, the terms “interested party”, “related party” and “joint actor” shall have the meanings ascribed to such terms in MI 61-101).
- (uu) Restrictions on Business Activities. There is no agreement, judgment, injunction, order or decree binding upon the Company or the Company Subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing, any business practice of the Company, the Company Subsidiaries or any of its affiliates, any acquisition of property by the Company, the Company Subsidiaries or any of its affiliates, or the conduct of business by the Company, the Company Subsidiaries or any of its affiliates, as currently conducted (including following the transactions contemplated by this Agreement).
- (vv) Investment Canada Act. Neither the Company nor any entity it controls within the meaning of the Investment Canada Act carries on a “cultural business” within the meaning of the Investment Canada Act.
- (ww) Data Room Information. All Company Diligence Information provided is true and correct in all respects and does not contain any omissions as at its respective date as stated therein, or, if any Company Diligence Information is undated, as of the date of its delivery to the data room for purposes of the transactions contemplated by this Agreement. None of the Company Diligence Information has been amended except as provided in the Company Diligence Information. Additionally, all information provided to the Purchaser in relation to the Purchaser’s due diligence requests, including information not provided in the Company Diligence Information, is true and correct in all respects and does not contain any omissions as at its respective date as stated therein and has not been amended except as provided to the Purchaser. The Company acknowledges that the Purchaser is

relying on all information provided by the Company to them in entering into this Agreement.

- (xx) Funds Available. The Company has sufficient funds available to pay, prior to the Effective Time, all items described in the Budget and, for clarity, all transaction costs, all of the Company's remaining forecast commitments, all additional remaining accounts payable and current liabilities of the Company and the Company Subsidiaries, net of current assets, as determined in accordance with IFRS at the Effective Time.
- (yy) Indemnification Agreements. The Company Diligence Information contains correct and complete copies of all indemnity agreements and any similar agreements to which the Company is a party that contain rights to indemnification in favour of the current officers and directors of the Company.
- (zz) Employment, Severance and Change of Control Agreements. The Company Diligence Information contains correct and complete copies of all employment, consulting, change of control and severance agreements to which the Company is a party providing for severance payments in excess of the amount that would result by Law from the employment of an employee without an agreement as to notice or severance.
- (aaa) Competition Act. Neither the aggregate value of the assets in Canada of the Company and the entities controlled by the Company nor the annual gross revenues from sales in or from Canada generated from those assets, all as determined in accordance with the Competition Act, exceed \$93 million.
- (bbb) Full Disclosure. The information and statements contained in this Agreement are true and correct and, together with the Company Public Disclosure Record and the Company Disclosure Letter, constitute full, true and plain disclosure of all material facts relating to the Company and the Company Subsidiaries on a consolidated basis and contain no Misrepresentations.

3.2 Representations and Warranties of the Purchaser

Except as specifically disclosed in the Purchaser Disclosure Letter (which shall make reference to the applicable section in respect of which such qualification is being made), the Purchaser represents and warrants to and in favour of the Company as follows and acknowledges that the Company is relying upon such representations and warranties in entering into this Agreement:

- (a) Organization and Qualification.
 - (i) The Purchaser has been duly formed and validly exists and is in good standing under the *Business Corporations Act* (British Columbia) and has the requisite corporate and legal power and capacity to own its assets as now

owned and to carry on its business as it is now being carried on. The Purchaser is duly qualified to carry on business in each jurisdiction in which the nature or character of its properties and assets, owned, leased or operated by it, or the nature of its business or activities, makes such qualification necessary.

- (ii) The Purchaser Diligence Information includes complete and correct copies of the constating documents of the Purchaser, as amended to the date of this Agreement, and the Purchaser has not taken any action to amend or supersede such documents. The Purchaser Diligence Information includes complete and correct copies of the resolutions or minutes (or, in the case of draft minutes, the most recent drafts thereof) of all meetings of the Purchaser Shareholders, the Purchaser Board and each committee of the Purchaser Board, excluding any minutes (or portion thereof) of the Purchaser Board in relation to this Agreement and the Purchaser has not taken any action to amend or supersede such documents.

(b) Purchaser Subsidiaries.

- (i) The Purchaser Subsidiaries are duly incorporated and existing under the laws of British Columbia and have the requisite corporate and legal power and capacity to own its respective assets as now owned and to carry on its respective business as it is now being carried on.
- (ii) The Purchaser Subsidiaries are duly qualified to carry on business in each jurisdiction in which the nature or character of its properties and assets, owned, leased or operated by it, or the nature or character of the properties and assets owned, leased or operated by it, or the nature of its business or activities, makes such qualification necessary.
- (iii) The Purchaser is, directly or indirectly, the legal, beneficial and registered owner of all of the issued shares of the Purchaser Subsidiaries and the latter have no outstanding agreement, subscription, warrant, option, right or commitment (nor have the Purchaser Subsidiaries granted any right or privilege capable of becoming an agreement, subscription, warrant, option, right or commitment) obligating it to issue or sell any of its shares, including any security or obligation of any kind convertible into or exchangeable or exercisable for any shares or other securities of the Purchaser Subsidiaries. All of the issued and outstanding shares in the capital of the Purchaser Subsidiaries have been duly authorized and validly issued and are fully-paid and non-assessable, and all such shares are, except pursuant to restrictions on transfer contained in constating documents or by-laws, owned free and clear of all Liens of any kind or nature whatsoever and are free of any other restrictions including any restrictions on the right to vote, sell or otherwise dispose of such shares or other equity interests.

- (iv) Except for the shares owned by the Purchaser in the Purchaser Subsidiaries, neither the Purchaser nor the Purchaser Subsidiaries owns, beneficially, any shares in the capital of any corporation, and neither the Purchaser nor the Purchaser Subsidiaries holds any securities or obligations of any kind convertible into or exchangeable for shares in the capital of any corporation. Neither the Purchaser nor the Purchaser Subsidiaries is a party to any agreement to acquire any shares in the capital of any corporation.
 - (v) The Purchaser Diligence Information includes complete and correct copies of the constating documents of the Purchaser Subsidiaries, as amended to the date of this Agreement, and complete and correct copies of the resolutions or minutes (or, in the case of draft minutes, the most recent drafts thereof) of all meetings of the shareholders of the Purchaser Subsidiaries, the board of directors of the Purchaser Subsidiaries and each committee thereof, excluding any minutes (or portion thereof) in relation to this Agreement.
- (c) Authority Relative to this Agreement. The Purchaser has the requisite corporate power, authority and capacity to enter into and perform its obligations under this Agreement and the Rights Indenture and to complete the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Rights Indenture, the performance by the Purchaser of its obligations hereunder and thereunder, and the completion by the Purchaser of the transactions contemplated by this Agreement and the Rights Indenture have been duly authorized by the directors of the Purchaser and no other corporate proceedings on the part of the Purchaser are necessary to authorize the execution and delivery by it of this Agreement and the Rights Indenture, or the performance by the Purchaser of its obligations hereunder or thereunder, or the completion by the Purchaser of the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Purchaser and constitutes legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other Laws relating to or affecting the availability of equitable remedies and the enforcement of creditors' rights generally and general principles of equity and public policy and to the qualification that equitable remedies such as specific performance and injunction may be granted only in the discretion of a court of competent jurisdiction.
- (d) Required Approvals. No material authorization, licence, Permit, certificate, registration, consent or approval of, or filing with, or notification to, any Governmental Authority is required to be obtained or made by or with respect to the Purchaser for the execution and delivery of this Agreement or, the performance by the Purchaser of its obligations hereunder or the completion by the Purchaser of the Arrangement, other than:
- (i) the Interim Order and any filings required in order to obtain, and approvals required under, the Interim Order;

- (ii) the Final Order, and any filings required in order to obtain the Final Order;
 - (iii) such filings and other actions required under applicable Securities Laws and the rules and policies of the TSXV as are contemplated by this Agreement; and
 - (iv) any other authorizations, licences, permits, certificates, registrations, consents, approvals and filings and notifications with respect to which the failure to obtain or make same would not reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (e) No Violation. Subject to obtaining the authorizations, consents and approvals and making the filings referred to in Section 3.2(d), the execution and delivery by the Purchaser of this Agreement and the Rights Indenture, the performance by the Purchaser of its obligations hereunder and thereunder and the completion by the Purchaser of the transactions contemplated hereby and thereby do not and will not (nor will they with the giving of notice or the lapse of time or both):
- (i) conflict with, result in a violation or breach of, constitute a default or require any consent (other than such as has already been obtained), to be obtained under, or give rise to any termination rights or payment obligations under, any provision of:
 - (A) any Law applicable to it, the Purchaser Subsidiaries or any of their properties or assets;
 - (B) the notice of articles or articles of the Purchaser or those of the Purchaser Subsidiaries or any other agreement or understanding with any party holding an ownership interest in the Purchaser; or
 - (C) any licence or registration or any agreement, contract or commitment, written or oral, which the Purchaser or the Purchaser Subsidiaries is a party to or bound by or subject to;
 - (ii) result in a conflict, contravention, breach or default under or termination of, or acceleration or permit the acceleration of the performance required by, or loss of any benefit under, or require any consent or approval under, any Purchaser Material Contract or permit or license to which it is a party or by which it is bound or to which the Purchaser Material Properties, or any of its material assets are subject or give to any person any interest, benefit or right, including any right of purchase, termination, suspension, alteration, payment, modification, reimbursement, cancellation or acceleration, under any such contracts, permits or licenses;
 - (iii) give rise to any rights of first refusal, rights of first offer or other similar third

party rights, trigger any change in control or influence provisions or any restriction or limitation under any such agreement, Contract, indenture, authorization, deed of trust, mortgage, bond, instrument, licence or Permit;

- (iv) result in the creation or imposition of any Lien upon the Purchaser Material Properties or any of the Purchaser's assets or the assets of the Purchaser Subsidiaries, or restrict, hinder, impair or limit the Purchaser's or the Purchaser Subsidiaries' ability to carry on their respective business as and where it is now being carried on.

(f) Capitalization.

- (i) The authorized capital of the Purchaser consists of an unlimited number of Purchaser Shares. As at September 6, 2022, there were (A) 85,474,111 Purchaser Shares issued and outstanding; (B) stock options outstanding providing for the issuance of an aggregate of 5,420,009 Purchaser Shares upon the exercise thereof (which includes replacement options issued in connection with the acquisition of Genesis Metals Corp. on July 13, 2022); (C) restricted share units outstanding providing for the issuance of an aggregate of 74,450 Purchaser Shares upon the vesting thereof; and (D) common share purchase warrants providing for the issuance of an aggregate of 7,294,306 Purchaser Shares upon the exercise thereof, details of which are included in Schedule 3.2(f)(i) (Part I) of the Purchaser Disclosure Letter. Except for the stock options, warrants and restricted share units described in the preceding sentence and other than as disclosed in Section 3.2(f)(i) (Part II) of the Purchaser Disclosure Letter, the Purchaser has no other outstanding agreement, subscription, warrant, option, right or commitment or other right or privilege (whether by law, pre-emptive or contractual), nor has it granted any right or privilege capable of becoming an agreement, subscription, warrant, option, right or commitment, obligating it to issue or sell any Purchaser Shares or other voting or equity securities, including any security or obligation of any kind convertible into or exchangeable or exercisable for any Purchaser Shares or other voting or equity security. All outstanding Purchaser Shares have been, and all Purchaser Shares issuable upon the exercise or vesting of rights under stock options, warrants and restricted share units in accordance with their terms have been duly authorized and, upon issuance, will be, validly issued as fully paid and non-assessable shares of the Purchaser and are not and will not be, as applicable, subject to or issued in violation of, any pre-emptive rights.
- (ii) There are no outstanding contractual obligation of the Purchaser to repurchase, redeem or otherwise acquire any Purchaser Shares.
- (iii) Other than the Purchaser Option Plan and the Purchaser RSU Plan, the Purchaser does not have any share or stock appreciation right, phantom equity, restricted share unit, deferred share unit or similar right, agreement,

arrangement or commitment based on the book value, price of Purchaser Shares, income or any other attribute of or related to the Purchaser.

- (iv) The Purchaser Shares are listed and posted for trading on the TSXV and OTCQB and, except for such listings and trading, no securities of the Purchaser are listed or quoted for trading on any other stock or securities exchange or market or registered under any securities Laws.
- (g) Consideration Shares and Purchaser CVRs. All Consideration Shares will, when issued in accordance with the terms of the Arrangement, be duly authorized, validly issued, fully paid and non-assessable Purchaser Shares. All Purchaser CVRs will, when issued in accordance with the terms of the Plan of Arrangement, be duly authorized, validly issued, fully paid and non-assessable securities of the Purchaser. The Purchaser Shares to be issued upon conversion of the Purchaser CVRs pursuant to the Rights Indenture have been duly and validly reserved for issuance and will, when issued pursuant to the Rights Indenture, be duly authorized, validly issued, fully paid and non-assessable Purchaser Shares.
- (h) Shareholder and Similar Agreements. Other than as set out in Schedule 3.2(h) of the Purchaser Disclosure Letter, the Purchaser is not party to any shareholder, pooling, voting trust or other similar agreement relating to the issued and outstanding shares in the capital of the Purchaser with any of its shareholders.
- (i) Reporting Issuer Status and Securities Laws Matters. The Purchaser is a “reporting issuer” within the meaning of applicable Securities Laws in each of British Columbia, Alberta, Ontario and Quebec and is not on the list of reporting issuers in default under applicable Securities Laws, and no securities commission or similar regulatory authority has issued any order preventing or suspending trading of any securities of the Purchaser, and the Purchaser is not in default of any material provision of applicable Securities Laws or the applicable rules or regulations of the TSXV. Trading in the Purchaser Shares on the TSXV are not currently halted or suspended. No delisting, suspension of trading or cease trading order with respect to any securities of the Purchaser is pending or, to the knowledge of the Purchaser, threatened. No inquiry, review or investigation (formal or informal) of the Purchaser by any securities commission or, to the knowledge of the Purchaser, similar regulatory authority under applicable Securities Laws, or the TSXV is in effect or ongoing or expected to be implemented or undertaken. The Purchaser has not taken any action to cease to be a reporting issuer in British Columbia, Alberta, Ontario or Quebec nor has the Purchaser received notification from any securities commission or similar regulatory authority seeking to revoke the reporting issuer status of the Purchaser. Other than set out in this Section 3.2(i), the Purchaser is not subject to continuous disclosure or other public reporting requirements under any Securities Laws, U.S. Securities Laws or any other securities Laws. The documents and information comprising the Purchaser Public Disclosure Record, as at the respective dates they were filed, were in compliance in all material respects with applicable Securities

Laws, and, where applicable, the rules and policies of the TSXV and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The Purchaser has publicly disclosed in the Purchaser Public Disclosure Record all information regarding any event, circumstance or action taken or failed to be taken which could, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect. The Purchaser is up-to-date in all forms, reports, statements and documents, including financial statements and management's discussion and analysis, required to be filed by the Purchaser under applicable Securities Laws, and the rules and policies of the TSXV. The Purchaser has not filed any confidential material change report that at the date hereof remains confidential. There are no outstanding or unresolved comments in comments letters from any securities commission or similar regulatory authority with respect to any of the Purchaser Public Disclosure Record and, to the knowledge of the Purchaser, neither the Purchaser nor any of the Purchaser Public Disclosure Record is subject of an ongoing audit, review, comment or investigation by any securities commission or similar regulatory authority or the TSXV.

- (j) U.S. Securities Laws Matters. The Purchaser (i) is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act, (ii) is not registered or required to register as an investment company under the U.S. Investment Company Act and (iii) is not currently subject to the reporting requirements of the U.S. Exchange Act.
- (k) Purchaser Financial Statements.
 - (i) The Purchaser Financial Statements have been, and all financial statements of the Purchaser which are publicly disseminated by the Purchaser in respect of any subsequent periods prior to the Effective Date will be, prepared in accordance with IFRS applied on a basis consistent with those of previous periods (except (i) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of the Purchaser's independent auditors or (ii) in the case of unaudited interim statements, to the extent they are subject to normal year-end adjustments) and in accordance with applicable Laws. The Purchaser Financial Statements, together with the related management's discussion and analysis, present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Purchaser, as at the respective dates thereof and the losses, comprehensive losses, results of operations, changes in shareholders' equity and cash flows of the Purchaser for the periods covered thereby (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments) and reflect appropriate and adequate reserves in respect of contingent liabilities, if any. The Purchaser does not intend to correct or restate, nor, to

the knowledge of the Purchaser is there any basis for any correction or restatement of, any aspect of any of the Purchaser Financial Statements.

- (ii) Neither the Purchaser nor the Purchaser Subsidiaries is a party to, or has any commitment to become a party to, any off-balance sheet transaction, arrangement, obligation or other relationship or any similar Contract (including any Contract relating to any transaction or relationship between or among the Purchaser, on the one hand, and any unconsolidated affiliate, including any structured finance, special purpose or limited purpose entity or person, on the other hand) where the result, purpose or effect of such transaction, arrangement, obligation, relationship or contract is to avoid disclosure of any material transaction involving, or material liabilities of, the Purchaser, in the Purchaser Public Disclosure Record.
- (iii) Management of the Purchaser has designed a process of internal control over financial reporting (as such term is defined in NI 52-109), for the Purchaser providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and has otherwise complied with NI 52-109.
- (iv) Since June 30, 2022, neither the Purchaser, nor any Representative of the Purchaser has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Purchaser or its internal accounting controls, including any complaint, allegation, assertion, or claim that the Purchaser is engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the Purchaser Board.
- (v) There are no outstanding loans made by the Purchaser to any director or officer of the Purchaser.
- (l) Undisclosed Liabilities. Except for: (i) liabilities and obligations that are specifically presented on the audited balance sheet of the Purchaser as of December 31, 2021 or disclosed in the notes thereto; (ii) liabilities and obligations incurred in the ordinary course of business consistent with past practice since December 31, 2021; and (iii) pursuant to or in connection with this Agreement and the transactions contemplated hereby, neither the Purchaser nor the Purchaser Subsidiaries has incurred any liabilities or obligations of any nature, whether or not accrued, contingent or otherwise and is not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar contract with respect to the obligations, liabilities or indebtedness of any person.
- (m) Auditors. The Purchaser's auditors are independent with respect to the Purchaser within the meaning of the rules of professional conduct applicable to auditors in

Canada and the United States and there has never been a “reportable event” (within the meaning of Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*) with the Purchaser’s auditors.

- (n) Absence of Certain Changes. Since June 30, 2022, except as specifically contemplated by this Agreement or disclosed in the Purchaser Public Disclosure Record:
- (i) the Purchaser has conducted its businesses only in the ordinary course of business and consistent with past practice;
 - (ii) there has not been any event, occurrence, development or state of circumstances or facts that has had or would be reasonably expected to require the filing of a material change report under applicable Securities Laws or have a Purchaser Material Adverse Effect;
 - (iii) there has not been any write-down by the Purchaser of any of the assets of the Purchaser;
 - (iv) there has not been any expenditure or commitment to expend by the Purchaser with respect to capital expenses;
 - (v) neither the Purchaser nor the Purchaser Subsidiaries has approved or entered into any agreement in respect of any acquisition or sale, lease, license or other disposition by the Purchaser of any interest in any of the Purchaser Properties or any other material assets whether by asset sale, transfer of property, shares or otherwise;
 - (vi) there has not been any incurrence, assumption or guarantee by the Purchaser of any material debt for borrowed money, any creation or assumption by the Purchaser of any Lien, or any making by the Purchaser of any loan, advance or capital contribution to or material investment in any other person;
 - (vii) there has not been any satisfaction or settlement of any material claim, liability or obligation of the Purchaser;
 - (viii) none of the Purchaser, the Purchaser Subsidiaries or any of the directors, officers, employees, consultants or auditors thereof has received or otherwise had or obtained knowledge of any fraud or complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of the Purchaser or the Purchaser Subsidiaries or their respective internal accounting controls;
 - (ix) neither the Purchaser nor the Purchaser Subsidiaries has effected any change in its accounting policies, principles, methods, practices or procedures;

- (x) neither the Purchaser nor the Purchaser Subsidiaries has suffered any casualty, damage, destruction or loss to any of its properties or assets;
 - (xi) neither the Purchaser nor the Purchaser Subsidiaries has entered into, or amended, any Purchaser Material Contract;
 - (xii) neither the Purchaser nor the Purchaser Subsidiaries has declared, set aside or paid any dividends or made any distribution or payment or return of capital in respect of the Purchaser Shares or any other securities of the Purchaser or the Purchaser Subsidiaries;
 - (xiii) neither the Purchaser nor the Purchaser Subsidiaries has effected or passed any resolution to approve a split, division, consolidation, combination or reclassification of the Purchaser Shares or any other securities of the Purchaser or the Purchaser Subsidiaries;
 - (xiv) there has not been any increase in or modification of the compensation payable to or to become payable by the Purchaser to any of its directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or to the termination pay or any increase or modification of any bonus, pension, insurance or benefit arrangement to, for or with any of such directors, officers, employees or consultants;
 - (xv) other than the Purchaser Option Plan and the Purchaser RSU Plan, neither the Purchaser nor the Purchaser Subsidiaries has adopted, or amended, any collective bargaining agreement, bonus, pension, profit sharing, stock purchase, stock option or other benefit plan; and
 - (xvi) neither the Purchaser nor the Purchaser Subsidiaries has agreed, announced, resolved or committed to do any of the foregoing.
- (o) No Material Adverse Effect. Since June 30, 2022 and to the date hereof, there has not been a Purchaser Material Adverse Effect.
- (p) Compliance with Laws.
- (i) The business of the Purchaser has been and is currently being conducted in compliance in all material respects with applicable Laws and the Purchaser has not received any written notice of any alleged violation of any such Laws other than violations which have not had and would not reasonably be expected to, individually or in the aggregate, have a Purchaser Material Adverse Effect. The Purchaser does not have any knowledge of any future or potential changes in any Law that may impact the business, operations, financial condition, prospects or otherwise of the Purchaser or the Purchaser Subsidiaries. Without limiting the generality of the foregoing, all issued and

outstanding Purchaser Shares have been issued in compliance with all applicable Securities Laws.

- (ii) Neither the Purchaser nor the Purchaser Subsidiaries has and, to the Purchaser's knowledge, none of its directors, officers, supervisors, managers, employees, or agents has: (A) violated any applicable anti-corruption, anti-bribery, export control, and economic sanctions Laws, including the *Corruption of Foreign Public Officials Act* (Canada) and the *United States Foreign Corrupt Practices Act*, (B) made or authorized any direct or indirect contribution, payment or gift of funds, property or anything else of value to any official, employee or agent of any Governmental Authority, authority or instrumentality in Canada, other jurisdictions in which the Purchaser has assets or any other jurisdiction other than in accordance with applicable Laws, (C) used any corporate funds, or made any direct or indirect unlawful payment from corporate funds, to any foreign or domestic government official or employee or for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; or (D) violated or is in violation of any provision of the *Criminal Code* (Canada) relating to foreign corrupt practices, including making any contribution to any candidate for public office, in either case, where either the payment or gift or the purpose of such contribution payment or gift was or is prohibited under the foregoing or any other applicable Law of any locality.
- (iii) The operations of the Purchaser and the Purchaser Subsidiaries are and have been conducted at all times in compliance with applicable Money Laundering Laws and no action, suit or proceeding by or before any court of Governmental Authority or any arbitrator non-Governmental Authority involving the Purchaser with respect to the Money Laundering Laws is pending or, to the knowledge of the Purchaser, threatened.
- (q) Permits. Other than as set out in Section 3.2(q) of the Purchaser Disclosure Letter, the Purchaser has identified, obtained, acquired or entered into, and is in compliance in all material respects with all Permits required by applicable Laws necessary to conduct its current businesses as it is now being conducted or proposed to be conducted (as described in the Purchaser Public Disclosure Record), other than such Permits the absence of which would not, individually or in the aggregate, have a Purchaser Material Adverse Effect. Other than as set out in Section 3.2(q) of the Purchaser Disclosure Letter, all such Permits are in good standing and there has been no default under any such Permit, except to the extent that such defaults would not, individually or in the aggregate, have a Purchaser Material Adverse Effect.
- (r) Litigation. There is no Proceeding against or involving the Purchaser, or affecting any of its property or assets (whether in progress or, to the knowledge of the Purchaser, threatened). There is no judgment, writ, decree, injunction, rule, award or order of any Governmental Authority outstanding against the Purchaser or the

Purchaser Subsidiaries in respect of its businesses, properties or assets.

- (s) Insolvency. No act or proceeding has been taken by or against the Purchaser or the Purchaser Subsidiaries in connection with the dissolution, liquidation, winding up, bankruptcy, reorganization, compromise or arrangement of the Purchaser or the Purchaser Subsidiaries or for the appointment of a trustee, receiver, manager or other administrator of the Purchaser or any of its properties or assets nor, to the knowledge of the Purchaser, is any such act or proceeding threatened. Neither the Purchaser nor the Purchaser Subsidiaries has sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation. The Purchaser, the Purchaser Subsidiaries and any of their properties or assets are not subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of the Purchaser to conduct its businesses in all material respects as it has been carried on prior to the date hereof, or that has had or would reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect or would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (t) Operational Matters. All rentals, royalties (whether statutory or contractual), overriding royalty interests, net profits, earn-outs, metal pre-payment or similar agreements, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of the Purchaser and the Purchaser Subsidiaries and affiliates, have been: (i) duly paid; (ii) duly performed; or (iii) provided for prior to the date hereof.
- (u) Costs, Expenses and Liabilities. All costs, expenses and liabilities payable on or prior to the date hereof under the terms of any Contracts and agreements to which the Purchaser or the Purchaser Subsidiaries and affiliates is directly or indirectly bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.
- (v) Interest in Properties.
 - (i) Each of the Purchaser and the Purchaser Subsidiaries is the sole legal and beneficial owner, and has valid and sufficient right, title and interest free and clear of any Lien (other than Permitted Liens): (A) to its concessions, claims, leases, licences of any nature whatsoever and all other rights relating in any manner whatsoever to the interest in, or exploration for minerals on the Purchaser Properties, all of which have been accurately and completely set out in Schedule 3.2(v) of the Purchaser Disclosure Letter and, in each case, as are necessary to perform the operations of the Purchaser and the Purchaser Subsidiaries' businesses as presently owned and conducted and as contemplated to be conducted; (B) to its real property interests of any nature whatsoever including fee simple estate of and in real property, licences (from

landowners and authorities permitting the use of land by the Purchaser or the Purchaser Subsidiaries), leases, rights of way, occupancy rights, surface rights, mineral rights, easements and all other real property interests, all of which have been identified completely and accurately in Schedule 3.2(v) of the Purchaser Disclosure Letter, and, in each case, as are necessary to perform the operations of its business as presently owned and conducted and contemplated to be conducted; and (C) to, or is entitled to the benefits of, all of its properties and assets of any nature whatsoever and to all benefits derived therefrom and mineral rights including all the properties (including, without limitation, the Purchaser Material Properties) and assets reflected in the balance sheet forming part of the Purchaser Public Disclosure Record (collectively, the “**Purchaser Properties**”).

- (ii) All mineral tenures and mineral property claims in which the Purchaser or the Purchaser Subsidiaries has an interest or right, including the Purchaser Properties, have been validly located, staked, recorded and maintained in accordance with all Laws and are valid and subsisting. Each of the Purchaser and the Purchaser Subsidiaries have all necessary surface rights, access rights and other rights and interests relating to its mineral properties, granting the Purchaser or the Purchaser Subsidiaries the right and ability to explore for minerals, ore and metals for development purposes, with only such exceptions as do not interfere with the use made by the Purchaser or the Purchaser Subsidiaries of the rights or interests so held, and each of the property interests or rights and each of the documents, agreements, instruments and obligations relating thereto and referred to above is currently in good standing in the name of the Purchaser or the Purchaser Subsidiaries and free and clear of all material encumbrances and no third party or group holds any such rights that would be required by the Purchaser to so develop the Purchaser Properties.
- (iii) The Purchaser and each of the Purchaser Subsidiaries has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by the Purchaser or the Purchaser Subsidiaries under any agreement pertaining to their respective Purchaser Properties and each such lease, contract or other agreement is enforceable and in full force and effect.
- (iv) Other than as set out in Schedule 3.2(v) of the Purchaser Disclosure Letter, (A) the Purchaser and the Purchaser Subsidiaries have the exclusive right to deal with the Purchaser Properties; (B) no person or entity of any nature whatsoever other than the Purchaser or the Purchaser Subsidiaries has any interest in the Purchaser Properties or the production or profits therefrom or any right to acquire or otherwise obtain any such interest; (C) there are no

back-in rights, earn-in rights, rights of first refusal, off-take rights or obligations, royalty rights, streaming rights, or other rights of any nature whatsoever which would affect the Purchaser's or the Purchaser Subsidiaries' interests in the Purchaser Properties, and no such rights are, to the knowledge of the Purchaser, threatened; (D) neither the Purchaser nor the Purchaser Subsidiaries has received any notice, whether written or oral, from any Governmental Authority or any other person of any revocation or intention to revoke, diminish or challenge its interest in the Purchaser Properties; and (E) the Purchaser Properties are in good standing under and comply with all Laws and all work required to be performed has been performed and all taxes, fees, expenditures and all other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.

- (v) To the knowledge of the Purchaser, there are no adverse claims, demands, actions, suits or proceedings that have been commenced or are pending or, to the knowledge of the Purchaser, that are threatened, affecting or which could affect the Purchaser's or the Purchaser Subsidiaries' right, title or interest in the Purchaser Properties or the ability of the Purchaser or the Purchaser Subsidiaries to explore or develop the Purchaser Properties, including the title to or ownership by the Purchaser or the Purchaser Subsidiaries of the foregoing, or which might involve the possibility of any judgement or liability affecting the Purchaser Properties.
- (vi) None of the directors or officers of the Purchaser holds any right, title or interest in, nor has taken any action to obtain, directly or indirectly, any right, title and interest in any of Purchaser Properties or in any permit, concession, claim, lease, licence or other right to explore for, exploit, develop, mine or produce minerals from or in any manner in relation to the Purchaser Properties or any other properties located within 20 kilometres of any of the Purchaser Properties.
- (vii) No person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from the Purchaser or the Purchaser Subsidiaries of any of the assets of the Purchaser. Neither the Purchaser nor the Purchaser Subsidiaries is obligated under any prepayment contract or other prepayment arrangement to deliver mineral products at some future time without then receiving full payment therefor.
- (w) Expropriation. No Purchaser Property or any other property or asset of the Purchaser or the Purchaser Subsidiaries has been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of the Purchaser, is there any intent or proposal to give any such notice or to commence any such proceeding.
- (x) Cultural Heritage. None of the areas covered by the Purchaser Properties

(including any construction, remains or similar elements located on them) have been declared as a culture heritage site by any Governmental Authority.

(y) Technical Matters.

- (i) The Purchaser Material Properties are the only material properties of the Purchaser for the purposes of NI 43-101.
- (ii) The technical reports prepared (A) for the Purchaser entitled “NI 43-101 Technical Report, Lac Surprise Gold Property 2020-2021 Drilling” with a filing date of June 13, 2022 and with an effective date of April 10, 2022, prepared by Michel Leblanc, an independent consultant geologist, and (B) for the Purchaser Subsidiary, Genesis Metals Corp., entitled “NI 43-101 Technical Report, Mineral Resource Estimation for the Chevrier Main Deposit, Chevrier Project, Chibougamau, Quebec, Canada” with a filing date of March 10, 2022 and with an effective date of October 20, 2021, prepared by Susan Lomas, Jonathan Lavoie and Andre Liboiron, an independent consultant geologist (the “**Purchaser Technical Reports**”) complied in all material respects with the requirements of NI 43-101 at the time of filing thereof and reasonably presented the quantity of mineral resources attributable to the properties evaluated therein as at the date stated therein based upon information available at the time the report was prepared. The Purchaser does not have knowledge of a material change in any cost, price, mineral resources or other relevant information provided since the date such information was provided.
- (iii) The Purchaser has made available to the authors of the Purchaser Technical Reports, prior to the issuance thereof, for the purpose of preparing such report, all information requested by them, and none of such information contained any Misrepresentation at the time such information was so provided.
- (iv) All of the assumptions underlying the mineral resource estimates in the Purchaser Technical Reports and in the Purchaser Public Disclosure Record are reasonable and appropriate and were prepared in all material respects in accordance with sound mining, engineering, geoscience and other applicable industry standards and practices, and in all material respects in accordance with all applicable Laws, including the requirements of NI 43-101. There has been no material reduction in the aggregate amount of estimated mineral resources of the Purchaser, taken as a whole, from the amounts set forth in the Purchaser Public Disclosure Record, other than as a result of operations in the ordinary course of business.
- (v) The scientific and technical information set forth in the Purchaser Public Disclosure Record relating to mineral resources required to be disclosed therein pursuant to NI 43-101 has been prepared by the Purchaser and its

consultants in accordance with methods generally applied in the mining industry and conforms, in all material respects, to the requirements of NI 43-101 and Securities Laws.

- (vi) The Purchaser is in compliance in all material respects with the provisions of NI 43-101, has filed all technical reports required thereby, and there has been no change of which the Purchaser is or should be aware that would disaffirm or change any aspect of the Purchaser Technical Reports or that would require the filing of a new technical report under NI 43-101.
- (vii) The Purchaser has delivered to the Purchaser, or provided the Purchaser with access to, all material scientific and technical information in its possession or under its control relating to the Purchaser Properties, whether in writing, graphic, machine readable, electronic or physical form, including (i) geological, geophysical, geochemical, sampling, drilling, trenching, analytical testing, assaying, mineralogical, metallurgical and other similar information, including maps, charts and surveys, and (ii) plans, blueprints, process flow sheets, equipment and parts lists, instructions, manuals, and equipment records and procedures. At the date hereof, there are no outstanding unresolved comments of any Securities authority or any stock exchange in respect of the technical disclosure made in the Purchaser Public Disclosure Record.
- (z) First Nations Claims.
 - (i) The Purchaser has not received any First Nations Claim which affects the Purchaser or the Purchaser Subsidiaries nor, to the knowledge of the Purchaser, has any First Nations Claim been threatened which relates to any of the Purchaser Properties, any Permits or the operation by the Purchaser or the Purchaser Subsidiaries of its businesses in the areas in which such operations are carried on or in which any of the Purchaser Properties are located.
 - (ii) Other than as set out in Schedule 3.2(z) of the Purchaser Disclosure Letter, the Purchaser and the Purchaser Subsidiaries have no outstanding agreements, memorandums of understanding or similar arrangements with any First Nations Group. The Purchaser Due Diligence Information includes all information concerning, and true and correct copies of, all outstanding agreements, memorandums of understanding or similar arrangements with any First Nations Group.
 - (iii) All existing agreements, memorandums of understanding and similar arrangements with First Nations Groups are in full force and effect and there has been no assertion that the Purchaser or the Purchaser Subsidiaries is in breach or default under any such arrangements.

- (iv) There are no ongoing or outstanding discussions, negotiations or similar communications with or by any First Nations Group concerning the Purchaser, the Purchaser Subsidiaries or their respective business, operations or assets.
- (v) No First Nations blockade, occupation, illegal action or on-site protest has occurred or, to the knowledge of the Purchaser, has been threatened in connection with the activities on the Purchaser Properties.
- (vi) No First Nations Information has been received by the Purchaser or the Purchaser Subsidiaries which would reasonably be expected to have a Purchaser Material Adverse Effect.
- (aa) NGOs and Community Groups. No dispute between the Purchaser or the Purchaser Subsidiaries and any non-governmental organization, community, or community group exists or, to the knowledge of the Purchaser, is threatened or imminent with respect to any of the Purchaser Properties or operations. The Purchaser has provided the Purchaser and its Representatives with full and complete access to all material correspondence received by the Purchaser, the Purchaser Subsidiaries or their Representatives from any non-governmental organization, community, community group or First Nations Group.
- (bb) Purchaser Board Approval. The Purchaser Board, at a meeting duly called and held, upon consultation with management of the Purchaser, has unanimously determined that the Arrangement is in the best interests of the Purchaser and has unanimously approved the execution and delivery of this Agreement and the transactions contemplated by this Agreement. No action has been taken to amend, or supersede such determinations, resolutions or authorizations of the Purchaser Board.
- (cc) Ownership of Company Shares or other Securities. Other than as set out in Section 3.2(cc) of the Purchaser Disclosure Letter, none of the Purchaser, its affiliates or its directors and officers own any Company Shares or any other securities of the Company.
- (dd) Certain Securities Law Matters. The Consideration Shares and the Purchaser CVRs to be issued in connection with the transactions contemplated herein will not be subject to any statutory hold or restricted period under the securities legislation of any province or territory of Canada and, subject to restrictions contained in Section 2.6(3) of National Instrument 45-102 – *Resale of Securities*, will be freely tradable within Canada by the holders thereof.
- (ee) Taxes.
 - (i) Each of the Purchaser and the Purchaser Subsidiaries has timely filed all Returns required to be filed by it with any Taxing Authority on or before the

applicable due date and each such Return was complete and correct in all material respects at the time of filing.

- (ii) Each of the Purchaser and the Purchaser Subsidiaries has paid or caused to be paid to the appropriate Governmental Authority on a timely basis all Taxes which are due and payable, all assessments and reassessments and all other Taxes as are due and payable by it, other than those which are being or have been contested in good faith pursuant to applicable Laws, and in respect of which, in the reasonable opinion of the Purchaser, adequate reserves or accruals in accordance with IFRS have been provided in the Purchaser Financial Statements.
- (iii) Neither the Purchaser nor the Purchaser Subsidiaries has received any notice asserting an audit, action, investigation, deficiencies, litigation or proposed adjustments or, to the knowledge of the Purchaser, has such an audit, action, investigation, deficiencies, litigation or proposed adjustments been threatened with respect to Taxes of the Purchaser or the Purchaser Subsidiaries, and neither the Purchaser nor the Purchaser Subsidiaries is a party to any action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of the Purchaser, threatened. No Return of the Purchaser or the Purchaser Subsidiaries, to the knowledge of the Purchaser, is under investigation, review, audit or examination by any Taxing Authority with respect to any Taxes, and no written notice of any investigation, review, audit or examination by any Taxing Authority has been received by the Purchaser or the Purchaser Subsidiaries with respect to any Taxes.
- (iv) No Lien for Taxes has been filed or exists with respect to any assets or properties of the Purchaser or the Purchaser Subsidiaries other than for Taxes not yet due and payable or Liens for Taxes that are being contested in good faith by appropriate proceedings. There are no currently effective elections, agreements or waivers extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of any Taxes, the filing of any Return or any payment of Taxes by the Purchaser or the Purchaser Subsidiaries. Neither the Purchaser nor the Purchaser Subsidiaries has made, prepared and/or filed any elections, designations or similar filings relating to Taxes or entered into any agreement or other arrangement in respect of Taxes or Returns that could, in and of itself, require a material amount to be included in the income of the Purchaser or the Purchaser Subsidiaries for any period ending after the Effective Date.
- (v) To the knowledge of the Purchaser, the Purchaser and each Purchaser Subsidiary has duly and timely withheld or collected amounts required to be withheld or collected by it on account of Taxes and has duly and timely remitted all such Taxes or other amounts to the appropriate Governmental Authority when required by Law to do so.

- (vi) Other than as set out in Schedule 3.2(ee) of the Purchaser Disclosure Letter, there are no rulings or closing agreements relating to the Purchaser or the Purchaser Subsidiaries which may affect the Purchaser's or the Purchaser Subsidiaries' liability for Taxes for any taxable period commencing after the Effective Date.
- (vii) For any transactions between the Purchaser or the Purchaser Subsidiaries and any person who is not resident in Canada for purposes of the Tax Act with whom the Purchaser or the Purchaser Subsidiaries was not dealing at arm's length for purposes of the Tax Act, the Purchaser or the Purchaser Subsidiaries has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act (or comparable provisions of any other applicable legislation).
- (viii) No circumstances exist or may reasonably be expected to arise as a result of matters existing before the Effective Date that may result in the Purchaser or the Purchaser Subsidiaries being subject to the application of Section 159 or Section 160 of the Tax Act (or comparable provisions of any other applicable legislation).
- (ix) None of Sections 78 or 80 to 80.04 of the Tax Act (or comparable provisions of any other applicable legislation) have applied to the Purchaser or the Purchaser Subsidiaries, and there are no circumstances existing which could reasonably be expected to result in the application of Sections 78 or 80 to 80.04 of the Tax Act (or comparable provisions of any other applicable legislation) to the Purchaser or the Purchaser Subsidiaries.
- (x) The Purchaser is a "Canadian corporation" within the meaning of subsection 89(1) of the Tax Act.
- (xi) Other than as set out in Schedule 3.2(ee) of the Purchaser Disclosure Letter, the Purchaser and the Purchaser Subsidiaries have satisfied all of their obligations in respect of its issuance of any "flow-through shares" (as defined in subsection 66(15) of the Tax Act and any corresponding definition of any applicable provincial legislation), has not breached any of the representations, warranties or covenants in any subscription agreements relating to such issuances and has no outstanding liabilities, contingent, or otherwise, in respect of any such share issuances or pursuant to such subscription agreements. The Purchaser has filed all prescribed forms and returns that were required to be filed by the Purchaser with any Governmental Authority in connection with such issuances and has delivered all prescribed forms to the subscribers of such flow-through shares, including any entitlement to receive the Québec Resources Credit in relation to flow-through shares issued to residents of provinces other than Québec, which prescribed forms and returns were complete and correct in all respects.

- (xii) There are no circumstances which exist and would result in, or which have existed and resulted in, Section 17 of the Tax Act applying to the Purchaser or to either of the Purchaser Subsidiaries. Neither the Purchaser nor either of the Purchaser Subsidiaries is obligated to make any payments or is a party to any agreement under which it could be obligated to make any payment that will not be deductible in computing its income under the Tax Act by virtue of Section 67 of the Tax Act.
- (xiii) Neither the Purchaser nor either of the Purchaser Subsidiaries has any liability under U.S. Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Law), or liability as a successor or transferee, by contract, or otherwise, for Taxes of any Person other than the Purchaser or the Purchaser Subsidiaries, excluding any agreement or arrangement where the inclusion of a Tax indemnification or allocation provision is customary or incidental to an agreement the primary nature of which is not Tax sharing or indemnification.
- (xiv) Neither the Purchaser nor any of the Purchaser Subsidiaries has participated in a “listed transaction” within the meaning of U.S. Treasury Regulations Section 1.6011-4(b)(2).
- (xv) During the last two years, neither the Purchaser nor either of the Purchaser Subsidiaries has distributed stock of another Person, has had its stock distributed by another Person, or been a party to any transaction (other than a transaction described in Section 355(e)(2)(C) of the Code) treated by the parties thereto as one to which Sections 355 or 361 of the Code (or any similar provision of state, local, or foreign Law) applied.
- (ff) Contracts.
 - (i) Set out in Schedule 3.2(ff) of the Purchaser Disclosure Letter is a list of each Purchaser Material Contract as of the date hereof. True and complete copies of all Purchaser Material Contracts have been provided to the Purchaser as part of Purchaser Diligence Information and, as of the date hereof, no such Purchaser Material Contract has been modified, rescinded or terminated.
 - (ii) Each Purchaser Material Contract is in full force and effect and is a valid and binding obligation of the Purchaser or the Purchaser Subsidiaries and, to the knowledge of the Purchaser without any inquiry, the other parties thereto and is enforceable by the Purchaser or the Purchaser Subsidiaries in accordance with its respective terms, except as may be limited by bankruptcy, insolvency and other Laws affecting the enforcement of creditors’ rights generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.

- (iii) The Purchaser or the Purchaser Subsidiaries, as applicable, has performed all respective obligations required to be performed by it to date under the Purchaser Material Contracts and none of the Purchaser or the Purchaser Subsidiaries or, to the knowledge of the Purchaser, the other parties thereto, is in breach or violation of or in default under (in each case, with or without notice or lapse of time or both) any Purchaser Material Contract. Neither the Purchaser nor the Purchaser Subsidiaries has received or given any notice of default under any Purchaser Material Contract which remains uncured, and there exists no state of facts which after notice or lapse of time or both would constitute a default under or material breach of any Purchaser Material Contract or result in the inability of a party to any Purchaser Material Contract to perform its obligations thereunder.
 - (iv) Neither the Purchaser nor the Purchaser Subsidiaries has received any written notice or, to the knowledge of the Purchaser, other notice that any party to a Purchaser Material Contract intends to cancel, terminate or otherwise modify or not renew its relationship with the Purchaser or with the Purchaser Subsidiaries and, to the knowledge of the Purchaser, no such action has been threatened.
- (gg) Employment Matters.
- (i) Other than as set out in Schedule 3.2(gg) of the Purchaser Disclosure Letter, neither the Purchaser nor the Purchaser Subsidiaries is a party to or bound or governed by, or subject to:
 - (A) any employment, consulting, retention or change of control agreement with, or any written or, to the knowledge of the Purchaser, oral agreement, arrangement or understanding providing for retention, severance or termination payments to, any officer, employee or consultant of the Purchaser or the Purchaser Subsidiaries in connection with the termination of their position or their employment as a direct result of a change in control of the Purchaser (including as a result of the Arrangement);
 - (B) any collective bargaining or union agreement, or any actual or, to the knowledge of the Purchaser, threatened application for certification or bargaining rights in respect of the Purchaser or the Purchaser Subsidiaries;
 - (C) any labour dispute, strike, lock-out, work slowdown or stoppage relating to or involving any employees of the Purchaser or the Purchaser Subsidiaries and no such event has occurred; or
 - (D) any actual or, to the knowledge of the Purchaser, threatened material claim against the Purchaser or the Purchaser Subsidiaries

arising out of or in connection with employment or consulting relationship or the termination thereof.

Complete and correct copies of any written agreements, arrangements and understandings referred to in paragraphs (A) and (B) of this Section 3.2(gg) are included in the Purchaser Diligence Information.

- (ii) Neither the Purchaser nor the Purchaser Subsidiaries has engaged in any unfair labour practice and no unfair labour practice complaint, grievance or arbitration proceeding is pending or, to the knowledge of the Purchaser, threatened against the Purchaser or the Purchaser Subsidiaries.
- (hh) Health and Safety. Except as would not, individually or in the aggregate, have a Purchaser Material Adverse Effect:
 - (i) Each of the Purchaser and the Purchaser Subsidiaries have operated in all material respects in accordance with all applicable Laws with respect to employment and labour, including employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights, labour relations and privacy, and there are no current, pending, or to the knowledge of the Purchaser, threatened proceedings before any Governmental Authority with respect to any such matters.
 - (ii) Neither the Purchaser nor the Purchaser Subsidiaries has received any demand or notice with respect to a breach of any applicable health and safety Laws, the effect of which would be reasonably expected to affect operations relating to the Purchaser Properties.
 - (iii) There are no outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation and neither the Purchaser nor the Purchaser Subsidiaries has been reassessed in any material respect under such legislation during the past three years and, no audit of the Purchaser or the Purchaser Subsidiaries is currently being performed pursuant to any applicable workplace safety and insurance legislation. There are no claims, investigations or inquiries pending against the Purchaser or the Purchaser Subsidiaries (or naming the Purchaser or the Purchaser Subsidiaries as a potentially responsible party) based on non-compliance with any applicable health and safety Laws at any of the operations relating to the Purchaser Properties.
- (ii) Pension and Employee Benefits. Neither the Purchaser nor the Purchaser Subsidiaries has any pension or retirement income plans or other employee compensation or benefit plans, agreements, policies, programs, arrangements or practices, whether written or oral, which are maintained by or binding upon the

Purchaser.

- (jj) Employee Matters. Any individual who performs services for the Purchaser's or the Purchaser Subsidiaries' business and who is not treated as an employee is not an employee under applicable Laws or for any purpose including, without limitation, for Tax withholding purposes or benefit plan purposes. Neither the Purchaser nor the Purchaser Subsidiaries has any liability by reason of an individual who performs or performed services for the Purchaser's or the Purchaser Subsidiaries' business in any capacity being improperly excluded from participating in a benefit plan.
- (kk) Employment Withholdings. Except as would not, individually or in the aggregate, have a Purchaser Material Adverse Effect, the Purchaser has withheld from each payment made to any of its present or former employees, officers or directors, or to other persons, all amounts required by Law or administrative practice to be withheld by it on account of income taxes, pension plan contributions, employment insurance premiums, employer health taxes and similar taxes and levies, and has remitted such withheld amounts within the required time to the appropriate Governmental Authority.
- (ll) Intellectual Property. Except as would not, individually or in the aggregate, have a Purchaser Material Adverse Effect, neither the Purchaser nor the Purchaser Subsidiaries owns or possesses any intellectual property rights including any patents, copyrights, trade secrets, trademarks, service marks or trade names which are, individually or in the aggregate, material to the business and operations of the Purchaser and the Purchaser Subsidiaries as a whole as currently conducted.
- (mm) Environment. Except as would not, individually or in the aggregate, have a Purchaser Material Adverse Effect:
 - (i) The Purchaser and the Purchaser Subsidiaries have carried on and are currently carrying on their operations in compliance with all applicable Environmental Laws and the Purchaser Properties and assets comply with all applicable Environmental Laws, except to the extent that a failure to be in such compliance, individually or in the aggregate, would not reasonably be expected to be material to the Purchaser or the Purchaser Subsidiaries.
 - (ii) Each of the Purchaser and the Purchaser Subsidiaries have obtained from the relevant Governmental Authorities, and are in compliance with, any Environmental Approvals required to conduct their previous and current businesses and such Environmental Approvals remain valid and in good standing on the date hereof.
 - (iii) Neither the Purchaser nor the Purchaser Subsidiaries is subject to any contingent or other liability relating to (A) the restoration or rehabilitation of land, water or any other part of the environment, (B) mine closure,

reclamation, remediation or other post operational requirements, or (C) non-compliance with Environmental Laws.

- (iv) The Purchaser Properties have not been used to generate, manufacture, refine, treat, recycle, transport, store, handle, dispose of, discharge, release, transfer, produce or process Hazardous Substances, except in compliance with all Environmental Laws and except to the extent that such non-compliance would not be material to the Purchaser or the Purchaser Subsidiaries. Neither the Purchaser nor the Purchaser Subsidiaries have caused or permitted the Release of any Hazardous Substances at, in, on, under or from any Purchaser Property, except in compliance with all Environmental Laws. All Hazardous Substances handled, recycled, disposed of, discharged, released, treated or stored on or off site of the Purchaser Properties by the Purchaser or the Purchaser Subsidiaries have been handled, recycled, disposed of, discharged, released, treated and stored in compliance with all Environmental Laws. There are no Hazardous Substances at, in, on, under or migrating from any Purchaser Property, except in material compliance with all Environmental Laws.
- (v) Neither the Purchaser nor the Purchaser Subsidiaries have treated, disposed of, discharged, released, or arranged for the treatment, disposal, discharge or Release of, any Hazardous Substances at any location: (A) listed on any list of hazardous sites or sites requiring Remedial Action issued by any Governmental Authority; (B) proposed for listing on any list issued by any Governmental Authority of hazardous sites or sites requiring Remedial Action, or any similar federal, state or provincial lists; or (C) which is the subject of enforcement actions by any Governmental Authority that creates the reasonable potential for any proceeding, action, or other claim against the Purchaser or the Purchaser Subsidiaries. No site or facility now or previously owned, operated or leased by the Purchaser or the Purchaser Subsidiaries is listed or, to the knowledge of the Purchaser, is proposed for listing on any list issued by any Governmental Authority of hazardous sites or sites requiring Remedial Action or is the subject of Remedial Action.
- (vi) Neither the Purchaser nor the Purchaser Subsidiaries have caused or permitted the Release of any Hazardous Substances on or to any Purchaser Property in such a manner as: (A) would reasonably be expected to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property; or (B) would be reasonably expected to result in imposition of a lien, charge or other encumbrance or the expropriation of any Purchaser Property or any of the assets of the Purchaser or the Purchaser Subsidiaries.
- (vii) Neither the Purchaser nor the Purchaser Subsidiaries have received from any person or Governmental Authority any notice, formal or informal, of any proceeding, action or other claim, liability or potential liability arising under

any Environmental Law that is pending as of the date of this Agreement. To the knowledge of the Purchaser, there are no facts or circumstances that reasonably could be expected to give rise to any such notice, action or other claim, liability or potential liability.

- (nn) Insurance. Each of the Purchaser and the Purchaser Subsidiaries have in place reasonable and prudent insurance policies appropriate for its size, nature and stage of development. All insurance policies of the Purchaser and the Purchaser Subsidiaries are disclosed in Schedule 3.2(nn) of the Purchaser Disclosure Letter and are in full force and effect. All premiums due and payable under all such policies have been paid and the Purchaser and the Purchaser Subsidiaries are otherwise in compliance with the terms of such policies. The Purchaser has not received any notice of cancellation or termination with respect to any such policy. There has been no denial of claims nor claims disputed by the Purchaser's and the Purchaser Subsidiaries' insurers. All proceedings covered by any insurance policy of the Purchaser and the Purchaser Subsidiaries have been properly reported to and accepted by the applicable insurer.
- (oo) Books and Records. The corporate records and minute books of the Purchaser and the Purchaser Subsidiaries have been maintained in accordance with all applicable Laws and such corporate records and minute books are complete and accurate in all material respects. The financial books and records and accounts of the Purchaser have been maintained in accordance with good business practices and in accordance with IFRS or the accounting principles generally accepted in the country of domicile of each such entity on a basis consistent with prior years.
- (pp) Non-Arm's Length Transactions. Other than as disclosed in the Purchaser Public Disclosure Record and other than employment or compensation agreements entered into in the ordinary course of business, as of the date hereof there are no current contracts, commitments, agreements, arrangements or other transactions between the Purchaser or the Purchaser Subsidiaries, on the one hand, and any (i) officer or director of the Purchaser or the Purchaser Subsidiaries, (ii) any holder of record of 5% or more of the outstanding Purchaser Shares or any person that, to the knowledge of the Purchaser, beneficially owns 5% or more of the outstanding Purchaser Shares, or (iii) any affiliate or associate or any such officer, director or Purchaser Shareholder, on the other hand.
- (qq) Financial Advisors or Brokers. Other than as set out in Schedule 3.2(qq) of the Purchaser Disclosure Letter, neither the Purchaser nor the Purchaser Subsidiaries have incurred any obligation or liability, contingent or otherwise, or agreed to pay or reimburse any broker, finder, financial adviser or investment banker, for any brokerage, finder's, advisory or other fee or commission, or for the reimbursement of expenses, in connection with this Agreement, the transactions contemplated hereby or any alternative transaction in relation to the Purchaser.
- (rr) Restrictions on Business Activities. There is no agreement, judgment, injunction,

order or decree binding upon the Purchaser or the Purchaser Subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing, any business practice of the Purchaser, the Purchaser Subsidiaries or any of its affiliates, any acquisition of property by the Purchaser, the Purchaser Subsidiaries or any of its affiliates, or the conduct of business by the Purchaser, the Purchaser Subsidiaries or any of its affiliates, as currently conducted (including following the transactions contemplated by this Agreement).

- (ss) Data Room Information. All Purchaser Diligence Information provided is true and correct in all respects and does not contain any omissions as at its respective date as stated therein, or, if any Purchaser Diligence Information is undated, as of the date of its delivery to the data room for purposes of the transactions contemplated by this Agreement. None of the Purchaser Diligence Information has been amended except as provided in the Purchaser Diligence Information. Additionally, all information provided to the Purchaser in relation to the Purchaser's due diligence requests, including information not provided in the Purchaser Diligence Information, is true and correct in all respects and does not contain any omissions as at its respective date as stated therein and has not been amended except as provided to the Purchaser. The Purchaser acknowledges that the Purchaser is relying on all information provided by the Purchaser to them in entering into this Agreement.
- (tt) Full Disclosure. The information and statements contained in this Agreement are true and correct and, together with the Purchaser Public Disclosure Record and the Purchaser Disclosure Letter, constitute full, true and plain disclosure of all material facts relating to the Purchaser and the Purchaser Subsidiaries on a consolidated basis and contain no Misrepresentations.

3.3 Survival of Representations and Warranties

No investigation by or on behalf of either Party prior to the execution of this Agreement will mitigate, diminish or affect the representations and warranties made by the other Party. The representations and warranties of the Parties contained in this Agreement will not survive the completion of the Arrangement and will expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms. This Section 3.3 will not limit any covenant or agreement of any of the Parties, which, by its terms, contemplates performance after the Effective Time or the date on which this Agreement is terminated, as the case may be.

ARTICLE 4 **COVENANTS**

4.1 Covenants of the Company Regarding the Conduct of Business

The Company covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated

in accordance with its terms, except (i) with the Purchaser's consent in writing (to the extent that such consent is permitted by applicable Laws), which consent will not be unreasonably withheld, conditioned or delayed, (ii) as expressly permitted or specifically contemplated by this Agreement, (iii) as set out in the Company Disclosure Letter, including the Budget, or (iv) as is otherwise required by applicable Laws or any Governmental Authority:

- (a) the businesses of the Company and the Company Subsidiaries will be conducted only in the ordinary course of business consistent in all respects with past practice, in accordance with applicable Laws and in accordance with the Budget, the Company and the Company Subsidiaries will comply with the terms of all Company Material Contracts and will use commercially reasonable efforts to maintain and preserve intact its and their business organizations, assets, properties, rights, Permits, goodwill and business relationships and keep available the services of the officers, employees and consultants of the Company and the Company Subsidiaries as a group;
- (b) the Company will, subject to compliance with applicable Laws and in accordance with the Budget, fully cooperate and consult through meetings with the Purchaser, as the Purchaser may reasonably request, to allow the Purchaser to monitor, and provide input with respect to the direction and control of, any activities relating to the operation of the Company Properties and will not make any capital expenditures or other financial commitments in excess of \$7,500 individually or \$40,000 in the aggregate;
- (c) without limiting the generality of Section 4.1(a) above, the Company will not, directly or indirectly:
 - (i) alter or amend the articles, by-laws or other constituting documents of the Company or the Company Subsidiaries;
 - (ii) declare, set aside or pay any dividend on or make any distribution or payment or return of capital in respect of any equity securities of the Company or the Company Subsidiaries (other than dividends, distributions, payments or return of capital made to the Company by the Company Subsidiaries);
 - (iii) split, divide, consolidate, combine or reclassify the Company Shares or any other securities of the Company or the Company Subsidiaries;
 - (iv) issue, sell, grant, award, pledge, dispose of or otherwise encumber or agree to issue, sell, grant, award, pledge, dispose of or otherwise encumber any Company Shares or other equity or voting interests or any options, stock appreciation rights, warrants, calls, conversion or exchange privileges or rights of any kind to acquire (whether on exchange, exercise, conversion or otherwise) any Company Shares or other equity or voting interests or other securities or any shares of the Company Subsidiaries (including, for greater certainty, Company Options, Company Warrants or any other equity based

awards), other than the issuance of Company Shares issuable pursuant to the exercise or settlement (as applicable) of Company Options and Company Warrants that are outstanding as of the date of this Agreement in accordance with their terms, and for greater certainty, the Company shall not issue any “flow-through shares” (as defined in the Tax Act) after the date hereof;

- (v) redeem, purchase or otherwise acquire or subject to any Lien, any of its outstanding Company Shares or other securities or securities convertible into or exchangeable or exercisable for Company Shares or any such other securities or any shares or other securities of the Company Subsidiaries;
 - (vi) amend the terms of any securities of the Company or the Company Subsidiaries;
 - (vii) adopt a plan of liquidation or pass any resolution providing for the liquidation or dissolution of the Company or either of the Company Subsidiaries;
 - (viii) reorganize, amalgamate or merge the Company with any other person and will not cause or permit the Company Subsidiaries to reorganize, amalgamate or merge with any other person;
 - (ix) reduce the stated capital of the shares of the Company or the Company Subsidiaries;
 - (x) other than as contemplated in the Option Agreement, create any subsidiary or enter into any Contracts or other arrangements regarding the control or management of the operations, or the appointment of governing bodies or enter into any Joint Ventures;
 - (xi) make any material changes to any of its accounting policies, principles, methods, practices or procedures (including by adopting any material new accounting policies, principles, methods, practices or procedures), except as disclosed in the Company Public Disclosure Record, as required by applicable Laws or under IFRS; or
 - (xii) enter into, modify or terminate any Contract with respect to any of the foregoing;
- (d) the Company will immediately notify the Purchaser orally and then promptly notify the Purchaser in writing of (i) any “material change” (as defined in the Securities Act) in relation to the Company or the Company Subsidiaries, (ii) any event, circumstance or development that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (iii) any breach of this Agreement by the Company, or (iv) any event occurring after the date of this Agreement that would render a representation or warranty, if made

on that date or the Effective Date, inaccurate such that the conditions in Section 7.3(b) would not be satisfied;

- (e) the Company will not, and will not cause or permit the Company Subsidiaries to, directly or indirectly, except in connection with this Agreement:
 - (i) sell, pledge, lease, licence, dispose of, mortgage or encumber or otherwise transfer any assets or properties of the Company or the Company Subsidiaries, including without limitation with respect to the Company Properties;
 - (ii) acquire (by merger, amalgamation, consolidation, arrangement or acquisition of shares or other equity securities or interests or assets or otherwise) or agree to acquire, directly or indirectly, in one transaction or a series of related transactions, any corporation, partnership, association or other business organization or division thereof or any property or asset, or make any investment, directly or indirectly, in one transaction or in a series of related transactions, by the purchase of securities, contribution of capital, property transfer, or purchase of any property or assets of any other person;
 - (iii) incur any capital expenditures, enter into any agreement obligating the Company or the Company Subsidiaries to provide for future capital expenditures, in the aggregate, in excess of \$10,000 or incur any indebtedness (including the making of any payments in respect thereof, including any premiums or penalties thereon or fees in respect thereof) or issue any debt securities, or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other person, or make any loans or advances other than as set out in the Budget;
 - (iv) pay, discharge or satisfy any claim, liability or obligation prior to the same being due, other than the payment, discharge or satisfaction, in the ordinary course of business, of liabilities reflected or reserved against in the Company Financial Statements, or voluntarily waive, release, assign, settle or compromise any Proceeding;
 - (v) engage in any new business, enterprise or other activity that is inconsistent with the existing businesses of the Company in the manner such existing businesses generally have been carried on or (as disclosed in the Company Public Disclosure Record) planned or proposed to be carried on prior to the date of this Agreement;
 - (vi) enter into or terminate any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or other financial instruments or like transaction, other than in the ordinary course of business consistent with the Company's financial risk management policy;

- (vii) expend or commit to expend any amounts with respect to expenses for any Company Property in excess of to provide for future capital expenditures, in the aggregate, in excess of \$10,000; or
 - (viii) authorize any of the foregoing, or enter into or modify any Contract to do any of the foregoing;
- (f) the Company will not, and will not cause or permit the Company Subsidiaries to, directly or indirectly, except in the ordinary course of business:
- (i) terminate, fail to renew, cancel, waive, release, grant or transfer any rights that are material to the Company;
 - (ii) except in connection with matters otherwise permitted under this Section 4.1, enter into any Contract that, if entered into prior to the date hereof, would be a Company Material Contract, or terminate, cancel, extend, renew or amend, modify or change any Company Material Contract or waive, release, or assign any material rights or claims thereto or thereunder; or
 - (iii) enter into any lease or sublease of real property (whether as a lessor, sublessor, lessee or sublessee), or modify, amend or exercise any right to renew any lease or sublease of real property or acquire any interest in real property;
- (g) neither the Company nor the Company Subsidiaries will, except in the ordinary course of business or pursuant to any existing Contracts or employment, pension, supplemental pension, termination or compensation arrangements or policies or plans in effect on the date hereof, and except as is necessary to comply with applicable Laws:
- (i) grant to any officer, director, employee or consultant of the Company or the Company Subsidiaries an increase in compensation in any form;
 - (ii) grant any general salary or fee increase, pay any fee, bonus, award (equity or otherwise) or other compensation to the directors, officers, employees or consultants of the Company or the Company Subsidiaries other than the payment of salaries, fees and bonuses in the ordinary course of business as disclosed in the Company Disclosure Letter;
 - (iii) take any action with respect to the grant, acceleration or increase of any severance, change of control, retirement, retention or termination pay or amend any existing arrangement relating to the foregoing;
 - (iv) enter into or modify any employment or consulting agreement with any officer or director of the Company or the Company Subsidiaries;

- (v) enter into or modify any employment or consulting agreement with any employee or consultant of the Company or the Company Subsidiaries;
 - (vi) terminate the employment or consulting arrangement of any senior management employees (including the Company Senior Management), except for cause;
 - (vii) increase any benefits payable under its current severance or termination pay policies;
 - (viii) increase the coverage, contributions, funding requirements or benefits available under any Employee Plan or create any new plan which would be considered to be an Employee Plan once created;
 - (ix) make any material determination under any Employee Plan that is not in the ordinary course of business;
 - (x) amend the Company Option Plan, the Company Options or the Company Warrants, or adopt or make any contribution to or any award under any new performance share unit plan or other bonus, profit sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of directors or senior officers or former directors or senior officers of the Company or the Company Subsidiaries;
 - (xi) take any action to accelerate the time of payment of any compensation or benefits, amend or waive any performance or vesting criteria or accelerate vesting under the Company Option Plan; or
 - (xii) establish, adopt, enter into, amend or terminate any collective bargaining agreement;
- (h) neither the Company nor the Company Subsidiaries will make any loan to any officer, director, employee or consultant of the Company or the Company Subsidiaries;
- (i) the Company will use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by the Company and the Company Subsidiaries, including directors' and officers' insurance, not to be cancelled, terminated, amended or modified and to prevent any of the coverage thereunder from lapsing, unless at the time of such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage comparable to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect, provided, however, that, except as contemplated by Section 4.8(b), the

Company will not obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months;

- (j) the Company will use commercially reasonable efforts to retain the services of its and the Company Subsidiaries' existing employees and consultants (including the Company Senior Management) until the Effective Time, and will promptly provide written notice to the Purchaser of the resignation or termination of any of its key employees or consultants (including the Company Senior Management);
- (k) neither the Company nor the Company Subsidiaries will make an application to amend, terminate, allow to expire or lapse or otherwise modify any of its Permits or take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Authority to institute proceedings for the suspension, revocation or limitation of rights under, any material Permit necessary to conduct its businesses as now being conducted;
- (l) the Company and the Company Subsidiaries will (i) duly and timely file all Returns required to be filed by it on or after the date hereof and all such Returns will be true, complete and correct in all material respects, and (ii) timely withhold, collect, remit and pay all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable except for any Taxes contested in good faith pursuant to applicable Laws;
- (m) the Company will not (i) materially change its tax accounting methods, principles or practices, except insofar as may have been required by a change in IFRS or applicable Law, (ii) settle, compromise or agree to the entry of judgment with respect to any action, claim or other Proceeding relating to any material Taxes (other than the payment, discharge or satisfaction of liabilities reflected or reserved against in the Company Financial Statements), (iii) enter into any material tax sharing, tax allocation or tax indemnification agreement, (iv) make a request for a material tax ruling to any Governmental Authority, or (v) agree to any extension or waiver of the limitation period relating to any material Tax claim or assessment or reassessment;
- (n) the Company will not, and will not cause or permit the Company Subsidiaries to, settle or compromise any action, claim or other Proceeding (i) brought against it for damages or providing for the grant of injunctive relief or other non-monetary remedy ("**Litigation**") or (ii) brought by any present, former or purported holder of its securities in connection with the transactions contemplated by this Agreement or the Arrangement;
- (o) the Company will not, and will not cause or permit the Company Subsidiaries to, commence any Litigation (other than litigation in connection with the collection of accounts receivable, to enforce the terms of this Agreement or the Confidentiality Agreement, to enforce other obligations of the Purchaser or as a

result of litigation commenced against the Company);

- (p) the Company will not, and will not cause or permit the Company Subsidiaries to, enter into or renew any Contract (i) containing (A) any limitation or restriction on the ability of the Company or the Company Subsidiaries or, following completion of the transactions contemplated hereby, the ability of the Purchaser or any of its affiliates, to engage in any type of activity or business, (B) any limitation or restriction on the manner in which, or the localities in which, all or any portion of the business of the Company or the Company Subsidiaries or, following consummation of the transactions contemplated hereby, all or any portion of the business of the Purchaser or any of its affiliates, is or would be conducted, or (C) any limit or restriction on the ability of the Company or the Company Subsidiaries or, following completion of the transactions contemplated hereby, the ability of the Purchaser or any of its affiliates, to solicit customers or employees; or (ii) that would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement;
- (q) the Company will not, and will not cause or permit its subsidiary to, take any action which would render any representation or warranty made by the Company in this Agreement untrue or inaccurate in any material respect (disregarding for this purpose all materiality or Company Material Adverse Effect qualifications contained therein) at any time prior to the Effective Date if then made; and
- (r) as is applicable, the Company will not, and will not cause or permit the Company Subsidiaries to, agree, announce, resolve, authorize or commit to do any of the foregoing, except as permitted above.

4.2 Covenants of the Purchaser Regarding the Conduct of Business

The Purchaser covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except (i) with the Company's consent in writing (to the extent that such consent is permitted by applicable Laws), which consent will not be unreasonably withheld, conditioned or delayed, (ii) as expressly permitted or specifically contemplated by this Agreement, (iii) as set out in the Purchaser Disclosure Letter, or (iv) as is otherwise required by applicable Laws or any Governmental Authority:

- (a) the businesses of the Purchaser and the Purchaser Subsidiaries will be conducted only in the ordinary course of business consistent in all respects with past practice, in accordance with applicable Laws and, for clarity, any existing contractual obligations, including required and outstanding contractual or statutory exploration expenditures, the Purchaser and the Purchaser Subsidiaries will comply with the terms of all Purchaser Material Contracts and will use commercially reasonable efforts to maintain and preserve intact its and their business organizations, assets, properties, rights, Permits, goodwill and business;

- (b) without limiting the generality of Section 4.2(a) above, the Purchaser will not, directly or indirectly, and shall not cause each of the Purchaser Subsidiaries, to:
 - (i) amend its organizational or constating documents in any manner that would adversely affect the value of the Consideration;
 - (ii) split, combine, or reclassify the Purchaser Shares;
 - (iii) issue, sell, grant, award, pledge, dispose of or otherwise encumber or agree to issue, sell, grant, award, pledge, dispose of or otherwise encumber any Purchaser Shares or other equity or voting interests or any options, stock appreciation rights, warrants, calls, conversion or exchange privileges or rights of any kind to acquire (whether on exchange, exercise, conversion or otherwise) any Purchaser Shares or other equity or voting interests or other securities or any shares of the Purchaser Subsidiaries (including, for greater certainty, Purchaser Options, Purchaser RSUs, Purchaser Warrants or any other equity based awards), other than the issuance of Purchaser Options, Purchaser RSUs or other equity based awards in the ordinary course and Purchaser Shares issuable pursuant to the exercise or settlement (as applicable) of Purchaser Options, Purchaser RSUs and Purchaser Warrants that are outstanding as of the date of this Agreement in accordance with their terms, and for greater certainty, the Purchaser shall not issue any “flow-through shares” (as defined in the Tax Act) after the date hereof;
 - (iv) reorganize, amalgamate or merge the Purchaser, or, to the extent prejudicial to the Arrangement or to the Company, any Purchaser Subsidiary;
 - (v) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Purchaser; or
 - (vi) authorize, agree or resolve to do any of the foregoing.
- (c) the Purchaser will immediately notify the Company orally and then promptly notify the Company in writing of (i) any “material change” (as defined in the Securities Act) in relation to the Purchaser or the Purchaser Subsidiaries, (ii) any event, circumstance or development that has had or would reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect, (iii) any breach of this Agreement by the Purchaser, or (iv) any event occurring after the date of this Agreement that would render a representation or warranty, if made on that date or the Effective Date, inaccurate such that the conditions in Section 7.2(b) would not be satisfied;
- (d) the Purchaser and the Purchaser Subsidiaries will (i) duly and timely file all Returns required to be filed by it on or after the date hereof and all such Returns will be true, complete and correct in all material respects, and (ii) timely withhold, collect, remit and pay all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable except for any Taxes contested in good

faith pursuant to applicable Laws;

- (e) the Purchaser will not, and will not cause or permit the Purchaser Subsidiaries to, take any action which would render any representation or warranty made by the Purchaser in this Agreement untrue or inaccurate in any material respect (disregarding for this purpose all materiality or Purchaser Material Adverse Effect qualifications contained therein) at any time prior to the Effective Date if then made; and
- (f) as is applicable, the Purchaser will not, and will not cause or permit the Purchaser Subsidiaries to, agree, announce, resolve, authorize or commit to do any of the foregoing, except as permitted above.

4.3 Access to Information

Subject to compliance with applicable Laws and the terms of any existing Contracts, each Party (the “**Providing Party**”) will afford to the other Party and its Representatives (the “**Accessing Party**”) until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, continuing access to the Company Diligence Information or Purchaser Diligence Information, as applicable, and reasonable access during normal business hours and upon reasonable notice, to the Providing Party’s and its subsidiaries’ businesses, properties, books and records and such other data and information as the Accessing Party may reasonably request, as well as to its management personnel, provided however that (a) such access shall not unduly interfere with the ordinary conduct of the businesses of the Providing Party and (b) other than in circumstances where access to or disclosure of any information or documents would not result in the loss of attorney-client privilege, the Providing Party shall not have any obligation in response to a request by the Accessing Party to provide access to or otherwise disclose any information or documents subject to attorney-client privilege. Subject to compliance with applicable Laws and such requests not materially and unduly interfering with the ordinary conduct of the business of the Company, the Company and the Company Subsidiaries will also make available to the Purchaser and its Representatives information reasonably requested by the Purchaser for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of the Purchaser and the Company and its affiliates following completion of the Arrangement. Without limiting the generality of the provisions of the Confidentiality Agreement, the Purchaser and the Company each acknowledge that all information provided to it under this Section 4.2, or otherwise pursuant to this Agreement or in connection with the transactions contemplated hereby, is subject to the Confidentiality Agreement, which will remain in full force and effect in accordance with its terms notwithstanding any other provision of this Agreement or any termination of this Agreement. If any provision of this Agreement otherwise conflicts or is inconsistent with any provision of the Confidentiality Agreement, the provisions of this Agreement will supersede those of the Confidentiality Agreement but only to the extent of the conflict or inconsistency and all other provisions of the Confidentiality Agreement will remain in full force and effect. Investigations made by or on behalf of a Party, whether under this Section 4.2 or otherwise, will not waive, diminish the scope of, or otherwise affect any representation or warranty made by the other Party in this Agreement.

4.4 Covenants of the Company Regarding the Arrangement

Subject to the terms and conditions of this Agreement, the Company shall and shall cause the Company Subsidiaries to perform all obligations required to be performed by the Company under this Agreement, cooperate with the Purchaser in connection therewith, and use commercially reasonable efforts to do such other acts and things as may be necessary or desirable in order to complete the Arrangement and the other transactions contemplated hereby, including (without limiting the obligations of the Company in Article 2):

- (a) promptly, and in any event within five Business Days following the date of this Agreement, provide to the Purchaser (if such agreement remains in effect and if providing a copy of such agreement is not expressly prohibited by the terms of such agreement) a copy of each confidentiality and/or standstill agreement which has been entered into by the Company and any third party prior to the date hereof pursuant to which confidential information of the Company has been provided;
- (b) subject to the Purchaser's prior review and approval as contemplated by Section 2.2(a), publicly announcing the execution of this Agreement, the support of the Company Board of the Arrangement (including the voting intentions of each Company Supporting Securityholder referred to in Section 2.5(d)) and the Company Board Recommendation;
- (c) using its commercially reasonable efforts to obtain all necessary waivers, consents and approvals required to be obtained by the Company and the Company Subsidiaries from other parties to any Company Material Contracts in order to complete the Arrangement;
- (d) cooperating with the Purchaser in connection with, and using its commercially reasonable efforts to assist the Purchaser in obtaining the waivers, consents and approvals referred to in Section 4.4(d), provided, however, that, notwithstanding anything to the contrary in this Agreement, in connection with obtaining any waiver, consent or approval from any person (other than a Governmental Authority) with respect to any transaction contemplated by this Agreement, the Company will not be required to pay or commit to pay to such person whose waiver, consent or approval is being solicited any cash or other consideration, make any commitment or incur any liability or other obligation;
- (e) using its commercially reasonable efforts to carry out all actions necessary to ensure the availability of the exemption from registration under Section 3(a)(10) of the U.S. Securities Act and from applicable U.S. state securities laws for the issuance of the Consideration Shares, the Purchaser CVRs and the Replacement Options pursuant to the Plan of Arrangement; and
- (f) upon reasonable consultation with the Purchaser, using commercially reasonable efforts to oppose, or seek to lift or rescind any injunction, restraining or other

order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend all lawsuits or other legal, regulatory or other Proceedings against the Company challenging or affecting this Agreement or the completion of the Arrangement.

4.5 Covenants of the Purchaser Regarding the Performance of Obligations

Subject to the terms and conditions of this Agreement, the Purchaser will perform all obligations required to be performed by it under this Agreement, cooperate with the Company in connection therewith, and use commercially reasonable efforts to do such other acts and things as may be necessary or desirable in order to complete the Arrangement and other transactions contemplated hereby, including (without limiting the obligations of the Purchaser in Article 2):

- (a) subject to the Company's prior review and approval as contemplated by Section 2.3(a), publicly announcing the execution of this Agreement and the support of the Purchaser Board of the Arrangement;
- (b) using its commercially reasonable efforts to obtain all necessary waivers, consents and approvals required to be obtained by the Purchaser from other parties to a Purchaser Material Contract in order to complete the Arrangement;
- (c) cooperating with the Company in connection with, and using its commercially reasonable efforts to assist the Company in obtaining the waivers, consents and approvals referred to in Section 4.3(c), provided, however, that, notwithstanding anything to the contrary in this Agreement, in connection with obtaining any waiver, consent or approval from any person (other than a Governmental Authority) with respect to any transaction contemplated by this Agreement, the Purchaser will not be required to pay or commit to pay to such person whose waiver, consent or approval is being solicited any cash or other consideration, make any commitment or incur any liability or other obligation;
- (d) using its commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Authorities from the Purchaser relating to the Arrangement required to be completed prior to the Effective Time;
- (e) using its commercially reasonable efforts to carry out all actions necessary to ensure the availability of the exemption from registration under Section 3(a)(10) of the U.S. Securities Act and exemptions under U.S. state securities laws for the issuance of the Consideration Shares, the Purchaser CVRs and the Replacement Options pursuant to the Plan of Arrangement;
- (f) upon reasonable consultation with the Company, using commercially reasonable efforts to oppose or seek to lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend all lawsuits or

other legal, regulatory or other Proceedings against or relating to the Purchaser challenging or affecting this Agreement or the completion of the Arrangement;

- (g) forthwith carrying out the terms of the Interim Order and Final Order to the extent applicable to it and taking all necessary actions to give effect to the transactions contemplated herein and the Plan of Arrangement;
- (h) applying for and using commercially reasonable efforts to obtain conditional acceptance of the listing and posting for trading on the TSXV of the Consideration Shares and the Purchaser Shares underlying the Purchaser CVRs, subject only to the satisfaction by the Purchaser of customary listing conditions of the TSXV; and
- (i) at or prior to the Effective Time, allotting and reserving for issuance a sufficient number of Purchaser Shares to meet the obligations of the Purchaser under the Plan of Arrangement.

4.6 Mutual Covenants

Each of the Parties covenants and agrees that, subject to the terms and conditions of this Agreement, until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms:

- (a) it will use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder as set forth in Article 7 to the extent the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary and commercially reasonable to permit the completion of the Arrangement in accordance with its obligations under this Agreement, the Plan of Arrangement and applicable Laws and cooperate with the other Parties in connection therewith, including using its commercially reasonable efforts to (i) obtain all Regulatory Approvals required to be obtained by it, (ii) effect or cause to be effected all necessary registrations, filings and submissions of information requested by Governmental Authorities required to be effected by it in connection with the Arrangement, (iii) oppose, lift or rescind any injunction or restraining order against it or other order, decree, ruling or action against it seeking to stop, or otherwise adversely affecting its ability to make and complete, the Arrangement, and (iv) cooperate with the other Parties in connection with the performance by it of its obligations hereunder;
- (b) it will use commercially reasonable efforts not to take or cause to be taken any action, or refrain from taking any commercially reasonable action, which is inconsistent with this Agreement or which would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement;
- (c) promptly notify the other Party of:

- (i) any communication from any person alleging that the consent of such person (or another person) is or may be required in connection with the Arrangement (and the response thereto from such Party, its subsidiaries or its representatives);
- (ii) any communication from any Governmental Authority in connection with the Arrangement (and the response thereto from such Party, its subsidiaries or its representatives);
- (iii) any litigation threatened or commenced against or otherwise affecting such Party or any of its subsidiaries that is related to the Arrangement; and
- (d) it will use commercially reasonable efforts to execute and do all acts, further deeds, things and assurances as may be required in the reasonable opinion of the other Parties' legal counsel to permit the completion of the Arrangement.

4.7 Covenants Related to Regulatory Approvals

Each Party, as applicable to that Party, covenants and agrees with respect to obtaining all Regulatory Approvals required for the completion of the Arrangement that, subject to the terms and conditions of this Agreement, until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms:

- (a) as soon as reasonably practicable, each Party, or where appropriate, both Parties jointly, shall make all notifications, filings, applications and submissions with Governmental Authorities required or advisable, and shall use commercially reasonable efforts to obtain all required Regulatory Approvals and shall cooperate with the other Party in connection with all Regulatory Approvals sought by the other Party;
- (b) no Party shall extend or consent to any extension or refuse to consent to any extension of any applicable waiting or review period or enter into any agreement with a Governmental Authority not to consummate the transactions contemplated by this Agreement, except upon the prior written consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed);
- (c) all filing fees (including any Taxes thereon) in respect of any filing made to any Governmental Authority in respect of any Regulatory Approvals shall be paid by the Purchaser;
- (d) each Party shall use commercially reasonable efforts to respond promptly to any request or notice from any Governmental Authority requiring that Party to supply additional information that is relevant to the review of the transactions contemplated by this Agreement in respect of obtaining or concluding the Regulatory Approvals sought by either Party, and each Party shall cooperate with

the other Party and shall furnish to the other Party such information and assistance as a Party may reasonably request in connection with preparing any submission or responding to such request or notice from a Governmental Authority;

- (e) each Party shall permit the other Party an opportunity to review in advance any proposed applications, notices, filings, submissions, undertakings, correspondence and communications (including responses to requests for information and inquiries from any Governmental Authority) in respect of obtaining or concluding all required Regulatory Approvals, and shall provide the other Party with a reasonable opportunity to comment thereon and agree to consider those comments in good faith, and each Party shall provide the other Party with any applications, notices, filings, submissions, undertakings or other correspondence provided to a Governmental Authority, or any communications received from a Governmental Authority, in respect of obtaining or concluding the required Regulatory Approvals;
- (f) each Party shall keep the other Party reasonably informed on a timely basis of the status of discussions relating to obtaining or concluding the required Regulatory Approvals sought by such Party and, for greater certainty, unless participation by a Party is prohibited by applicable Law or by such Governmental Authority, no Party shall participate in any meeting (whether in person, by telephone or otherwise) with a Governmental Authority in respect of obtaining or concluding the required Regulatory Approvals unless it advises the other Party in advance and gives such other Party an opportunity to attend, provided, however, that this obligation shall not extend where competitively sensitive information may be discussed or communicated, in which case the other Party's external legal counsel shall be provided with any such communications or information on an external counsel-only basis and, unless participation by a Party is prohibited by applicable Law or by such Governmental Authority, shall have the right to participate in any such meetings on an external counsel-only basis;
- (g) the Parties shall not enter into any transaction, investment, agreement, arrangement or joint venture or take any other action, the effect of which would reasonably be expected to delay the obtaining of Regulatory Approvals; and
- (h) the Purchaser is under no obligation to take any steps or actions that would materially adversely affect the Purchaser's right to own, use or exploit its business, operations or assets or those of its affiliates, the Company or the Company Subsidiaries or to negotiate or agree to the sale, divestiture or disposition by the Purchaser of its business, operations or assets or those of its affiliates, the Company or the Company Subsidiaries, or to any form of behavioral remedy including an interim or permanent hold separate order.

4.8 Employment Matters

- (a) Prior to the Effective Time, the Company shall use commercially reasonable

efforts to cause, and to cause the Company Subsidiaries to cause, all directors and officers of the Company and the Company Subsidiaries that are not being retained by the Purchaser to provide resignations and mutual releases or shall terminate such officers and cause such directors to resign effective as at the Effective Time.

(b) The Purchaser agrees that it shall cause the Company, the Company Subsidiaries and any successor to the Company to honour and comply with the terms of all of the severance payment obligations of the Company or the Company Subsidiaries under the existing employment, consulting, change of control and severance agreements of the Company or the Company Subsidiaries that are fully and completely disclosed in Schedule 4.8(b) of the Company Disclosure Letter, in exchange for the execution of full and final releases from all liability and obligations, including in respect of the change of control entitlements, in favour of the Company and in form and substance satisfactory to the Purchaser, acting reasonably.

4.9 Indemnification and Insurance

(a) The Parties agree that all rights to indemnification now existing in favour of the present and former directors and officers of the Company (each such present or former director or officer of the Company being herein referred to as an “**Indemnified Party**” and such persons collectively being referred to as the “**Indemnified Parties**”) as provided by contracts or agreements to which the Company is a party and in effect as of the date hereof, that are fully and completely disclosed in Schedule 3.1(c) of the Company Disclosure Letter and copies of which are provided to the Purchaser prior to the date hereof, and, as of the Effective Time, will survive the completion of the Plan of Arrangement and will continue in full force and effect and without modification, and the Company and any successor to the Company shall continue to honour such rights of indemnification and indemnify the Indemnified Parties pursuant thereto, with respect to actions or omissions of the Indemnified Parties occurring prior to the Effective Time, for six years following the Effective Date.

(b) Prior to the Effective Time, notwithstanding any other provision hereof, the Company shall purchase customary “tail” or “run off” policies of directors’ and officers’ liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by the Company and the Company Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company and the Company Subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six years following the Effective Date; provided that the cost of such policies shall not exceed 200% of the current annual premium for policies currently maintained by the Company or the Company Subsidiaries.

(c) The provisions of this Section 4.8 are intended for the benefit of, and shall be enforceable by, each insured or indemnified person, his or her heirs and his or her legal representatives and, for such purpose, the Company hereby confirms that it is acting as agent and trustee on their behalf. Furthermore, this Section 4.8 shall survive the termination of this Agreement as a result of the occurrence of the Effective Date for a period of six years.

4.10 Pre-Acquisition Reorganization

(a) The Company shall use its commercially reasonable efforts to effect such reorganization of its business, operations, subsidiaries and assets or such other transactions (each, a “**Pre-Acquisition Reorganization**”) as the Purchaser may reasonably request prior to the Effective Date, and the Plan of Arrangement, if required, shall be modified accordingly; provided, however, that the Company need not effect a Pre-Acquisition Reorganization which would impede or materially delay the consummation of the Arrangement.

(b) Without limiting the foregoing and other than as set forth in clause (a) above, the Company shall use its commercially reasonable efforts to obtain all necessary consents, approvals or waivers from any persons to effect each Pre-Acquisition Reorganization, and the Company shall cooperate with the Purchaser in structuring, planning and implementing any such Pre-Acquisition Reorganization. The Purchaser shall provide written notice to the Company of any proposed Pre-Acquisition Reorganization (which notice will include full particulars of all material steps and transactions with respect to such Pre-Acquisition Reorganization) at least ten Business Days prior to the Effective Date. In addition:

- (i) the Purchaser agrees that it will be responsible for all costs and expenses associated with any Pre-Acquisition Reorganization to be carried out at its request and shall indemnify and save harmless the Company, the Company Subsidiaries and their respective Representatives from and against any and all Taxes, liabilities, losses, damages, claims, costs, reasonable expenses (including actual out-of-pocket costs and expenses for filing fees and external counsel), interest awards, judgments and penalties suffered or incurred by any of them in connection with or as a result of any Pre-Acquisition Reorganization that was effected at the Purchaser’s request prior to termination of this Agreement or as a result of the reversal (where such reversal is determined by such Party to be necessary, acting reasonably) of all or any part of the Pre-Acquisition Reorganization steps that was effected at the Purchaser’s request prior to termination of this Agreement, in the event the Arrangement does not proceed;
- (ii) any Pre-Acquisition Reorganization will not become effective unless the Parties will have confirmed in writing the satisfaction or waiver of all conditions in their favour and will have confirmed in writing that they are prepared to promptly and without condition proceed to effect the Arrangement. The completion of the Pre-Acquisition Reorganization, if any, shall not be a condition of the completion of the Arrangement;
- (iii) any Pre-Acquisition Reorganization will be effective as close as reasonably practical to the Effective Date and, in any event, after all Regulatory Approvals are obtained;
- (iv) any Pre-Acquisition Reorganization will not prejudice the Company or the Company Shareholders in any material respect;

- (v) any Pre-Acquisition Reorganization will not require the Company to obtain the approval of the Company Shareholders unless the Parties otherwise agree;
- (vi) any Pre-Acquisition Reorganization will not require any filings with, notifications to or approvals of any Governmental Authority or third party which may not be made, effected or obtained prior to the Effective Date;
- (vii) any Pre-Acquisition Reorganization shall not unreasonably interfere with the Company's material operations prior to the Effective Time;
- (viii) any Pre-Acquisition Reorganization shall not require the Company to contravene any applicable Laws, its organizational documents or any Company Material Contract;
- (ix) the Company shall not be obligated to take any action that could result in any Taxes being imposed on, or any adverse Tax or other consequences to, any Company Securityholder or Company Warrantholder incrementally greater than the Taxes or other consequences to such party in connection with the consummation of the Arrangement in the absence of any Pre-Acquisition Reorganization; and
- (x) such cooperation does not require the directors, officer or employees of the Company to take any action in any capacity other than as a director, officer or employee, as applicable.

(c) The Purchaser acknowledges and agrees that the planning for and implementation of any Pre-Acquisition Reorganization shall not be considered a breach of any covenant under this Agreement and shall not be considered in determining whether a representation or warranty of the Company hereunder has been breached. The Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization. For greater certainty, the Company shall not be liable for any Taxes or other costs as a result of, or the failure of the Purchaser to benefit from any anticipated Tax efficiency as a result of, a Pre-Acquisition Reorganization.

4.11 Tax Election

The Purchaser shall make joint income tax elections with Eligible Holders in respect of the disposition of their Company Shares pursuant to Subsections 85(1) or 85(2) of the Tax Act (and in each case, where applicable, the corresponding provision of any applicable provincial income tax legislation) in accordance with the procedures and within the time limits set out in the Plan of Arrangement. The agreed amount under such joint elections shall be determined by each Eligible Holder in his or her sole discretion within the limits set out in the

Tax Act (and in each case, where applicable, the corresponding provision of any applicable provincial income tax legislation).

ARTICLE 5

ADDITIONAL AGREEMENTS

5.1 Acquisition Proposals

(a) Except as expressly provided in this Article 5 or to the extent that the Purchaser, in its sole and absolute discretion, has otherwise consented to in writing (which consent may be withheld, conditioned or delayed in the Purchaser's sole and absolute discretion), until the earlier of the Effective Time or the date, if any, on which this Agreement is terminated pursuant to Section 6.1, the Company shall not and shall cause the Company Subsidiaries and their respective Representatives to not, directly or indirectly through any other person:

- (i) make, initiate, solicit, promote, entertain or encourage (including by way of furnishing or affording access to information or any site visit or entering into any form of agreement, arrangement or understanding (other than an Acceptable Confidentiality Agreement)), or take any other action that facilitates, directly or indirectly, any inquiry or the making of any inquiry, proposal or offer with respect to an Acquisition Proposal or that reasonably could be expected to constitute or lead to an Acquisition Proposal; or
- (ii) participate directly or indirectly in any discussions or negotiations with, furnish confidential information to, any person (other than the Purchaser) regarding an Acquisition Proposal or any inquiry, proposal or offer that could reasonably be expected to constitute or lead to an Acquisition Proposal; or
- (iii) make or propose publicly to make a Company Change of Recommendation; or
- (iv) accept, recommend, enter into, or propose publicly to accept, recommend or enter into, any agreement, understanding or arrangement in respect of an Acquisition Proposal (other than an Acceptable Confidentiality Agreement); or
- (v) make any public announcement or take any other action inconsistent with, or that could reasonably be likely to be regarded as detracting from, the approval, recommendation or declaration of advisability of the Company Board of the transactions contemplated hereby.

(b) The Company shall, and shall cause the Company Subsidiaries and their respective Representatives to, immediately cease and terminate any solicitation, encouragement, discussion, negotiation or other activities with any person (other than the Purchaser and its Representatives) conducted prior to the date hereof by the Company or any of its Representatives or the Company Subsidiaries and their Representatives with respect to any Acquisition Proposal

or any inquiry, proposal or offer that could reasonably be expected to constitute or lead to an Acquisition Proposal and, in connection with such termination, the Company will immediately discontinue access to and disclosure of any and all information including its confidential information, and access to any data room, virtual or otherwise, to any person (other than access by the Purchaser and its Representatives) and will as soon as possible, and in any event within two Business Days after the date hereof, request, and use its commercially reasonable efforts to exercise all rights it has (or cause the Company Subsidiaries to exercise any rights that they have) to require the return or destruction of all confidential information regarding the Company or the Company Subsidiaries previously provided in connection therewith to any person (other than the Purchaser and its Representatives) to the extent such confidential information has not already been returned or destroyed and use commercially reasonable efforts to ensure that such obligations are fulfilled.

(c) Notwithstanding anything to the contrary contained in this Agreement, in the event that the Company receives a *bona fide* written Acquisition Proposal from any person after the date hereof and prior to the approval of the Arrangement Resolution by Company Securityholders that did not result from a breach of this Section 5.1, and subject to the Company's compliance with Section 5.1(d), the Company and its Representatives may (i) furnish or provide access to or disclosure of information with respect to it to such person pursuant to an Acceptable Confidentiality Agreement, if and only if (x) the Company provides a copy of such Acceptable Confidentiality Agreement to the Purchaser promptly upon its execution, (y) the person making the Acquisition Proposal is provided with access to such information for a maximum period of five Business Days, and (z) the Company contemporaneously provides to the Purchaser any non-public information concerning the Company that is provided to such person which was not previously provided to the Purchaser or its Representatives, and (ii) engage in or participate in any discussions or negotiations regarding such Acquisition Proposal; provided, however, that, prior to taking any action described in clauses (i) or (ii) above, the Company Board determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal would, if consummated in accordance with its terms, constitute a Superior Proposal and failure to take such action would be inconsistent with the fiduciary duties of such directors under applicable Law.

(d) The Company shall promptly (and, in any event, within 24 hours of receipt by the Company) notify the Purchaser, at first orally and thereafter in writing, of any Acquisition Proposal (whether or not in writing) received by the Company, any inquiry received by the Company that could reasonably be expected to constitute or lead to an Acquisition Proposal, or any request received by the Company for non-public information relating to the Company in connection with an Acquisition Proposal or for access to the properties, books or records of the Company by any person that informs the Company that it is considering making an Acquisition Proposal, including a copy of any written Acquisition Proposal, a description of the material terms and conditions of such inquiry or request and the identity of the person making such Acquisition Proposal, inquiry or request, and promptly provide to the Purchaser such other information concerning such Acquisition Proposal, inquiry or request as the Purchaser may reasonably request, including all material or substantive correspondence relating to such Acquisition Proposal. Thereafter, the Company will keep the Purchaser promptly and fully informed of the status, developments and details of any such Acquisition Proposal, inquiry or

request, including any material changes, modifications or other amendments thereto.

(e) Except as expressly permitted by this Section 5.1, neither the Company Board, nor any committee thereof shall: (i) make a Company Change of Recommendation; (ii) accept, approve, endorse or recommend or publicly propose to accept, approve, endorse or recommend any Acquisition Proposal; (iii) permit the Company to accept or enter into, or publicly propose to enter into (or permit any such actions in the case of the Company Board or any committee thereof), any letter of intent, memorandum of understanding or other Contract, agreement in principle, acquisition agreement, merger agreement or similar agreement or understanding (an “**Acquisition Agreement**”) with respect to any Acquisition Proposal; or (iv) permit the Company to accept or enter into any Contract requiring the Company to abandon, terminate or fail to consummate the Arrangement or providing for the payment of any break, termination or other fees or expenses to any person proposing an Acquisition Proposal in the event that the Company completes the transactions contemplated hereby or any other transaction with the Purchaser or any of its affiliates.

(f) Notwithstanding anything to the contrary contained in Section 5.1(e), in the event the Company receives a *bona fide* Acquisition Proposal that that Company Board has determined is a Superior Proposal from any person after the date hereof and prior to the Company Meeting, then, the Company Board may, prior to the Company Meeting, make a Company Change of Recommendation or enter into an Acquisition Agreement with respect to such Superior Proposal, but only if:

- (i) the Company has complied and continues to be in compliance in all material respects with this Section 5.1 in connection with the preparation or making of such Acquisition Proposal and the Company has complied in all material respects with the other terms of this Section 5.1(f);
- (ii) the Company has given written notice to the Purchaser that it has received such Superior Proposal and that the Company Board has determined that (x) such Acquisition Proposal constitutes a Superior Proposal and (y) the Company Board intends to make a Company Change of Recommendation and/or enter into an Acquisition Agreement with respect to such Superior Proposal, in each case promptly following the making of such determination, together with a summary of the material terms of any proposed Acquisition Agreement or other agreement relating to such Superior Proposal (together with a copy of such agreement and any ancillary agreements and supporting materials) to be executed with the person making such Superior Proposal, and, if applicable, a written notice from the Company Board regarding the value or range of values in financial terms that the Company Board has, in consultation with financial advisors, determined should be ascribed to any non-cash consideration offered in the Superior Proposal;
- (iii) a period of five full Business Days (such period being the “**Superior Proposal Notice Period**”) shall have elapsed from the later of the date the Purchaser received the notice from the Company referred to in Section

5.1(f)(ii) and, if applicable, the notice from the Company Board with respect to any non-cash consideration as contemplated in Section 5.1(f)(ii), and the date on which the Purchaser received the summary of material terms and copies of agreements and supporting materials set out in Section 5.1(f)(ii);

- (iv) if the Purchaser has proposed to amend the terms of the Arrangement in accordance with Section 5.1(g), the Company Board shall have determined in good faith, after consultation with its financial advisors and outside legal counsel, that (x) the Acquisition Proposal remains a Superior Proposal compared to the Arrangement as proposed to be amended by the Purchaser and has provided the Purchaser with full details of the basis on which such determination was made and (y) failure to take such action would be inconsistent with the fiduciary duties of such directors under applicable Law;
- (v) in the event the Company intends to enter into an Acquisition Agreement, the Company concurrently terminates this Agreement pursuant to Section 6.1(d)(i) [*Superior Proposal*]; and
- (vi) the Company has previously, or concurrently will have, paid to the Purchaser the Termination Fee pursuant to Section 5.2.

(g) The Company acknowledges and agrees that during the Superior Proposal Notice Period or such longer period as the Company may approve for such purpose, in its sole discretion, the Purchaser shall have the right, but not the obligation, to propose to amend the terms of this Agreement and the Arrangement in accordance with this Section 5.1(g). The Company Board will review in good faith any offer made by the Purchaser to amend the terms of this Agreement and the Arrangement in order to determine, in consultation with its financial advisors and outside legal counsel, whether the proposed amendments would, upon acceptance, result in the Acquisition Proposal that previously constituted a Superior Proposal ceasing to be a Superior Proposal. The Company agrees that, subject to the Company's disclosure obligations under applicable Securities Laws, the fact of the making of, and each of the terms of, any such proposed amendments shall be kept strictly confidential and shall not be disclosed to any person (including without limitation, the person having made the Superior Proposal), other than the Company's Representatives, without the Purchaser's prior written consent. If the Company Board determines that such Acquisition Proposal would cease to be a Superior Proposal as a result of the amendments proposed by the Purchaser, the Company will forthwith so advise the Purchaser and the Parties will amend the terms of this Agreement and the Arrangement to reflect such offer made by the Purchaser, and the Parties agree to take such actions and execute such documents as are necessary to give effect to the foregoing. If the Company Board continues to believe in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal remains a Superior Proposal and therefore rejects the Purchaser's offer to amend this Agreement and the Arrangement, if any, the Company may, subject to compliance with the other provisions hereof, make a Change of Recommendation and/or enter into an Acquisition Agreement with respect to such Superior Proposal.

- (h) Each successive modification of any Acquisition Proposal shall constitute a new

Acquisition Proposal for the purposes of Section 5.1(f) and shall require a new five full Business Day Superior Proposal Notice Period from the date described in Section 5.1(f)(iii) with respect to such new Acquisition Proposal. In circumstances where the Company provides the Purchaser with notice of a Superior Proposal and all documentation contemplated by Section 5.1(f)(ii) on a date that is less than 10 Business Days prior to the Company Meeting, the Company may, and upon the request of the Purchaser, the Company shall adjourn or postpone the Company Meeting in accordance with the terms of this Agreement to a date that is not more than 10 days after the scheduled date of such Company Meeting, provided, however, that the Company Meeting shall not be adjourned or postponed to a date later than the tenth Business Day prior to the Outside Date.

(i) The Company Board shall reaffirm the Company Board Recommendation by news release promptly after (i) the Company Board has determined that any Acquisition Proposal is not a Superior Proposal if the Acquisition Proposal has been publicly announced or made; or (ii) the Company Board makes the determination referred to in Section 5.1(g) that an Acquisition Proposal that has been publicly announced or made and which previously constituted a Superior Proposal has ceased to be a Superior Proposal, and the Parties have so amended the terms of this Agreement and the Arrangement. The Purchaser and its outside legal counsel shall be given a reasonable opportunity to review and comment on the form and content of any such news release and the Company shall give reasonable consideration to all amendments to such news release requested by the Purchaser and its outside legal counsel. Such news release shall state that the Company Board has determined that such Acquisition Proposal is not a Superior Proposal.

(j) The Company will not become a party to any Contract with any person subsequent to the date hereof that limits or prohibits the Company from (i) providing or making available to the Purchaser and its affiliates and Representatives any information provided or made available to such person or its officers, directors, employees, consultants, advisors, agents or other representatives (including solicitors, accountants, investment bankers and financial advisors) pursuant to an Acceptable Confidentiality Agreement described in this Section 5.1 or (ii) providing the Purchaser and its affiliates and Representatives with any other information required to be given to it by the Company under this Section 5.1.

(k) Notwithstanding the foregoing or any other provisions of this Agreement, the Company Board has the right to respond, within the time and in the manner required by NI 62-104 and similar provisions under Securities Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal or otherwise as required by applicable Securities Laws to an Acquisition Proposal that it determines is not a Superior Proposal. Further, nothing in this Agreement shall prevent the Company Board from making any disclosure to the Company Shareholders if the Company Board, acting in good faith and upon the advice of its outside legal and financial advisors, shall have first determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Company Board or such disclosure is otherwise required under Law.

(l) The Company represents and warrants that it has not waived or amended any confidentiality, standstill, non-disclosure or similar agreements, restrictions or covenant to which

it or the Company Subsidiaries is party. The Company agrees (i) not to release any persons from, or terminate, modify, amend or waive the terms of, any confidentiality agreement or standstill agreement or standstill provisions in any such confidentiality agreement that the Company entered into prior to the date hereof (it being acknowledged by the Purchaser that the automatic termination or release of any restrictions of any such agreements as a result of entering into and announcing this Agreement shall not be a violation of this Section 5.1(l)), (ii) to promptly and diligently enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it has entered into prior to the date hereof or enter into after the date hereof. The Company shall forthwith, if provided for in a confidentiality agreement with such person, request the return or destruction of all information provided to any third party that, has entered into a confidentiality agreement with the Company to the extent that such information has not previously been returned or destroyed, and shall use all commercially reasonable efforts to ensure that such requests are honoured.

(m) Without limiting the generally of the foregoing, the Company shall ensure that the Company Subsidiaries and their respective Representatives are aware of the provisions of this Section 5.1, and the Company shall be responsible for any breach of this Section 5.1 by the Company Subsidiaries or their respective Representatives.

5.2 Termination Fee

(a) **“Termination Fee Event”** means any of the following events:

(i) this Agreement shall have been terminated:

(A) by either the Company or the Purchaser pursuant to Section 6.1(b)(i) [*Occurrence of Outside Date*] or 6.1(b)(ii) [*Failure to Obtain Company Shareholder Approval*], or

(B) by the Purchaser pursuant to Section 6.1(c)(iii) [*Breach of Company Representations, Warranties or Covenants*],

and both: (x) prior to such termination, an Acquisition Proposal shall have been made public or proposed publicly to the Company or the Company Shareholders after the date hereof and prior to the Company Meeting; and (y) the Company shall have either (1) completed any Acquisition Proposal within 12 months after this Agreement is terminated or (2) entered into an Acquisition Agreement in respect of any Acquisition Proposal or the Company Board shall have recommended any Acquisition Proposal, in each case, within 12 months after this Agreement is terminated, and such Acquisition Proposal in either case, as it may be modified or amended, is subsequently completed (whether before or after the expiry of such 12-month period), provided, however, that for the purposes of this Section 5.2(a)(i), all references to “20%” in the definition of Acquisition Proposal shall be changed to “50%”;

- (ii) this Agreement shall have been terminated by the Purchaser pursuant to Section 6.1(c)(i) [*Company Change of Recommendation*];
- (iii) this Agreement shall have been terminated by the Purchaser pursuant to Section 6.1(c)(ii) [*Material Breach of Company Non-Solicitation Covenants*];
- (iv) this Agreement shall have been terminated by either the Company or the Purchaser pursuant to Section 6.1(b)(ii) [*Failure to Obtain Company Shareholder Approval*], if at the time of such termination, the Purchaser was entitled to terminate this Agreement pursuant to Section 6.1(c)(i) [*Company Change of Recommendation*]; or
- (v) this Agreement shall have been terminated by the Company pursuant to Section 6.1(d)(i) [*Superior Proposal*].

(b) If a Termination Fee Event occurs, the Company shall pay to the Purchaser a termination fee of \$775,000 (the “**Termination Fee**”) by wire transfer in immediately available funds to an account specified by the Purchaser as follows:

- (i) in the case of a Termination Fee Event referred to in Section 5.2(a)(i), the Company shall pay the Termination Fee to the Purchaser on or prior to completion of the applicable Acquisition Proposal;
- (ii) in the case of a Termination Fee Event referred to in Section 5.2(a)(ii), 5.2(a)(iii) or 5.2(a)(iv), the Company shall pay the Termination Fee to the Purchaser within one Business Day following such termination; or
- (iii) in the case of a Termination Fee Event referred to in Section 5.2(a)(v), the Company shall pay the Termination Fee to the Purchaser concurrently with such termination.

(c) Except as otherwise specified herein, each Party will pay its respective legal and accounting costs, fees and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs, fees and expenses whatsoever and howsoever incurred, and will indemnify and save harmless the other from and against any claim for any broker’s, finder’s or placement fee or commission alleged to have been incurred as a result of any action by it in connection with the transactions hereunder.

(d) Each of the Parties acknowledges that the agreements contained in this Section 5.2 are an integral part of the transactions contemplated in this Agreement and that without these agreements the Parties would not enter into this Agreement.

(e) Each Party acknowledges that all of the payment amounts set out in this Section 5.2 are payments in consideration for the disposition of the rights of the Party entitled to receive

such payment under this Agreement and represent liquidated damages which are a genuine pre-estimate of the damages which the Party entitled to receive such payment will suffer or incur as a result of the event giving rise to such payment and the resultant termination of this Agreement and are not penalties. Each Party irrevocably waives any right that it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, the Parties agree that the payment of an amount pursuant to this Section 5.2 in the manner provided herein is the sole and exclusive remedy of the Party entitled to receive such payment in respect of the event giving rise to such payment, provided, however, that nothing contained in this Section 5.2, and no payment of any such amount, shall relieve or have the effect of relieving a Party in any way from liability for damages incurred or suffered by the other Party as a result of an intentional or wilful breach of this Agreement, including the intentional or wilful making of a Misrepresentation in this Agreement and nothing contained in this Section 5.2 shall preclude a Party from seeking injunctive relief in accordance with Section 8.14 to restrain the breach or threatened breach of the covenants or agreements set forth in this Agreement or the Confidentiality Agreement or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting a bond or security in connection therewith.

ARTICLE 6

TERMINATION

6.1 **Termination**

(a) **Termination by Mutual Consent.** This Agreement may be terminated at any time prior to the Effective Time by mutual written consent of the Company and the Purchaser.

(b) **Termination by either the Company or the Purchaser.** This Agreement may be terminated by either the Company or the Purchaser at any time prior to the Effective Time, if:

- (i) the Effective Time does not occur on or before the Outside Date, except that the right to terminate this Agreement under this Section 6.1(b)(i) shall not be available to any Party whose failure to fulfil any of its obligations or breach of any of its representations and warranties under this Agreement has been a principal cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date;
- (ii) the Company Meeting is held and the Arrangement Resolution is not approved by the Company Shareholders in accordance with applicable Laws and the Interim Order, except that the right to terminate this Agreement under this Section 6.1(b)(ii) shall not be available to any Party whose failure to fulfil any of its obligations or breach of any of its representations and warranties under this Agreement has been a principal cause of, or resulted in, the failure to receive approval of the Arrangement Resolution by the Company Shareholders; or
- (iii) after the date hereof, any Law is enacted or made that remains in effect and

that makes the completion of the Arrangement or the transactions contemplated by this Agreement illegal or otherwise prohibited, and such Law has become final and non-appealable, except that the right to terminate this Agreement under this Section 6.1(b)(iii) shall not be available to any Party unless such Party has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement.

(c) Termination by the Purchaser. This Agreement may be terminated by the Purchaser at any time prior to the Effective Time, if:

- (i) either (A) the Company Board or any committee thereof fails to publicly make a recommendation that the Company Securityholders vote in favour of the Arrangement Resolution as contemplated in Section 2.2(d), Section 2.5(d) and Section 5.1(i) or the Company or the Company Board, or any committee thereof, withdraws, modifies, qualifies or changes in a manner adverse to the Purchaser, the Company Board Recommendation (it being understood that publicly taking no position or a neutral position by the Company and/or the Company Board with respect to an Acquisition Proposal for a period exceeding three Business Days after an Acquisition Proposal has been publicly announced shall be deemed to constitute such a withdrawal, modification, qualification or change), (B) the Purchaser requests that the Company Board reaffirm its recommendation that the Company Securityholders vote in favour of the Arrangement Resolution and the Company Board shall not have done so by the earlier of (x) the third Business Day following receipt of such request and (y) the Company Meeting, or (C) the Company and/or the Company Board, or any committee thereof, accepts, approves, endorses or recommends any Acquisition Proposal or proposes publicly to accept, approve, endorse or recommend any Acquisition Proposal (each of the foregoing a “**Company Change of Recommendation**”);
- (ii) the Company breaches Section 5.1 in any material respect;
- (iii) subject to compliance with Section 6.3, the Company breaches any of its representations, warranties, covenants or agreements contained in this Agreement, which breach would cause any of the conditions set forth in Section 7.1 or Section 7.3 not to be satisfied and such breach is incapable of being cured or is not cured in accordance with the terms of Section 6.3, provided, however, that any wilful breach shall be deemed incapable of being cured and the Purchaser is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 7.1 or Section 7.2 not to be satisfied; or
- (iv) a Company Material Adverse Effect has occurred after the date of this Agreement and is continuing.

(d) Termination by the Company. This Agreement may be terminated by the Company at any time prior to the Effective Time, if:

- (i) at any time prior to the approval of the Arrangement Resolution, the Company Board authorizes the Company to enter into an Acquisition Agreement (other than an Acceptable Confidentiality Agreement) with respect to a Superior Proposal in accordance with Section 5.1(f), provided that concurrently with such termination, the Company pays the Termination Fee payable pursuant to Section 5.2; or
- (ii) subject to compliance with Section 6.3, the Purchaser breaches any of its representations, warranties, covenants or agreements contained in this Agreement, which breach would cause any of the conditions set forth in Section 7.1 or Section 7.2 not to be satisfied and such breach is incapable of being cured or is not cured in accordance with the terms of Section 6.3, provided, however, that any wilful breach shall be deemed incapable of being cured and the Company is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 7.1 or Section 7.3 not to be satisfied; or
- (iii) a Purchaser Material Adverse Effect has occurred after the date of this Agreement and is continuing.

6.2 Void upon Termination

If this Agreement is terminated pursuant to Section 6.1, this Agreement shall become void and of no force and effect and no Party will have any liability or further obligation to the other Party hereunder, except that (i) any liability of the Company to pay a Termination Fee that is unpaid at the time of termination of this Agreement, and (ii) the provisions of Section 4.2, Section 5.2, this Section 6.2 and Article 8 (other than Section 8.6 and Section 8.9), shall survive any termination hereof pursuant to Section 6.1, provided, however, that neither the termination of this Agreement nor anything contained in Section 5.2 or this Section 6.2 will relieve any Party from any liability for any intentional or wilful breach by it of this Agreement, including any intentional or wilful making of a Misrepresentation in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Confidentiality Agreement shall survive any termination hereof pursuant to Section 6.1.

6.3 Notice and Cure Provisions

If any Party determines at any time prior to the Effective Time that it intends to refuse to complete the transactions contemplated hereby because of any unfilled or unperformed condition contained in this Agreement, such Party will so notify the other Party forthwith upon making such determination in order that the other Party will have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the

Outside Date. Neither the Company nor the Purchaser may elect not to complete the transactions contemplated hereby pursuant to the conditions precedent contained in Article 7 or exercise any termination right arising therefrom and no payments will be payable as a result of such election pursuant to Article 7 unless forthwith and in any event prior to the Effective Time the Party intending to rely thereon has given a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party giving such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent or the exercise of the termination right, as the case may be. If any such notice is given, provided that the other Party is proceeding diligently to cure such matter, if such matter is susceptible to being cured, the Party giving such notice may not terminate this Agreement as a result thereof until the earlier of the Outside Date and the expiration of a period of 15 Business Days from such notice, and then only if such matter has not been cured by such date. If such notice has been given prior to the making of the application for the Final Order or the date of the Company Meeting, such application and/or such meetings, unless the Parties otherwise agree, will be postponed or adjourned until the expiry of such period (without causing any breach of any other provision contained herein).

ARTICLE 7

CONDITIONS PRECEDENT

7.1 Mutual Conditions Precedent

The respective obligations of the Parties to complete the Arrangement are subject to the satisfaction, or mutual waiver by the Parties, on or before the Effective Date, of each of the following conditions, each of which are for the mutual benefit of the Parties and which may be waived, in whole or in part, by the mutual consent of the Purchaser and the Company at any time:

- (a) the Arrangement Resolution will have been approved by the Company Securityholders at the Company Meeting in accordance with the Interim Order and applicable Laws;
- (b) each of the Interim Order and Final Order will have been obtained in form and substance satisfactory to each of the Company and the Purchaser, each acting reasonably, and will not have been set aside or modified in any manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise;
- (c) the conditional acceptance of the TSXV will have been obtained, including in respect of the listing and posting for trading of the Consideration Shares and the Purchaser Shares underlying the Purchaser CVRs;
- (d) no Law will have been enacted, issued, promulgated, enforced, made, entered, issued or applied and no Proceeding will otherwise have been taken under any Laws or by any Governmental Authority (whether temporary, preliminary or permanent) that makes the Arrangement illegal or otherwise directly or indirectly

cease trades, enjoins, restrains or otherwise prohibits completion of the Arrangement;

- (e) the Consideration Shares and the Purchaser CVRs to be issued pursuant to the Arrangement shall be (i) exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and applicable state securities laws, and (ii) freely transferable under applicable U.S. Securities Laws (other than as applicable to persons who are, have been within 90 days of the Effective Time, or, at the Effective Time become, “affiliates”, as such term is defined in Rule 144 under the U.S. Securities Act);
- (f) the Replacement Options to be issued to Company Optionholders in exchange for their Company Options pursuant to the Plan of Arrangement shall be exempt from the registration requirements of the U.S. Securities Act in reliance upon the exemption provided pursuant to Section 3(a)(10) thereof and applicable states securities laws; and
- (g) this Agreement shall not have been terminated in accordance with its terms.

7.2 Additional Conditions Precedent to the Obligations of the Company

The obligation of the Company to complete the Arrangement will be subject to the satisfaction, or waiver by the Company, on or before the Effective Date, of each of the following conditions, each of which is for the exclusive benefit of the Company and which may be waived by the Company at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that the Company may have:

- (a) the Purchaser shall have complied in all material respects with its obligations, covenants and agreements in this Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of the Purchaser in Section 3.2 shall be true and correct (disregarding for this purpose all materiality or Purchaser Material Adverse Effect qualifications contained therein) as of the Effective Date as if made on and as of such date (except for such representations and warranties which refer to or are made as of another specified date, in which case such representations and warranties will have been true and correct as of that date) and except (i) as affected by transactions, changes, conditions, events or circumstances expressly permitted or required by this Agreement or (ii) for breaches of representations and warranties which have not had and would not reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect or prevent or significantly impede or materially delay the completion of the Arrangement;
- (c) since the date of this Agreement, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public) a Purchaser

Material Adverse Effect which is continuing at the time of closing;

- (d) the Company shall have received a certificate of the Purchaser signed by a senior officer of the Purchaser and dated the Effective Date certifying that the conditions set out in Sections 7.2(a), 7.2(b) and 7.2(c) have been satisfied;
- (e) the Purchaser shall have complied with its obligations under Section 2.11 and the Depositary shall have confirmed receipt of the Consideration Shares and the Purchaser CVRs; and
- (f) the Purchaser and Computershare Trust Company of Canada, as rights agent, shall have entered into the Rights Indenture.

7.3 Additional Conditions Precedent to the Obligations of the Purchaser

The obligation of the Purchaser to complete the Arrangement will be subject to the satisfaction, or waiver by the Purchaser, on or before the Effective Date, of each of the following conditions, each of which is for the exclusive benefit of the Purchaser and which may be waived by the Purchaser at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that the Purchaser may have:

- (a) the Company shall have complied in all material respects with its obligations, covenants and agreements in this Agreement to be performed and complied with on or before the Effective Date;
- (b) the representations and warranties of the Company which are qualified by materiality or the expression “Company Material Adverse Effect” were true and correct as of the date of this Agreement and are true and correct as of the Effective Time, in all respects, and all other representations and warranties of the Company were true and correct in all material respects as of the date of this Agreement and are true and correct in all material respects as of the Effective Time, in each case except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date, except that the representations and warranties of the Company made in Section 3.1(a)(i) [*Organization and Qualification*], Section 3.1(c) [*Authority Relative to this Agreement*], Section 3.1(f)(i) [*Capitalization*] and Section 3.1(m)(ii) [*No MAE*] must be true and correct in all respects when made and, except as contemplated by this Agreement, as of the Effective Time;
- (c) Company Shareholders shall not have exercised Dissent Rights, or have instituted proceedings to exercise Dissent Rights, in connection with the Arrangement (other than Company Shareholders representing not more than 2% of the Company Shares then outstanding);
- (d) since the date of this Agreement, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public) a Company

Material Adverse Effect which is continuing at the time of closing;

- (e) the net working capital of the Company (which shall be calculated as cash less current liabilities), including accrued transaction costs, but excluding any change of control payments or break fees, and exclusive of GST and HST, shall be no less than negative \$[redacted] immediately prior to the Effective Time in accordance with the amounts set forth in the Budget, unless otherwise agreed to between the Parties;
- (f) the Purchaser shall have received a certificate of the Company signed by a senior officer of the Company and dated the Effective Date certifying that the conditions set out in Sections 7.3(a), 7.3(b), 7.3(c), 7.3(d) and 7.3(e), have been satisfied, including with respect to Section 7.3(e) the working calculations of working capital, which shall include the information included in the form of monthly report set forth in Annex B of the Company Disclosure Letter, effective as of the day immediately prior to the Effective Date;
- (g) the Company shall have delivered the requisite termination notices to terminate the Company Material Contracts (in each case as requested by the Purchaser, acting reasonably) which would not cause the Company to breach any covenant or condition under this Agreement and the Company shall obtain full and final releases from the counterparties thereto;
- (h) the Purchaser shall have received a certificate of good standing of the Company and the Company Subsidiaries dated the Business Day prior to the Effective Date;
- (i) all waivers, consents, permits, approvals, releases, licences or authorizations under or pursuant to any Company Material Contract which the Purchaser has determined are necessary in connection with the completion of the Arrangement, will have been obtained on terms which are satisfactory to the Purchaser, acting reasonably;
- (j) the Purchaser shall have received evidence, in a form which is satisfactory to the Purchaser, acting reasonably, of the notice of the Arrangement provided to SOQUEM Inc. under the Option Agreement; and
- (k) there shall not be pending or threatened in writing any Proceeding by any Governmental Authority or any other person that is reasonably likely to result in any:
 - (i) prohibition or restriction on the acquisition by the Purchaser of any Company Shares or the completion of the Arrangement or any person obtaining from any of the Parties any material damages directly in connection with the Arrangement;
 - (ii) prohibition or material limit on the ownership by the Purchaser of the

Company or the Company Subsidiaries or any material portion of their respective businesses; or

- (iii) imposition of limitations on the ability of the Purchaser to acquire or hold, or exercise full rights of ownership of, any Company Shares, including the right to vote such Company Shares.

ARTICLE 8

GENERAL

8.1 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic mail addressed to the recipient as follows:

- (a) if to the Purchaser, as follows:

Northern Superior Resources Inc.
1351C, Kelly Lake Road, Unit 7
Sudbury, ON P3E 5P5

Attention: François Perron/Dan Rothberg
Email: [Redacted] /dan.rothberg@devrylaw.ca

with a copy (which will not constitute notice) to:

Cassels Brock & Blackwell LLP
Suite 2200, HSBC Building
885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: Jennifer Traub
Email: jtraub@cassels.com

and to:

Neal, Gerber & Eisenberg LLP
2 N. LaSalle St.
Chicago, IL 60602-3801

Attention: John Koenigsknecht
Email: jkoenigsknecht@nge.com

(b) if to the Company, as follows:

Royal Fox Gold Inc.
217 Queen Street West, Suite 401
Toronto, ON M5V 0R2

Attention: Simon Marcotte/Victor Cantore
Email: [Redacted] / [Redacted]

with a copy (which will not constitute notice) to:

Fasken Martineau DuMoulin LLP
800 Victoria Square, Suite 3500
Montreal, QC H4Z 1E9

Attention: Frank Mariage
Email: fmariage@fasken.com

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either Party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic mail, on the day of transmittal thereof if given during the normal business hours of the recipient and on the next Business Day if not given during such hours on any day.

8.2 Assignment

The Company agrees that the Purchaser may assign all or any part of its rights under this Agreement to, and its obligations under this Agreement may be assumed by any one of the Purchaser Subsidiaries, provided that the Purchaser shall continue to be liable jointly and severally with such Purchaser Subsidiary for all obligations hereunder. Subject to the foregoing, neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any Party without the prior written consent of the other Party.

8.3 Benefit of Agreement

This Agreement will enure to the benefit of and be binding upon the respective successors (including any successor by reason of amalgamation or statutory arrangement) and permitted assigns of the Parties.

8.4 Third Party Beneficiaries

Except as provided in Section 4.8 which, without limiting its terms, is intended for the benefit of the present and former directors and officers of the Company and the Company Subsidiaries, as and to the extent applicable in accordance with its terms (collectively, the “**Third-Party Beneficiaries**”), the Parties intend that this Agreement will not benefit or create

any right or cause of action in favour of any person, other than the Parties and that no person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties acknowledge to each of the Third-Party Beneficiaries their direct rights against the applicable Party under Section 4.8, which are intended for the benefit of, and shall be enforceable by, each Third-Party Beneficiary, his or her heirs, executors, administrators and legal representatives, and for such purpose, the Company shall hold the rights and benefits of Section 4.8 in trust for and on behalf of the Third-Party Beneficiaries and the Company hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Third-Party Beneficiaries.

8.5 Time of Essence

Time is of the essence of this Agreement.

8.6 Public Announcements

No Party shall issue any press release or otherwise make written public statements with respect to the Arrangement or this Agreement without the consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed). The Company shall not make any filing with any Governmental Authority with respect to the Arrangement or the transactions contemplated hereby without prior consultation with the Purchaser, and the Purchaser shall not make any filing with any Governmental Authority with respect to the Arrangement or the transactions contemplated hereby without prior consultation with the Company; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any disclosure or filing required under applicable Laws or stock exchange rules, and the Party making the disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other Party and reasonable opportunity for the other Party to review or comment on the disclosure or filing (other than with respect to confidential information contained in such disclosure or filing). The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel, and if such prior notice is not possible, to give notice immediately following the making of any such disclosure or filing, and provided further, however, that, except as otherwise required by Section 5.1, (i) the Company shall have no obligation to obtain the consent of or consult with the Purchaser prior to any press release, public statement, disclosure or filing by the Company with regard to an Acquisition Proposal, a Company Change of Recommendation or in connection with any dispute between the Parties regarding this Agreement, the Arrangement and the transactions contemplated hereby and (ii) the Purchaser shall have no obligation to obtain the consent of or consult with the Company prior to any press release, public statement, disclosure or filing by the Purchaser in connection with any dispute between the Parties regarding this Agreement, the Arrangement and the transactions contemplated hereby.

8.7 Governing Law; Attornment; Service of Process

This Agreement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of Ontario and the laws of Canada applicable therein. Each of the Parties hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the

Province of Ontario in respect of all matters arising under and in relation to this Agreement or the Arrangement and waives, to the fullest extent possible, the defence of an inconvenient forum or any similar defence to the maintenance of proceedings in such courts.

8.8 Entire Agreement

This Agreement constitutes, together with the Confidentiality Agreements, the entire agreement between the Parties with respect to the subject matter thereof. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Parties with respect thereto except as expressly set forth in this Agreement and the Confidentiality Agreement.

8.9 Amendment

(a) Subject to the terms of the Interim Order, the Plan of Arrangement and applicable Laws, this Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Company Meeting but not later than the Effective Time, be amended by written agreement of the Parties without, subject to applicable Laws, further notice to or authorization on the part of the Company Shareholders, and any such amendment may, without limitation:

- (i) change the time for performance of any of the obligations or acts of the Parties;
- (ii) waive any inaccuracies or modify any representation, term or provision contained herein or in any document delivered pursuant hereto; or
- (iii) waive compliance with or modify any of the conditions precedent referred to in Article 7 or any of the covenants herein contained or waive or modify performance of any of the obligations of the Parties,

provided, however, that no such amendment may reduce or materially affect the consideration to be received by the Company Shareholders under the Arrangement without their approval at the Company Meeting or, following the Company Meeting, without their approval given in the same manner as required by applicable Laws for the approval of the Arrangement as may be required by the Court.

(b) Notwithstanding the foregoing, the Plan of Arrangement may only be supplemented or amended in accordance with the provisions thereof.

8.10 Waiver and Modifications

Any Party may (a) waive, in whole or in part, any inaccuracy of, or consent to the modification of, any representation or warranty made to it hereunder or in any document to be delivered pursuant hereto, (b) extend the time for the performance of any of the obligations or acts of the other Party (c) waive or consent to the modification of any of the covenants herein

contained for its benefit or waive or consent to the modification of any of the obligations of the other Party hereto or (d) waive the fulfillment of any condition to its own obligations contained herein. No waiver or consent to the modifications of any of the provisions of this Agreement will be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, will be limited to the specific breach or condition waived. The rights and remedies of the Parties hereunder are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a Party of any right or remedy precludes or otherwise affects any further exercise of such right or remedy or the exercise of any other right or remedy to which that Party may be entitled. No waiver or partial waiver of any nature, in any one or more instances, will be deemed or construed a continued waiver of any condition or breach of any other term, representation or warranty in this Agreement.

8.11 Severability

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

8.12 Mutual Interest

Notwithstanding the fact that any part of this Agreement has been drafted or prepared by or on behalf of one of the Parties, all Parties confirm that they and their respective counsel have reviewed and negotiated this Agreement and that the Parties have adopted this Agreement as the joint agreement and understanding of the Parties, and the language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and the Parties waive the application of any Laws or rules of construction providing that ambiguities in any agreement or other document will be construed against the Party drafting such agreement or other document and agree that no rule of construction providing that a provision is to be interpreted in favour of the person who contracted the obligation and against the person who stipulated it will be applied against any Party.

8.13 Further Assurances

Subject to the provisions of this Agreement, the Parties will, from time to time, do all acts and things and execute and deliver all such further documents and instruments, as the other Parties may, either before or after the Effective Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement and, in the event the Arrangement becomes effective, to document or evidence any of the transactions or events set out in the Plan of Arrangement.

8.14 Injunctive Relief

Subject to Section 5.2(e), the Parties agree that irreparable harm would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached for which money damages would not be an adequate remedy at law. It is accordingly agreed that the Parties will be entitled to an injunction or injunctions, specific performance and other equitable relief to prevent breaches of this Agreement, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived, this being in addition to any other remedy to which a Party may be entitled at law or in equity.

8.15 No Personal Liability

(a) No director, officer or employee of the Purchaser will have any personal liability to the Company under this Agreement or any other document delivered in connection with this Agreement or the Arrangement on behalf of the Purchaser.

(b) No director, officer or employee of the Company will have any personal liability to the Purchaser under this Agreement or any other document delivered in connection with this Agreement or the Arrangement on behalf of the Company.

8.16 Counterparts

This Agreement may be executed and delivered in any number of counterparts (including by facsimile or electronic transmission), each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

[Remainder of page has been left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**NORTHERN SUPERIOR RESOURCES
INC.**

By: (Signed)
Name: François Perron
Title: Chairman

ROYAL FOX GOLD INC.

By: (Signed)
Name: Simon Marcotte
Title: President and CEO

SCHEDULE A – PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT (ONTARIO)*

ARTICLE ONE DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions

In this Plan of Arrangement, unless the context otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the meanings ascribed to them below:

- (a) “**Arrangement**” means the arrangement of the Company under Section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Purchaser and the Company, each acting reasonably;
- (b) “**Arrangement Agreement**” means the arrangement agreement dated as of September 6, 2022 between the Purchaser and the Company, to which this Plan of Arrangement is attached as Schedule A, together with the disclosure letter delivered by each of the Company and the Purchaser in connection with the Arrangement Agreement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;
- (c) “**Arrangement Resolution**” means the special resolution of the Company Securityholders approving the Arrangement to be considered at the Company Meeting, to be substantially in the form and content of Schedule B to the Arrangement Agreement;
- (d) “**Articles of Arrangement**” means the articles of arrangement of the Company in respect of the Arrangement, to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in form and content satisfactory to the Company and the Purchaser, each acting reasonably;
- (e) “**Business Day**” means a day other than a Saturday, a Sunday or any other day on which commercial banking institutions in Toronto, Ontario or in Vancouver, British Columbia are authorized or required by applicable Law to be closed;
- (f) “**Certificate of Arrangement**” means the certificate of arrangement giving effect to the Arrangement, issued pursuant to Subsection 183(2) of the OBCA after the

Articles of Arrangement have been filed;

- (g) **“Company”** means Royal Fox Gold Inc., a company existing under the OBCA;
- (h) **“Company Meeting”** means the special meeting of the Company Securityholders, including any adjournment or postponement thereof, to be held in accordance with the Interim Order to consider the Arrangement Resolution;
- (i) **“Company Option In-The-Money-Amount”** in respect of a Company Option means the amount, if any, by which the total fair market value (determined immediately before the Effective Time) of the Company Shares that a holder is entitled to acquire on exercise of the Company Option exceeds the aggregate exercise price to acquire such Company Shares;
- (j) **“Company Option Plan”** means the 2022 stock option plan of the Company approved by the Company Shareholders on May 28, 2022;
- (k) **“Company Optionholder”** means a holder of one or more Company Options;
- (l) **“Company Options”** means options to acquire Company Shares granted pursuant to or otherwise subject to the Company Option Plan;
- (m) **“Company Securityholders”** means, collectively, the Company Shareholders and the Company Optionholders;
- (n) **“Company Shareholder”** means a holder of one or more Company Shares;
- (o) **“Company Shares”** means the issued and outstanding common shares of the Company;
- (p) **“Company Warrantholder”** means a holder of one or more Company Warrants;
- (q) **“Company Warrants”** means all of the issued and outstanding common share purchase warrants of the Company;
- (r) **“Consideration”** means 0.12 of a Purchaser Share and 1.0 Purchaser CVR for each Company Share;
- (s) **“Consideration Shares”** means the Purchaser Shares to be issued pursuant to the Arrangement;
- (t) **“Court”** means the Ontario Superior Court of Justice;
- (u) **“Depository”** means Computershare Investor Services Inc. or any other trust company, bank or other financial institution agreed to in writing by the Company and the Purchaser for the purpose of, among other things, exchanging certificates

representing Company Shares for the Consideration in connection with the Arrangement;

- (v) “**Director**” means the Director appointed pursuant to Section 278 of the OBCA;
- (w) “**Dissent Rights**” means the rights of dissent in respect of the Arrangement described in Article 4;
- (x) “**Dissenting Company Shareholder**” means a registered Company Shareholder as of the record date for the Company Meeting who has duly and validly exercised the Dissent Rights in respect of all Company Shares held by such registered Company Shareholder and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;
- (y) “**Effective Date**” means the date shown on the Certificate of Arrangement giving effect to the Arrangement;
- (z) “**Effective Time**” means 12:01 a.m. (Eastern time) on the Effective Date, or such other time as the Purchaser and the Company may agree to in writing before the Effective Date;
- (aa) “**Eligible Holder**” means a beneficial owner of Company Shares immediately prior to the Effective Time who is a resident of Canada for purposes of the Tax Act (other than a Tax Exempt Person), or a partnership any member of which is a resident of Canada for the purposes of the Tax Act (other than a Tax Exempt Person);
- (bb) “**Exchange Ratio**” means 0.12;
- (cc) “**Final Order**” means the order of the Court approving the Arrangement, after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to the Consideration Shares, the Purchaser CVRs and the Replacement Options issued pursuant to the Arrangement, in form and substance acceptable to the Company and the Purchaser, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied;
- (dd) “**Former Company Shareholders**” means the Company Shareholders immediately prior to the Effective Time;

- (ee) **“Interim Order”** means the interim order of the Court to be issued following the application therefor submitted to the Court as contemplated by Section 2.2(b) of the Arrangement Agreement, after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to the Consideration Shares, the Purchaser CVRs and Replacement Options issued pursuant to the Arrangement, in form and substance acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both the Company and the Purchaser, each acting reasonably;
- (ff) **“Letter of Transmittal”** means the letter of transmittal to be delivered by the Company to the Company Shareholders for use in connection with the Arrangement;
- (gg) **“Liens”** means any hypothecations, mortgages, liens, charges, security interests, pledges, claims, encumbrances and adverse rights or claims;
- (hh) **“OBCA”** means the *Business Corporations Act* (Ontario) and the regulations made thereunder, as promulgated or amended from time to time;
- (ii) **“Plan”** or **“Plan of Arrangement”** means this plan of arrangement proposed under Section 182 of the OBCA, as amended, modified or supplemented from time to time in accordance with the terms hereof and of the Arrangement Agreement, or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;
- (jj) **“Purchaser”** means Northern Superior Resources Inc., a company existing under the *Business Corporations Act* (British Columbia);
- (kk) **“Purchaser CVR”** means a non-transferable contingent value right of the Purchaser, each entitling the holder thereof to receive a fraction of a Purchaser Share to a maximum of 0.06 of a Purchaser Share, on the terms and subject to the conditions governed by the Rights Indenture and issued to Company Shareholders pursuant to this Plan of Arrangement;
- (ll) **“Purchaser Shares”** means common shares in the capital of the Purchaser;
- (mm) **“Replacement Option In-The-Money Amount”** in respect of a Replacement Option means the amount, if any, by which the total fair market value (determined immediately after the Effective Time) of the Purchaser Shares that a holder is entitled to acquire on exercise of the Replacement Option exceeds the aggregate exercise price to acquire such Purchaser Shares;

- (nn) **“Replacement Option”** means an option or right to purchase Purchaser Shares granted by the Purchaser in replacement of Company Options on the basis set forth in Section 3.01(c);
- (oo) **“Rights Indenture”** means the rights indenture to be entered into between the Purchaser and Computershare Trust Company of Canada, as rights agent, setting out the terms and conditions of the Purchaser CVRs to be issued in accordance with the terms of this Plan of Arrangement;
- (pp) **“Tax Act”** means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;
- (qq) **“Tax Exempt Person”** means a person who is exempt from tax under Part I of the Tax Act; and
- (rr) **“U.S. Securities Act”** means the *United States Securities Act of 1933*, as amended and the rules and regulations promulgated thereunder.

Any capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Arrangement Agreement. In addition, words and phrases used herein and defined in the OBCA and not otherwise defined herein shall have the same meaning herein as in the OBCA unless the context otherwise requires.

Section 1.02 **Interpretation Not Affected by Headings**

The division of this Plan of Arrangement into articles, sections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms “this Plan of Arrangement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto.

Section 1.03 **Number, Gender and Persons**

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

Section 1.04 **Date for any Action**

If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Section 1.05 **Statutory References**

Any reference in this Plan of Arrangement to a statute includes all regulations made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

Section 1.06 **Currency**

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada.

Section 1.07 **Governing Law**

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 1.08 **Time**

Time shall be of the essence in every matter or action contemplated hereunder. All references to time are to Eastern time.

ARTICLE TWO
ARRANGEMENT AGREEMENT AND BINDING EFFECT

Section 2.01 **Arrangement Agreement**

This Plan of Arrangement constitutes an Arrangement under Section 182 of the OBCA and is made pursuant to, and subject to the provisions of, the Arrangement Agreement. If there is any inconsistency or conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement, the provisions of this Plan of Arrangement shall govern.

Section 2.02 **Binding Effect**

At the Effective Time, this Plan of Arrangement shall, without any further authorization, act or formality required on the part of any person, except as otherwise expressly provided herein, become effective and be binding upon the Company, the Purchaser, the Dissenting Company Shareholders, the Company Shareholders, the Company Optionholders, the Company Warrantholders and the Depositary.

The Articles of Arrangement and the Certificate of Arrangement shall be filed and issued, respectively, with respect to this Plan of Arrangement in its entirety. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective and that each of the provisions in Section 3.01 has become effective in the sequence and at the times set

out therein.

ARTICLE THREE **ARRANGEMENT**

Section 3.01 **Arrangement**

Commencing and effective as at the Effective Time, each of the following shall occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality required on the part of any person, except as otherwise expressly provided herein:

- (a) each Company Share held by a Dissenting Company Shareholder shall be deemed to be transferred by the holder thereof to the Company (free and clear of any Liens) and cancelled and the Company shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 hereof, and the name of such holder shall be, and shall be deemed to be, removed from the register of Company Shareholders maintained by or on behalf of the Company;
- (b) each Company Share held by a Former Company Shareholder (other than the Purchaser, any subsidiary of the Purchaser or a Dissenting Company Shareholder) shall be deemed to be transferred by the holder thereof to the Purchaser (free and clear of any Liens), in exchange for the Consideration Shares and the Purchaser CVRs, and:
 - (A) each holder of such Company Shares shall cease to be, and shall be deemed to cease to be, the holder thereof and to have any rights as a Company Shareholder other than the right to be paid the Consideration in accordance with this Plan of Arrangement;
 - (B) the name of each such holder shall be, and shall be deemed to be, removed from the register of Company Shareholders maintained by or on behalf of the Company; and
 - (C) the Purchaser shall be deemed to be the transferee of such Company Shares (free and clear of any Liens) and the register of Company Shareholders maintained by or on behalf of the Company shall be, and shall be deemed to be, revised accordingly; and
- (c) each Company Option outstanding immediately prior to the Effective Time, whether vested or unvested, shall immediately vest to the fullest extent and shall be exchanged for a fully vested option (a “**Replacement Option**”) to purchase from the Purchaser such number of Purchaser Shares (rounded down to the nearest whole number) equal to (A) Exchange Ratio, multiplied by (B) the number of Company Shares subject to such Company Option immediately prior

to the Effective Time, at an exercise price per Purchaser Share (rounded up to the nearest whole cent) equal to (M) the exercise price per Company Share at which such Company Option was exercisable immediately prior to the Effective Time, divided by (N) the Exchange Ratio, exercisable until the earlier of (X) the date that is 12 months following the Effective Date, notwithstanding the holder ceasing to hold office or ceasing to be a director, employee or consultant at or after the Effective Time, and (Y) the original expiry date of the Company Option for which it was exchanged. Except as set out above, the terms and conditions of the Replacement Option, including the conditions to and manner of exercising, shall be the same as the Company Options so exchanged, and shall be governed by the terms of the Company Option Plan and any document evidencing Company Options shall thereafter evidence and be deemed to evidence such Replacement Options. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to any such exchange. Therefore, in the event that the Replacement Option In-The-Money Amount in respect of a Replacement Option would otherwise exceed the Company Option In-The-Money Amount in respect of the Company Option, the exercise price per Purchaser Share of such Replacement Option will be increased accordingly with effect at and from the Effective Time by the minimum amount necessary to ensure that the Replacement Option In-The-Money Amount in respect of the Replacement Option does not exceed the Company Option In-The-Money Amount in respect of the Company Option.

Section 3.02 **Company Warrants**

In accordance with the terms of each of the Company Warrants, each holder of a Company Warrant shall be entitled to receive (and such holder shall accept) upon the exercise of such holder's Company Warrant, in lieu of Company Shares to which such holder was theretofore entitled upon such exercise, and for the same aggregate consideration payable therefor, the number of Consideration Shares which the holder would have been entitled to receive as a result of the transactions contemplated by this Arrangement if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Company Shares to which such holder would have been entitled if such holder had exercised such holder's Company Warrants immediately prior to the Effective Time. Each Company Warrant shall continue to be governed by and be subject to the terms of the applicable Company Warrant certificate or indenture, as applicable, subject to any supplemental exercise documents issued by the Purchaser to holders of Company Warrants to facilitate the exercise of the Company Warrants and the payment of the corresponding portion of the exercise price thereof. Holders of Company Warrants will be advised that securities issuable upon the exercise of the Company Warrants, if any, will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, and may be issued only pursuant to an effective registration statement or a then available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws, if any.

Section 3.03 **No Fractional Shares**

In no event shall any holder of Company Shares be entitled to a fractional

Purchaser Share. Where the aggregate number of Purchaser Shares to be issued to a Company Shareholder as Consideration under the Arrangement would result in a fraction of a Purchaser Share being issuable, the number of Purchaser Shares to be received by such Company Shareholder shall be rounded down to the nearest whole number of Purchaser Shares.

Section 3.04 **Deemed Fully Paid and Non-Assessable Shares**

All Purchaser Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the *Business Corporations Act* (British Columbia).

Section 3.05 **Calculations**

All calculations and determinations made by the Purchaser, the Company or the Depositary, as applicable, for the purposes of this Plan of Arrangement shall be conclusive, final and binding.

Section 3.06 **Section 85 Election**

The Purchaser shall make joint income tax elections with Eligible Holders in respect of the disposition of their Company Shares pursuant to Subsections 85(1) or 85(2) of the Tax Act (and in each case, where applicable, the corresponding provision of any applicable provincial income tax legislation). The agreed amount under such joint elections shall be determined by each Eligible Holder in his or her sole discretion within the limits set out in the Tax Act. In order to make an election, the Eligible Holders must provide the required election form containing all necessary information on or before ninety (90) calendar days after the Effective Date in accordance with the procedures set out in a tax information package to be sent to Eligible Holders that indicate an interest in making and filing an election by checking the appropriate box on the Letter of Transmittal. The information will include the number of Company Shares transferred, the Consideration received and the applicable elected amount for purposes of such election. The Purchaser shall, within thirty (30) calendar days after receiving the completed joint election forms from an Eligible Holder, and subject to such joint election forms being correct and complete and in compliance with requirements imposed under the Tax Act (and in each case, where applicable, the corresponding provision of any applicable provincial income tax legislation), sign and return such forms to such Eligible Holder. With the exception of the execution by the Purchaser of properly completed prescribed forms for purposes of the election, compliance with the requirements for a valid election, including, without limitation, selection of the appropriate elected amount for the prescribed form and the filing of the completed and executed form with the appropriate Governmental Authority, will be the sole responsibility of the Eligible Holder making the election. Neither the Purchaser nor the Company will be responsible for Taxes, interest, penalties, damages or expenses resulting from the failure by anyone to properly complete any election forms or to properly file such forms within the time prescribed under the Tax Act or the corresponding provisions of any applicable provincial income tax legislation.

ARTICLE FOUR

DISSENT RIGHTS

Section 4.01 Dissent Rights

Pursuant to the Interim Order, registered Company Shareholders as of the record date for the Company Meeting may exercise rights of dissent (“**Dissent Rights**”) in respect of all Company Shares held by such holder as a registered holder thereof as of such date in connection with the Arrangement pursuant to and in strict compliance with the procedures set forth in Section 185 of the OBCA, as modified by this Article 4, the Interim Order and the Final Order, provided that, notwithstanding subsection 185(6) of the OBCA, the written objection to the Arrangement Resolution referred to in subsection 185(6) of the OBCA must be sent to the Company by registered Company Shareholders that wish to dissent and received by the Company not later than 5:00 p.m. (Toronto time) on the second Business Day before the Company Meeting or any date to which the Company Meeting may be postponed or adjourned.

Dissenting Company Shareholders shall be deemed to have transferred Company Shares held by them to the Purchaser, as provided in Section 3.01(a), and if ultimately determined not to be entitled, for any reason, to be paid fair value for their Company Shares shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Company Shares. In no case shall the Purchaser, the Company or any other person be required to recognize such holders as holders of Company Shares after the completion of the step contemplated by Section 3.01(a).

For greater certainty, (a) no holder of Company Options or Company Warrants shall be entitled to Dissent Rights in respect of such holder’s Company Options or Company Warrants, as applicable, and (b) no person who has voted Company Shares, or instructed a proxyholder to vote such person’s Company Shares, in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights with respect to the Arrangement.

ARTICLE FIVE

DELIVERY OF CONSIDERATION

Section 5.01 Payment of Consideration

- (a) Following the receipt of the Final Order and prior to filing of the Articles of Arrangement, and in any event no later than the Business Day prior to the Effective Date, the Purchaser shall deliver or arrange to be delivered to the Depositary, for the benefit of applicable holders of Company Shares, sufficient certificates representing the Consideration Shares and the Purchaser CVRs to satisfy the aggregate Consideration payable to Former Company Shareholders, in accordance with Section 3.01, which certificates representing Consideration Shares and Purchaser CVRs shall be held by the Depositary as agent and nominee for such Former Company Shareholders, for distribution to such Former Company Shareholders.

- (b) Upon surrender to the Depositary of a certificate that immediately before the Effective Time represented one or more outstanding Company Shares that were exchanged for Consideration Shares and Purchaser CVRs in accordance with Section 3.01 hereof, together with an executed Letter of Transmittal and such other documents and instruments as would have been required to effect the transfer of the Company Shares formerly represented by such certificate under the terms of such certificate, the OBCA or the by-laws of Company and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder after the Effective Time and as soon as practicable thereafter, certificates representing the Consideration Shares and the Purchaser CVRs that such Former Company Shareholder is entitled to receive in accordance with Section 3.01 hereof.
- (c) After the Effective Time and until surrendered as contemplated by Section 5.01(b) hereof, each certificate that immediately prior to the Effective Time represented one or more Company Shares following completion of the transactions described in Section 3.01, shall be deemed at all times to represent only the right to receive in exchange therefor certificates representing the Consideration Shares and the Purchaser CVRs that the holder of such certificate is entitled to receive in accordance with Section 3.01 hereof.
- (d) Neither the Company nor the Purchaser, or any of their respective successors, will be liable to any person in respect of any Consideration (including any consideration previously held by the Depositary in trust for any such Former Company Shareholder) which is forfeited to the Company or the Purchaser or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

Section 5.02 **Lost Certificates**

In the event any certificate, that immediately prior to the Effective Time represented one or more outstanding Company Shares that were exchanged for Consideration in accordance with Section 3.01 hereof, shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, certificates representing the Consideration Shares and the Purchaser CVRs that such holder is entitled to receive in accordance with Section 3.01 hereof. When authorizing such delivery of a certificate representing the Consideration Shares and the Purchaser CVRs that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom certificates representing such Consideration Shares and Purchaser CVRs is to be delivered shall, as a condition precedent to the delivery of certificates representing such Consideration Shares and Purchaser CVRs, give a bond satisfactory to the Purchaser and the Depositary in such amount as the Purchaser and the Depositary may direct, or otherwise indemnify the Purchaser and the Depositary in a manner satisfactory to the Purchaser and the Depositary, against any claim that may be made against the Purchaser or the Depositary with respect to the certificate alleged to

have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the by-laws of the Company.

Section 5.03 **Distributions with Respect to Unsurrendered Certificates**

No dividend or other distribution declared or made after the Effective Time with respect to Purchaser Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Time, represented outstanding Company Shares unless and until the holder of such certificate shall have complied with the provisions of Section 5.01 or Section 5.02 hereof. Subject to applicable law and to Section 5.04 hereof, at the time of such compliance, there shall, in addition to the delivery of certificates representing the Consideration Shares and the Purchaser CVRs to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such Purchaser Shares.

Section 5.04 **Withholding Rights**

The Company, the Purchaser and the Depositary will be entitled to deduct or withhold from any consideration or other amount payable or deliverable to any Company Securityholder and any other securityholder of the Company under the Plan of Arrangement (including any payment to Dissenting Company Shareholders and Company Warrantholders) such amounts as the Company, the Purchaser or the Depositary, as the case may be, is required to deduct, or reasonably believe to be required to deduct or withhold, withhold with respect to such payment or delivery under any provision of any Law in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority by or on behalf of the Company, the Purchaser or the Depositary, as applicable. Any of the Company, the Purchaser or the Depositary, as the case may be, is hereby authorized to sell or otherwise dispose of Consideration Shares as is necessary to provide sufficient funds to enable the Company, the Purchaser or the Depositary, as the case may be, to comply with all deduction or withholding requirements applicable to it, and none of the Company, the Purchaser or the Depositary shall be liable to any person for any deficiency in respect of any proceeds received, and the Company, the Purchaser or the Depositary, as applicable, shall notify the holder thereof and remit to the holder thereof any unapplied balance of the net proceeds of such sale.

Section 5.05 **Limitation and Proscription and Extinction of Rights**

To the extent that a Former Company Shareholder shall not have complied with the provisions of Section 5.01 or Section 5.02 hereof on or before the date that is six years after the Effective Date (the “**final proscription date**”), then the Consideration that such Former Company Shareholder was entitled to receive shall cease to represent a claim of any nature whatsoever and be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such Consideration Shares and Purchaser CVRs shall be

delivered to the Purchaser by the Depositary, without any further action required on the part of the Purchaser or any successor corporation, and the interest of the Former Company Shareholder in such Consideration to which it was formerly entitled shall be terminated and the Former Company Shareholder shall be deemed to have donated and forfeited to the Purchaser or any successor such Consideration as of such final proscription date.

Section 5.06 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Company Shares, Company Options and Company Warrants issued prior to the Effective Time, (b) the rights and obligations of the Company Shareholders, the Company Optionholders, the Company Warrantholders, the Company, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Company Shares, Company Options or Company Warrants shall be deemed to have been settled, compromised, released and determined without liability of the Company or the Purchaser except as set forth in this Plan of Arrangement.

ARTICLE SIX
AMENDMENTS

Section 6.01 Amendments to Plan of Arrangement

- (a) The Purchaser and the Company reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by the Purchaser and the Company, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to Company Securityholders if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to the Company Meeting provided that the Purchaser shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Company Meeting shall be effective only if:
 - (i) it is consented to in writing by each of the Purchaser and the Company; and
 - (ii) if required by the Court, it is consented to by the Company Securityholders voting in the manner directed by the Court.
- (d) Any amendment, modification or supplement to this Plan of Arrangement may be

made by the Purchaser and the Company without the approval of or communication to the Court or the Company Shareholders, the Company Optionholders and the Company Warrantholders, provided that it concerns a matter which, in the reasonable opinion of the Purchaser and the Company is of an administrative or ministerial nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any of the Company Shareholders, the Company Optionholders and the Company Warrantholders.

ARTICLE SEVEN

U.S. SECURITIES LAW EXEMPTION

Section 7.01 U.S. Securities Law Exemption

Notwithstanding any provision herein to the contrary, the Company and the Purchaser each agree that the Plan of Arrangement will be carried out with the intention that, and they will use their commercially reasonable efforts to ensure that: (a) Consideration Shares and Purchaser CVRs received as Consideration issued under the Arrangement, as applicable, will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof and applicable U.S. state securities laws, and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement; (b) Replacement Options issued in exchange for Company Options outstanding immediately prior to the Effective Time, pursuant to the Plan of Arrangement will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act, as provided by Section 3(a)(10) thereof and applicable U.S. state securities laws, and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement, (c) the Purchaser CVRs are being issued pursuant to the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereof and will not be “restricted securities” as defined in Rule 144 under the U.S. Securities Act; and (d) the Purchaser Shares issuable upon conversion of the Purchaser CVRs will, if issued, be issued pursuant to the exemption from registration under the U.S. Securities Act provided by Section 3(a)(9) thereof (unless issued to persons who are, or have been within 90 days of when such Purchaser Shares are issued, “affiliates” of Purchaser as defined in Rule 144 under the U.S. Securities Act), will not be “restricted securities” as defined in Rule 144 thereunder and shall not bear a U.S. restrictive legend. Company Optionholders entitled to received Replacement Options will be advised that the Replacement Options issued pursuant to the Arrangement have not been registered under the U.S. Securities Act and will be issued by Purchaser in reliance on the exemption from registration under Section 3(a)(10) of the U.S. Securities Act, but that such exemption does not exempt the issuance of securities upon the exercise of such Replacement Options; therefore, the underlying Purchaser Shares issuable upon the exercise of the Replacement Options, if any, cannot be issued in the U.S. or to a person in the U.S. in reliance upon the exemption from registration under Section 3(a)(10) of the U.S. Securities Act and the Replacement Options may only be exercised pursuant to an effective registration statement or pursuant to a then available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws, if any. The issuance of the Consideration Shares, the Purchaser CVRs and the Replacement Options is subject to and conditioned on the Court’s determination that the Arrangement is substantively and procedurally

fair to those entitled to receive Consideration Shares, Purchaser CVRs and Replacement Options pursuant to the Arrangement, and based on the Court's approval of the Arrangement after being informed of the intention of the parties to rely upon the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof for the issuance under the Arrangement of such securities.

ARTICLE EIGHT

FURTHER ASSURANCES

Section 8.01 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Company and the Purchaser shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to implement this Plan of Arrangement and to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

SCHEDULE B – ARRANGEMENT RESOLUTIONS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The arrangement (as it may be modified or amended, the “**Arrangement**”) under Section 182 of the *Business Corporations Act* (Ontario) involving Royal Fox Gold Inc. (the “**Company**”), its shareholders and Northern Superior Resources Inc. (“**Purchaser**”), all as more particularly described and set forth in the plan of arrangement (as it may be modified or amended, the “**Plan of Arrangement**”) attached as Appendix ● to the Management Information Circular of the Company dated ●, 2022 (the “**Information Circular**”), and all transactions contemplated thereby, are hereby authorized, approved and adopted.
2. The Arrangement Agreement dated as of September 6, 2022 between the Company and the Purchaser, as it may be amended, modified or supplemented from time to time (the “**Arrangement Agreement**”), and the transactions contemplated therein, the actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and causing the performance by the Company of its obligations thereunder are hereby confirmed, ratified, authorized and approved.
3. The Company is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (the “**Court**”) to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.
4. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by shareholders of the Company or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered without further notice to or approval of any shareholders of the Company (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement and (ii) not to proceed with the Arrangement at any time prior to the Effective Time (as defined in the Arrangement Agreement).
5. Any director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person’s opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

SCHEDULE C – RIGHTS INDENTURE

See attached.

NORTHERN SUPERIOR RESOURCES INC.

AND

COMPUTERSHARE TRUST COMPANY OF CANADA

RIGHTS INDENTURE

DATED [●], 2022

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RIGHTS INDENTURE

THIS RIGHTS INDENTURE dated [●], 2022,

BETWEEN:

NORTHERN SUPERIOR RESOURCES INC., a company existing pursuant to the laws of the Province of British Columbia (“**Northern Superior**”)

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, a trust company existing under the federal laws of Canada (the “**Rights Agent**”)

WHEREAS all capitalized terms used in these recitals have the meanings ascribed to them in Section 1.1 below;

AND WHEREAS Northern Superior and Royal Fox have entered into the Arrangement Agreement;

AND WHEREAS pursuant to the terms of the Arrangement Agreement and the Plan of Arrangement, Northern Superior proposes to issue up to [●] Rights;

AND WHEREAS each Right shall entitle the Holder to receive, without payment of any further consideration and without further action on the part of the Holder thereof, the CVR Payment Amount, upon the terms and conditions herein set forth;

AND WHEREAS the Rights Agent has agreed to act as the rights agent in respect of the Rights on behalf of the Holders on the terms and conditions herein set forth;

NOW THEREFORE THIS INDENTURE WITNESSES, that in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), it is hereby agreed and declared as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Indenture, including the recitals and schedules hereto:

“**Achievement Certificate**” has the meaning ascribed thereto in Section 3.1(a);

“**Affiliate**” has the meaning ascribed thereto in the *Securities Act* (British Columbia);

“Applicable Procedures” means (a) with respect to any transfer or exchange of beneficial ownership interests in, or the settlement of Rights represented by, a CDS Right, the applicable rules, procedures or practices of the Depository and the Rights Agent in effect at the time being, and (b) with respect to any issuance, deposit or withdrawal of Rights from or to an electronic position evidencing a beneficial ownership interest in Rights represented by a CDS Right, the rules, procedures or practices followed by the Depository and the Rights Agent at the time being with respect to the issuance, deposit or withdrawal of such positions;

“Arrangement” means the arrangement pursuant to Section 182 of the OBCA with respect to, among others, Royal Fox, holders of Royal Fox securities and Northern Superior on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the terms of the Arrangement Agreement or the Plan of Arrangement or made at the direction of the Court in the Interim Order or Final Order with the consent of Northern Superior and Royal Fox, each acting reasonably;

“Arrangement Agreement” means the arrangement agreement between Royal Fox and Northern Superior dated September 6, 2022 in respect of the Arrangement, the schedules thereto, as such agreement may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

“Authenticated” means (a) with respect to the issuance of a Rights Certificate, one which has been duly signed by Northern Superior and authenticated by signature of an authorized officer of the Rights Agent, (b) with respect to the issuance of an Uncertificated Right, one in respect of which the Rights Agent has completed all Internal Procedures such that the particulars of such Uncertificated Right as required by Section 2.6(b) are entered in the register of holders of Rights; **“Authenticate”**, **“Authenticating”** and **“Authentication”** have the appropriate correlative meanings;

“Book Entry Participants” means institutions that participate directly or indirectly in the Depository’s book entry registration system for the Rights;

“Business Day” means any day, other than a Saturday, a Sunday or any other day on which commercial banking institutions in Toronto, Ontario or in Montréal, Quebec are authorized or required by applicable law to be closed;

“Capital Reorganization” has the meaning ascribed thereto in Section 8.2(b);

“CDS Rights” means Rights representing all or a portion of the aggregate number of Rights issued in the name of the Depository represented by an Uncertificated Right, or, if requested by the Depository or Northern Superior, by a Rights Certificate;

“Certificated Right” means a Right evidenced by a Rights Certificate;

“Counsel” means a barrister or solicitor or firm of barristers or solicitors retained by the Rights Agent or retained or employed by Northern Superior and acceptable to the Rights Agent, acting reasonably;

“Court” means the Ontario Superior Court of Justice;

“CVR Payment Amount” means for each Right, if the Payment Condition is satisfied,

- (a) if the Resource Calculation is greater than or equal to 1.2 million ounces of gold and less than 1.6 million ounces of gold, in each case in the Inferred Resources, Measured Resources or Indicated Resources categories, 0.02 of a Northern Superior Share;
- (b) if the Resource Calculation is greater than or equal to 1.6 million ounces of gold and less than 2.0 million ounces of gold, in each case in the Inferred Resources, Measured Resources or Indicated Resources categories, 0.04 of a Northern Superior Share; and
- (c) if the Resource Calculation is greater than or equal to 2.0 million ounces of gold in the Inferred Resources, Measured Resources or Indicated Resources categories, 0.06 of a Northern Superior Share;

“Depository” means CDS Clearing and Depository Services Inc. or such other person as is designated in writing by Northern Superior to act as depository in respect of the Rights;

“Director” means a director of Northern Superior and **“Directors”** means the board of directors of Northern Superior or, whenever duly empowered, a committee of the board of directors of Northern Superior, and reference to **“action by the directors”** means action by the directors of Northern Superior as a board or action by a committee as a committee;

“Dispute Notice” has the meaning ascribed thereto in Section 6.1;

“Dispute Period” has the meaning ascribed thereto in Section 6.1;

“Effective Date” means on or about [●], 2022, or such other date upon which the Arrangement becomes effective, as provided in the Plan of Arrangement;

“Effective Time” has the meaning ascribed thereto in the Arrangement Agreement;

“Event of Default” has the meaning ascribed thereto in Section 12.1(a);

“Extraordinary Resolution” has the meaning ascribed thereto in Section 7.11;

“Final Order” means the order made after the application to the Court, in form and substance acceptable to Royal Fox and Northern Superior, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, approving the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both Royal Fox and Northern Superior, each acting reasonably) at any time prior to the date upon which the Arrangement becomes effective or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment, modification,

supplement or variation is acceptable to both Royal Fox and Northern Superior, each acting reasonably) on appeal;

“Holder” means, with respect to any Right, the Person in whose name such Right is registered in the register in accordance with this Indenture (and including, for greater certainty, in the case of any Uncertificated Rights issued to the Depository or its nominee in whose name such Rights are registered);

“Holders’ Request” means an instrument signed in one or more counterparts by Holders holding not less than twenty-five percent (25%) of the Rights issued and outstanding, requesting the Rights Agent to take a certain action or proceeding specified therein;

“Indenture” or **“this Indenture”** and **“hereto”**, **“herein”**, **“hereby”**, **“hereunder”**, **“hereof”** and similar expressions refer to this instrument and not to any particular Article, Section, clause, subdivision or other portion hereof, and include each instrument supplemental or ancillary hereto or required to implement this instrument;

“Indicated Resources” means “indicated mineral resources” according to the CIM Definition Standards on Mineral Resources and Mineral Reserves of the Canadian Institute of Mining, Metallurgy and Petroleum;

“Inferred Resources” means “inferred mineral resources” according to the CIM Definition Standards on Mineral Resources and Mineral Reserves of the Canadian Institute of Mining, Metallurgy and Petroleum;

“Interim Order” means the interim order of the Court to be issued following the application therefor submitted to the Court as contemplated by Section 2.2(b) of the Arrangement Agreement, after being informed of the intention to rely upon the exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act with respect to certain securities issued pursuant to the Arrangement, in form and substance acceptable to Royal Fox and Northern Superior, each acting reasonably, providing for, among other things, the calling and holding of the special meeting of Royal Fox, as such order may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both Royal Fox and Northern Superior, each acting reasonably;

“Internal Procedures” means in respect of the making of any one or more entries to, changes in or deletions of any one or more entries in the register at any time (including, without limitation, original issuances) the minimum number of the Rights Agent’s internal procedures customary at such time for the entry, change or deletion made to be completed under the operating procedures followed at the time by the Rights Agent;

“Measured Resources” means “measured mineral resources” according to the CIM Definition Standards on Mineral Resources and Mineral Reserves of the Canadian Institute of Mining, Metallurgy and Petroleum;

“Non-Achievement Certificate” has the meaning ascribed thereto in Section 3.1(b);

“Northern Superior Shares” means the common shares in the authorized share capital of Northern Superior;

“OBCA” means the *Business Corporations Act* (Ontario);

“Payment Condition” means, prior to the Termination Date, the declaration by Northern Superior of a Resource Calculation;

“Payment Date” means the date established by Northern Superior as soon as possible and in any event no later than five Business Days after the date of receipt of the Achievement Certificate by the Rights Agent;

“Person” includes an individual, sole proprietorship, partnership, association, body corporate, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, government or governmental authority, or any other entity, whether or not having legal status;

“Plan of Arrangement” means the plan of arrangement, substantially in the form attached as Schedule A to the Arrangement Agreement, and any amendments or variations thereto made in accordance with the Arrangement Agreement, or the Plan of Arrangement or made at the direction of the Court in the Interim Order or the Final Order with the consent of Northern Superior and Royal Fox, each acting reasonably;

“Regulatory Authorities” means securities regulatory authorities in Canada, the United States or a jurisdiction outside Canada and the United States where a Holder is resident;

“Required Holders” means Holders of at least fifty percent (50%) of the outstanding Rights;

“Resource Calculation” means a maiden mineral resource estimate on Royal Fox’s Philibert project (as currently constituted on its existing mining titles and property interests), located in the Province of Quebec, confirming a mineral resource estimate of 1.2 million ounces or more of gold in the Inferred Resource, Measured Resource or Indicated Resource categories;

“Rights” mean the contingent value rights issued and certified hereunder and for the time being outstanding, entitling Holders thereof to receive the CVR Payment Amount, in accordance with the terms hereof, and **“Right”** means any one of them;

“Rights Agency” means the transfer office of the Rights Agent in Montréal, Quebec and such other locations as Northern Superior may designate, with the approval of the Rights Agent;

“Rights Agent” means Computershare Trust Company of Canada or its successor or successors for the time being as rights agent hereunder, at its offices in Montréal, Quebec;

“Rights Certificate” means a certificate in substantially the form set out in Schedule “A” hereto, issued and certified hereunder to evidence one or more Rights;

“Royal Fox” means Royal Fox Gold Inc., a company existing pursuant to the laws of the Province of Ontario;

“Share Reorganization” has the meaning ascribed thereto in Section 8.2(a);

“Special Distribution” has the meaning ascribed thereto in Section 8.2(c);

“Subsidiary” means a “subsidiary entity” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

“Termination Date” means the date that is 12 months following the Effective Date, being [●], 2023;

“Uncertificated Right” means any Right which is not evidenced by a Rights Certificate;

“United States” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

“U.S. Exchange Act” means the *United States Securities Exchange Act of 1934* as the same has been and hereinafter from time to time may be amended and the rules and regulations promulgated thereunder;

“U.S. Person” has the meaning ascribed to such term in Regulation S of the U.S. Securities Act;

“U.S. Securities Act” means the *United States Securities Act of 1933* as the same has been and hereinafter from time to time may be amended and the rules and regulations promulgated thereunder;

“written request of Northern Superior” and **“certificate of Northern Superior”** mean, respectively, a written order, request, consent and certificate signed (either manually or by facsimile or electronic signature) in the name of Northern Superior by any one or more of the officers or Directors of Northern Superior and may consist of one or more instruments so executed and any other documents referred to herein which is required or contemplated to be provided or given by Northern Superior is a document signed on behalf of Northern Superior by any one or more of such officers or Directors;

and a derivative of any defined word or phrase has the meaning appropriate to the derivation of the word or phrase.

1.2 Meaning of “Outstanding” for Certain Purposes

Except as provided in Section 3.5, every Rights Certificate countersigned and delivered by the Rights Agent under this Indenture and every Uncertificated Right shall be deemed to be outstanding until the earlier of the Payment Date and the Termination Date; *provided* however that where a Rights Certificate or Uncertificated Right has been issued in substitution for a Rights Certificate that has been lost, stolen or destroyed, only one of them shall be counted for the purpose of determining the Rights outstanding.

Any Rights held by Northern Superior or any of its Affiliates shall be deemed not to be outstanding for the purposes of this Indenture.

1.3 Certain Rules of Interpretation

Unless otherwise specified in this Indenture:

- (a) words importing the singular number include the plural and *vice versa*;
- (b) words importing gender include both genders and *vice versa* and words importing individuals include firms and corporations and *vice versa*;
- (c) “**in writing**” or “**written**” includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including facsimile, email, PDF or otherwise;
- (d) “**including**” is used for illustration only and not to limit the generality of any preceding words, whether or not non-limiting language (such as, “**without limitation**”, “**but not limited to**” and similar expressions) is used with reference thereto; and
- (e) reference to any statute, regulation or by-law includes amendments, consolidations, re-enactments and replacements thereof and instruments and legislation thereunder.

1.4 Interpretation Not Affected by Headings, etc.

The division of this Indenture into Articles, Sections and other subdivisions, the inclusion of a table of contents and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Indenture.

1.5 Applicable Law

This Indenture, the Rights and the Rights Certificates shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.6 Day Not a Business Day

Whenever any payment is due or required to be made or any other action is required to be taken under this Indenture or the Rights Certificates on or as of a day that is not a Business Day, that payment must be made and the other action must be taken on or as of the next day that is a Business Day.

1.7 Conflict

In the event of a conflict or inconsistency between a provision of this Indenture and in the Rights Certificates issued hereunder, the relevant provision in this Indenture shall prevail to the extent of the inconsistency.

1.8 Time of the Essence

Time shall be of the essence of this Indenture, the Rights and the Rights Certificates.

1.9 Currency

Except as otherwise stated, all dollar amounts herein are expressed in Canadian dollars.

1.10 Schedules

Schedule “A” to this Indenture is incorporated into this Indenture by reference.

ARTICLE 2 ISSUE OF RIGHTS

2.1 Creation and Issue of Rights

- (a) Northern Superior hereby creates and authorizes the issue of the Rights, with the aggregate number of Rights to be issued not to exceed [●] Rights (subject to adjustment as herein provided), in accordance with the Plan of Arrangement.
- (b) The Rights Agent is hereby appointed as rights agent in respect of the Rights.
- (c) Pursuant to the Plan of Arrangement, to the extent that a registered holder of shares of Royal Fox who has validly exercised dissent rights in connection with the Arrangement is ultimately deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of shares of Royal Fox, Northern Superior shall cause the Rights Agent, in coordination with the depositary under the Arrangement, as applicable, to forward the Rights to such holder, as set out in the Plan of Arrangement and upon the written request of Northern Superior.

2.2 Terms of Rights

- (a) If the Payment Condition is satisfied, each Right shall entitle the Holder thereof, without any further act or formality or payment of any additional consideration, to the CVR Payment Amount less any applicable withholding taxes in accordance with Section 13.4.
- (b) Northern Superior shall remit the CVR Payment Amount accruing to the Holder on or before the applicable Payment Date, in accordance with Section 3.3.
- (c) All Rights shall rank *pari passu*, whatever may be the actual date of issue thereof.
- (d) The Rights shall terminate in accordance with the provisions of Section 3.5 and the Plan of Arrangement.

2.3 Rights Certificates

- (a) All Rights Certificates shall be dated as of the date of their issuance, and shall bear such distinguishing letters and numbers as Northern Superior may, with the approval of the Rights Agent, prescribe, and shall be issuable in any denomination, excluding fractions.
- (b) The Rights may be issued in both certificated and uncertificated form. Upon the issue of Rights, Rights Certificates, if applicable, shall be executed by an authorized signatory of Northern Superior and, in accordance with a written request of Northern Superior, certified by or on behalf of the Rights Agent and delivered by Northern Superior in accordance with Section 2.4 and Section 2.6. The Rights Certificates, if applicable, shall be substantially in the form attached as Schedule “A”, subject to the provisions of this Indenture, with such variations and changes as may from time to time be agreed upon by the Rights Agent and Northern Superior, and the Rights Certificates shall be dated as of the Effective Date, and shall have such distinguishing letters and numbers as Northern Superior may, with the approval of the Rights Agent, prescribe and shall be issuable in any denomination excluding fractions.

2.4 CDS Rights

- (a) Re-registration of beneficial interests in Rights held by the Depository shall be made only through the book entry registration system and no Rights Certificates shall be issued in respect of such Rights except where physical certificates evidencing ownership in such securities are required or as set out herein or as may be requested by a Depository, as determined by Northern Superior, from time to time. Except as provided in this Section 2.4, owners of beneficial interests in any CDS Rights shall not be entitled to have Rights registered in their names and shall not receive or be entitled to receive Rights in definitive form or to have their names appear in the register referred to in Section 2.9 while they are held as book entry securities with the Depository.
- (b) Notwithstanding any other provision in this Indenture, no CDS Rights may be exchanged in whole or in part for Rights registered in the name of any person other than the Depository for such CDS Rights or a nominee thereof unless:
 - (i) the Depository notifies Northern Superior that it is unwilling or unable to continue to act as depository in connection with the CDS Rights and Northern Superior is unable to locate a qualified successor;
 - (ii) Northern Superior determines that the Depository is no longer willing, able or qualified to discharge properly its responsibilities as holder of the CDS Rights and Northern Superior is unable to locate a qualified successor;
 - (iii) the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a depository and Northern Superior is unable to locate a qualified successor;

- (iv) Northern Superior determines that the Rights shall no longer be held as CDS Rights through the Depository;
- (v) such right is required by applicable law, as determined by Northern Superior and Northern Superior Counsel;
- (vi) Northern Superior so instructs the Rights Agent in writing,

following which Rights for those holders requesting such shall be issued to the beneficial owners of such Rights or their nominees as directed by the holder. Northern Superior shall provide a certificate of Northern Superior giving notice to the Rights Agent of the occurrence of any event outlined in this Section 2.4(b), other than in the case of Section 2.4(b)(iv).

- (c) Notwithstanding anything to the contrary in this Indenture, subject to applicable law, the CDS Right will be issued as an Uncertificated Right, unless otherwise requested in writing by the Depository or Northern Superior.
- (d) The rights of beneficial owners of Rights who hold securities entitlements in respect of the Rights through the book entry registration system shall be limited to those established by applicable law and agreements between the Depository and the Book Entry Participants and between such Book Entry Participants and the beneficial owners of Rights who hold securities entitlements in respect of the Rights through the book entry registration system, and such rights must be exercised through a Book Entry Participant in accordance with the rules and Applicable Procedures of the Depository and the Rights Agent.
- (e) Notwithstanding anything herein to the contrary, neither Northern Superior nor the Rights Agent nor any agent thereof shall have any responsibility or liability for:
 - (i) the electronic records maintained by the Depository relating to any ownership interests or any other interests in the Rights or the depository system maintained by the Depository, or payments made on account of any ownership interest or any other interest of any person in any Rights represented by an electronic position in the book entry registration system (other than the Depository or its nominee);
 - (ii) for maintaining, supervising or reviewing any records of the Depository or any Book Entry Participant relating to any such interest; or
 - (iii) any advice or representation made or given by the Depository or those contained herein that relate to the rules and regulations of the Depository or any action to be taken by the Depository on its own direction or at the direction of any Book Entry Participant.
- (f) Northern Superior may terminate the application of this Section 2.4 in its sole discretion in which case all Rights shall be evidenced by Rights Certificates registered in the name of a person other than the Depository.

- (g) For so long as Rights are held through the Depository, if any notice or other communication is required to be given to Holders, the Rights Agent will give such notices and other communications to all registered holders of Rights, including the Depository.

2.5 Signing of Rights Certificates

The Rights Certificates shall be signed by any Director or officer of Northern Superior. The signature of such signing officer may be mechanically reproduced in facsimile or electronically and Rights Certificates bearing such facsimile or electronic signature shall be binding upon Northern Superior as if they had been manually signed by such signing officer. Notwithstanding that any individual whose manual, facsimile or electronic signature appears on any Rights Certificate as a signing officer may no longer hold office or a trusteeship, as applicable, at the date of issue of such Rights Certificate or at the date of certification or delivery thereof, any Rights Certificate signed as aforesaid shall, subject to Section 2.6, be valid and binding upon Northern Superior and the Holder thereof shall be entitled to the benefits of this Indenture.

2.6 Certification by the Rights Agent

- (a) The Rights Certificates shall be certified by or on behalf of the Rights Agent on written direction of Northern Superior.
- (b) The Rights Agent shall Authenticate Uncertificated Rights (whether upon original issuance, exchange, partial payment or otherwise) by completing its Internal Procedures and Northern Superior shall, and hereby acknowledges that it shall, thereupon be deemed to have duly and validly issued such Uncertificated Right under this Indenture. Such Authentication shall be conclusive evidence that such Uncertificated Rights have been duly issued under this Indenture and that the holder or holders are entitled to the benefits of this Indenture. The register shall be final and conclusive evidence as to all matters relating to Uncertificated Rights with respect to which this Indenture requires the Rights Agent to maintain records or accounts. In case of differences between the register at any time and any other time, the register at the later time shall be controlling, absent manifest error, and any Uncertificated Rights recorded therein shall be binding on Northern Superior.
- (c) Any Rights Certificate validly issued in accordance with the terms of this Indenture in effect at the time of issue of such Rights Certificate shall, subject to the terms of this Indenture and applicable law, validly entitle the holder to CVR Payment Amount, notwithstanding that the form of such Rights Certificate may not be in the form then required by this Indenture.
- (d) No Right shall (a) be considered issued, valid or obligatory; nor (b) entitle the holder thereof to the benefits of this Indenture, until it has been Authenticated by the Rights Agent. Authentication by the Rights Agent, including by way of entry on the register, shall not be construed as a representation or warranty by the Rights Agent as to the validity of this Indenture or of such Certificated Right or Uncertificated Rights (except the due Authentication thereof) or as to the performance by Northern Superior of its obligations under this Indenture and the

Rights Agent shall in no respect be liable or answerable for the use made of the Rights or any of them or of the consideration thereof. Authentication by the Rights Agent shall be conclusive evidence as against Northern Superior that the Rights so Authenticated have been duly issued under this Indenture and that the holder thereof is entitled to the benefits of this Indenture.

- (e) No Certificated Right shall (a) be considered issued or obligatory; nor (b) entitle the holder thereof to the benefits of this Indenture, until it has been Authenticated by signature by or on behalf of the Rights Agent. Such Authentication on any such Certificated Right shall be conclusive evidence that such Certificated Right is duly Authenticated and is a valid and binding obligation of Northern Superior and that the holder is entitled to the benefits of this Indenture.
- (f) No Uncertificated Right shall (a) be considered issued or obligatory; nor (b) entitle the holder thereof to the benefits of this Indenture, until it has been Authenticated by entry on the register of the particulars of the Uncertificated Right. Such entry on the register of the particulars of an Uncertificated Right shall be conclusive evidence that such Uncertificated Right is duly Authenticated and is a valid and binding obligation of Northern Superior and that the holder is entitled to the benefits of this Indenture.

2.7 Holder Not a Shareholder

Rights represent a contractual right to the CVR Payment Amount upon satisfaction of the Payment Condition in accordance with the terms of this Indenture. Nothing in this Indenture or in the holding of a Right itself evidenced by a Rights Certificate, or otherwise, shall be construed as conferring upon a Holder any voting or dividend rights and the Rights do not represent any equity or ownership interest in Northern Superior or any of its Affiliates.

2.8 Issue in Substitution for Lost Rights Certificate

- (a) If any of the Rights Certificates shall become mutilated or lost, destroyed or stolen, Northern Superior, subject to applicable law and to Subsection 2.8(b), shall issue and thereupon the Rights Agent shall certify and deliver a new Rights Certificate of like date and tenor as the one mutilated, lost, destroyed or stolen upon surrender and in place of and upon cancellation of such mutilated Rights Certificate, or in lieu of and in substitution for such lost, destroyed or stolen Rights Certificate, and the substituted Rights Certificate shall be in a form approved by the Rights Agent and shall be entitled to the benefits hereof and shall rank equally in accordance with its terms with all other Rights Certificates issued or to be issued hereunder.
- (b) The applicant for the issue of a new Rights Certificate pursuant to this Section 2.8 shall bear the cost of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to Northern Superior and to the Rights Agent evidence of ownership and of the loss, destruction or theft of the Rights Certificate so lost, destroyed or stolen satisfactory to Northern Superior and to the Rights Agent in their sole discretion, in each case acting reasonably, and such applicant may also be required to furnish an indemnity or surety bond in amount

and form satisfactory to Northern Superior and the Rights Agent in their sole discretion, in each case acting reasonably, and shall pay the reasonable charges of Northern Superior and the Rights Agent in connection therewith.

2.9 Register for Rights

Northern Superior shall cause to be kept by and at the Rights Agency which is the transfer office of the Rights Agent in Montréal, Quebec and in such other place or places as Northern Superior with the approval of the Rights Agent may designate, a securities register in which, subject to such reasonable regulations as the Rights Agent may prescribe, Northern Superior shall provide for the registration and transfer of the Rights. Northern Superior shall also cause to be kept by and at such office the register of transfers, and may also cause to be kept by the Rights Agent or such other registrar or registrars and at such other place or places as Northern Superior may designate with the approval of the Rights Agent, branch registers of transfers (including, without limitation, branch registers of transfers at each of the other Rights Agencies) in which shall be recorded the particulars of the transfers of Rights registered in that branch register of transfers.

2.10 Non-Transferability of Rights

- (a) Other than in connection with the distribution of Rights by Northern Superior pursuant to the Plan of Arrangement, the Rights may not be transferred other than:
 - (i) by operation of law; and
 - (ii) to the heirs, executors and successors of an initial Holder.
- (b) Subject to Section 2.4, the Rights may only be transferred on the register kept by the Rights Agent in the City of Montréal, by the holder or its legal representatives or its attorney duly appointed by an instrument in writing in form and manner of execution satisfactory to the Rights Agent only upon (a) in the case of a Certificated Right, surrendering to the Rights Agent the Rights Certificates representing the Rights to be transferred together with a duly executed transfer form in a form prescribed by Northern Superior, (b) in the case of CDS Rights, in accordance with procedures prescribed by the Depository under the book entry registration system, and (c) upon compliance with the conditions required by this Indenture, such reasonable requirements as the Rights Agent may prescribe, and all applicable securities legislation and requirements of regulatory authorities, and such transfer shall be duly noted in such register by the Rights Agent.
- (c) Upon compliance with such requirements, the Rights Agent shall issue to the transferee a Rights Certificate or Uncertificated Right. Transfers within the systems of the CDS are not the responsibility of the Rights Agent and will not be noted on the register maintained by the Rights Agent.
- (d) No transfer of a Right shall be valid:
 - (i) unless made in accordance with the provisions hereof;

- (ii) until, upon compliance with such reasonable requirements as the Rights Agent may prescribe, such transfer is recorded on the register maintained by the Rights Agent pursuant to Subsection 2.9; and
 - (iii) until all governmental or other charges arising by reason of such transfer have been paid.
- (e) The Rights Agent will promptly advise Northern Superior of any requested transfer of the Rights. Northern Superior will be entitled, and may direct the Rights Agent, to refuse to recognize any transfer, or enter the name of any transferee, of any Rights on the register kept by the Rights Agent, if such transfer would constitute a violation of the securities laws of any jurisdiction or the rules, regulations or policies of any Regulatory Authority having jurisdiction, it being acknowledged and agreed that the Northern Superior Shares issued pursuant to the exercise of the Rights shall be freely trading securities in Canada.
- (f) The transfer register for the Rights shall be closed as of the close on business on the last Business Day immediately preceding the earlier of the Payment Date and the Termination Date.

2.11 Transferee Entitled to Registration

The transferee of a Right in accordance with Sections 2.9 and 2.10 shall, after the transfer form prescribed by Northern Superior is duly completed and the Rights Certificate and such transfer form are lodged with the Rights Agent, and upon compliance with all other conditions in that regard required by this Indenture and by all applicable securities laws and requirements of Regulatory Authorities, be entitled to have its name entered on the register as the owner of such Right free from all equities or rights of set-off or counterclaim between Northern Superior and its transferor or any previous Holder of such Right, save in respect of equities of which Northern Superior or the transferee is required to take notice by statute or by order of a court of competent jurisdiction.

No duty shall rest with the Rights Agent to determine compliance of the transferee or transferor of any Rights with applicable securities laws or requirements of Regulatory Authorities. The Rights Agent may assume for the purposes of this Indenture that the address on the register of Holders of any Holder is the actual address of such Holder and is also determinative of the residence of such Holder and that the address of any transferee to whom any Rights or other securities deliverable in connection with any Rights are to be registered, as shown on the transfer document, is the actual address of the transferee and is also determinative of the residency of the transferee.

2.12 Registers Open for Inspection

The registers hereinbefore referred to shall be open at all reasonable times and upon reasonable notice for inspection by Northern Superior, the Rights Agent or any Holder. The Rights Agent shall, from time to time when requested to do so in writing by Northern Superior, furnish Northern Superior, upon payment of the Rights Agent's reasonable charges, with a list of the names and addresses of Holders of Rights entered in the register kept by the Rights Agent and showing the number of Rights held by each such Holder.

2.13 Ownership of Rights

- (a) Northern Superior and the Rights Agent may deem and treat the registered Holder of any Rights Certificate as the absolute owner of the Right represented thereby for all purposes and Northern Superior and the Rights Agent shall not be affected by any notice or knowledge to the contrary, except where Northern Superior or the Rights Agent is required to take notice by statute or by order of a court of competent jurisdiction. For greater certainty, subject to applicable law, neither Northern Superior nor the Rights Agent shall be bound to take notice of or see to the execution of any trust, whether express, implied or constructive, in respect of any Right, and may transfer any Right in accordance with Section 2.10 on the direction of the Person registered as Holder thereof, whether named as rights agent or otherwise, as though that Person were the beneficial owner thereof.
- (b) Subject to the provisions of this Indenture and applicable law, each Holder shall be entitled to the rights and privileges attaching to the Rights held hereby.

2.14 Exchange of Rights Certificates

- (a) Rights Certificates, representing Rights entitling the Holders to receive the CVR Payment Amount may, prior to the earlier of the Payment Date and the Termination Date and upon compliance with the reasonable requirements of the Rights Agent, be exchanged for another Rights Certificate or Rights Certificates entitling the Holder thereof to receive the CVR Payment Amount payable under the Rights Certificate or Rights Certificates so exchanged of equal aggregate amount.
- (b) Rights Certificates may be exchanged only at the Rights Agency or at any other place that is designated by Northern Superior with the approval of the Rights Agent. Any Rights Certificates tendered for exchange shall be surrendered to the Rights Agent and shall be cancelled.
- (c) Except as otherwise herein provided, the Rights Agent shall charge to the Holder requesting an exchange a reasonable sum for each new Rights Certificate issued in exchange for a surrendered Rights Certificate(s); and payment of such charges and reimbursement to the Rights Agent or Northern Superior for any and all taxes or governmental or other charges required to be paid shall be made by such Holder as a condition precedent to such exchange.

2.15 Principal Office

If the principal transfer office of the Rights Agent in the city where the Rights Agency is situated is for any reason not available to act in connection with the exchange of Rights Certificates as contemplated by this Indenture, Northern Superior and the Rights Agent shall arrange for another office in such city to act in connection with the exchange of Rights Certificates and shall give notice of the change of such office to the Holders.

ARTICLE 3 ISSUANCE OF THE CVR PAYMENT AMOUNT

3.1 Achievement Certificate

- (a) If the Payment Condition is satisfied, Northern Superior will, as soon as practicable (and in any event not later than five (5) Business Days after the date that the Payment Condition has been satisfied), deliver to the Rights Agent a notice in writing (the “**Achievement Certificate**”) signed on behalf of Northern Superior by one or more officers (without personal liability) certifying that the Payment Condition has been satisfied. The Rights Agent will promptly (and in any event, within five Business Days after receipt) deliver a copy of such Achievement Certificate to the Holders.
- (b) If the Payment Condition is not satisfied, Northern Superior will, as soon as practicable (and in any event not later than three Business Days after the Termination Date), deliver to the Rights Agent a notice in writing (the “**Non-Achievement Certificate**”) signed on behalf of Northern Superior by one or more officers (without personal liability) certifying that the Payment Condition has not been satisfied by the Termination Date and that Northern Superior has complied in all material respects with its obligations under the this Indenture. The Rights Agent will promptly (and in any event, within five Business Days after receipt) deliver a copy of such Non-Achievement Certificate to the Holders.

3.2 Payment Procedure

If the Payment Condition is satisfied, each Holder shall receive, at no additional cost or expense, the CVR Payment Amount for each Right held on the Payment Date less any applicable withholding taxes in accordance with Section 13.4. The aggregate number of Northern Superior Shares issued to each Holder shall be rounded down to the nearest whole share, as is appropriate in the circumstances.

3.3 Payment Mechanism

Upon delivery of the Achievement Certificate, and in any event on or before the Payment Date, Northern Superior shall prepare and deliver to the Rights Agent and Northern Superior’s transfer agent a written direction of Northern Superior and treasury order directing the issuance of Northern Superior Shares in satisfaction of the aggregate CVR Payment Amount. All Northern Superior Shares issued pursuant to the Rights shall be issued as fully paid and non-assessable common shares in the capital of Northern Superior. Northern Superior shall make all requisite filings, and pay all applicable fees, under applicable Canadian securities laws to report the issuance of Northern Superior Shares pursuant to the Rights.

All Northern Superior Shares issuable in respect of the Rights will be deemed to be automatically issued effective as of the Payment Date for and on behalf of the Holders thereof and the Holders thereof shall, without payment of additional consideration or any further action on the part of the Holders thereof (including the surrender of any Rights Certificates), be deemed to have subscribed for the corresponding number of Northern Superior Shares issuable pursuant to such Rights and

Northern Superior hereby irrevocably authorizes the issuance and delivery of the Northern Superior Shares.

Northern Superior or its registrar and transfer agent shall cause to be delivered to the address of the Holder of the Rights last appearing on the register of Holders maintained by the Rights Agent pursuant to Section 2.9, Northern Superior Shares in the name of such Holder representing the CVR Payment Amount issuable to the Holder in respect of such Rights, as fully paid and non-assessable shares of Northern Superior, in accordance with Section 2.2, if and when necessary.

After the Payment Date, all Rights shall be deemed to represent only the right to receive the CVR Payment Amount to which the Holder thereof is entitled in lieu of such Rights.

3.4 Cancellation of Rights

Upon completion of a payment of the CVR Payment Amount or at the Termination Date, all Rights Certificates shall be cancelled.

3.5 Rights Void

Upon the earlier to occur of: (i) completion of a payment of the CVR Payment Amount, or (ii) the Termination Date, the Rights shall be null, void and of no effect.

3.6 Accounting and Recording

Northern Superior shall cause its registrar and transfer agent to account to the Rights Agent with respect to the issuance of the Northern Superior Shares as soon as reasonably practicable upon such issuance. Such accounting will include the particulars of the issuance of Northern Superior Shares pursuant to the Rights, including the names and addresses of the Persons who become Holders of Northern Superior Shares pursuant to the Rights. The Rights Agent shall rely, and shall be protected in so doing, upon the certificate of Northern Superior or of its registrar and transfer agent and any other document filed by Northern Superior pursuant to this section for all purposes.

Any instruments, from time to time received by the Rights Agent, shall be received in trust for, and shall be segregated and kept apart by the Rights Agent in trust for, Northern Superior.

ARTICLE 4 COVENANTS OF NORTHERN SUPERIOR

4.1 Seek Satisfaction of the Payment Condition

From the Effective Date until the earlier of the Payment Date and the Termination Date, Northern Superior covenants to use commercially reasonable efforts to continue the exploration and advancement towards development of the Philibert project to cause the Payment Condition to be met and the nature and scope of such efforts shall be determined by the board of Northern Superior in its sole discretion.

4.2 Sell or Dispose of Rights in Philibert Project

From the Effective Date until the earlier of the Payment Date and the Termination Date, Northern Superior covenants to not, directly or indirectly, complete or take any action or enter into any agreement, arrangement or understanding, whether by a sale of assets or by merger, reorganization, joint venture, lease, license, trust or any other transaction or arrangement, for the sale, transfer, assignment, disposition, relinquishment or surrender of its rights, title or interest in or to the Philibert project or in or to any material assets comprising the Philibert project to any person unless either: (a) Northern Superior fixes the Payment Date as a date that is on or prior to the effective date of such transfer and satisfies the CVR Payment Amount on or before such Payment Date, or (b) (i) Northern Superior (or its corporate successor) first agrees in writing to remain subject to the obligations under this Indenture, including to make payments if and when such a payment is due in accordance with the terms of this Indenture; and (ii) the agreement for such transfer requires the applicable transferee to comply with this Indenture to the same extent as Northern Superior and such transferee has first agreed in writing to that effect.

4.3 Maintenance of Listing and Reporting Issuer Status

- (a) From the Effective Date until the earlier of the Payment Date and the Termination Date, Northern Superior covenants to maintain a listing of its common shares on the TSX Venture Exchange or any other North American stock exchange as determined by Northern Superior and maintain its status as a reporting issuer under the securities legislation in each of the provinces of Canada where it is currently a reporting issuer.
- (b) From the Effective Date until the earlier of the Payment Date and the Termination Date, Northern Superior covenants to ensure that the Northern Superior Shares that are issued pursuant to the Rights are listed on the TSX Venture Exchange or any other North American stock exchange as determined by Northern Superior.

4.4 To Pay Rights Agent Remuneration and Expenses

Northern Superior covenants that it shall pay to the Rights Agent from time to time reasonable remuneration for its services hereunder and shall pay or reimburse the Rights Agent upon its request for all reasonable expenses, disbursements and advances incurred or made by the Rights Agent in the administration or execution of its duties hereunder (including the reasonable compensation and the disbursements of its Counsel and all other advisors and assistants not regularly in its employ) both before any Event of Default hereunder and thereafter until all duties of the Rights Agent hereunder shall be finally and fully performed and even after the termination of this Indenture, except any such expenses, disbursement or advance as may arise out of or result from the Rights Agent's gross negligence, wilful misconduct or bad faith. Such remuneration which shall remain unpaid for a period of thirty (30) Business Days after invoicing shall incur interest at the rate then charged by the Rights Agent to its corporate clients. The Rights Agent shall not have any recourse against the securities or any other property held by it pursuant to this Indenture for payment of its fees. This Section 4.4 shall survive the resignation or removal of the Rights Agent and the termination and discharge of this Indenture. The Rights Agent shall have no

obligation to take any action under this Indenture so long as any payment remains due to the Rights Agent for any reasonable fees, expenses and disbursements.

4.5 To Perform Covenants

Northern Superior shall use commercially reasonable efforts to perform and carry out all of the acts or things to be done by it as provided in this Indenture.

4.6 Rights Agent May Perform Covenants

If Northern Superior fails in any material respect to perform any of its covenants contained in this Indenture, the Rights Agent, upon receipt of written notice from Northern Superior of such failure to perform, shall notify the Holders of such failure on the part of Northern Superior or may itself perform any of the covenants capable of being performed by it but, subject to Article 9, shall be under no obligation to perform said covenants or to notify the Holders that it is doing so. All sums expended or advanced by the Rights Agent in so doing shall be repayable as provided in Section 4.4, but the Rights Agent shall not be required to expend or risk its own funds. No such performance, expenditure or advance by the Rights Agent shall relieve Northern Superior of any Event of Default hereunder or of its continuing obligations under the covenants herein contained.

4.7 Creation and Issue of the Rights

Northern Superior is duly authorized to create and issue the Rights and, the Rights Certificates, when issued and countersigned as herein provided, shall be valid and enforceable against Northern Superior and, subject to the provisions of this Indenture, Northern Superior shall cause the Northern Superior Shares to be issued pursuant to Article 3 under this Indenture and cause the certificates representing such Northern Superior Shares to be duly issued and delivered in accordance with the Right Certificates and the terms hereof. At all times prior to and as at the Termination Date, while any of the Rights are outstanding: (i) all of the Northern Superior Shares a Holder is entitled to be issued under outstanding Rights shall be reserved for issuance by Northern Superior; and (ii) executed written orders directing Northern Superior's transfer agent to issue certificates representing Northern Superior Shares in the names of the Holders shall be held by the Rights Agent on behalf of the Holders. On the Payment Date, the Rights Agent shall deliver to Northern Superior's transfer agent all such executed written orders so held and such Northern Superior Shares shall, in accordance with the written orders, be registered in the names of the Holders. All Northern Superior Shares issued pursuant to the Rights shall be issued as fully paid and non-assessable. Northern Superior shall make all requisite filings, and pay all applicable fees, under applicable Canadian securities laws to report the issuance of Northern Superior Shares pursuant to the Rights. In the event the Payment Date does not occur, the Rights shall, on the Termination Date, be deemed to be cancelled effective that day upon receipt of the Non-Achievement Certificate and the written orders shall be returned to Northern Superior.

4.8 Restrictions on Purchases by Northern Superior and Affiliates

This Indenture will not prohibit Northern Superior or any of its Affiliates from acquiring the Rights, whether in open market transactions, private transactions or otherwise, provided such acquisitions comply with Canadian and U.S. securities laws or other applicable securities laws. For greater certainty, nothing in this Section 4.8 shall grant to Northern Superior a unilateral right

of redemption with respect to the Rights. Rights Certificates representing the Rights purchased by Northern Superior pursuant to this Section 4.8 shall be immediately surrendered to the Rights Agent for cancellation and shall be accompanied by a written direction of Northern Superior to cancel the Rights represented hereby and shall not be reissued. Prior to any acquisition of Rights, Northern Superior shall publicly disclose the number of Rights which it has been authorized to acquire and shall report in its annual and quarterly management's discussion and analysis the number of Rights it has been authorized to acquire as well as the number of Rights it has acquired, and the purchase price of such Rights, as of the end of the quarterly or annual period. For greater certainty, as a Holder, Northern Superior shall not be entitled to vote on any matter to be voted upon and shall not be entitled to dispute any matter in this Indenture.

ARTICLE 5 ROLE OF RIGHTS AGENT

5.1 Role as Rights Agent

The Rights Agent accepts its duties and responsibilities under this Indenture solely as a custodian, bailee and agent, and no trust is intended to be, or is or shall be, created hereby and the Rights Agent shall owe no duty hereunder as a trustee.

ARTICLE 6 DISPUTE MECHANISM

6.1 Disputed Matters

If the Required Holders at any time but no later than sixty (60) days after the Termination Date (the “**Dispute Period**”) wish to dispute non-satisfaction of the Payment Condition, the Required Holders may provide Northern Superior and the Rights Agent with written notice (the “**Dispute Notice**”) of such dispute in reasonable detail.

If the Required Holders do not deliver such a Dispute Notice on or prior to the expiry of the Dispute Period, the Holders will be deemed to have accepted that the Payment Condition has not been met, and Northern Superior and its Affiliates will have no further obligation with respect to the Rights or the CVR Payment Amount.

If the Required Holders deliver a Dispute Notice during the Dispute Period, and it is finally determined in accordance with Section 6.2 that the Payment Condition has been met, the CVR Payment Amount will be paid on a date established by Northern Superior that is as soon as possible (and in any event no later than ten (10) Business Days) after such determination.

Northern Superior shall work in good faith together with Required Holders who have provided a Dispute Notice to resolve the dispute set out herein on a mutually satisfactory basis for not less than thirty (30) days, following which the dispute may be referred to arbitration pursuant to Section 6.2.

6.2 Arbitration

Subject to Sections 6.1 and 8.3(e), all disputes, defaults, controversies or claims arising out of or in connection with this Indenture shall be finally determined by binding arbitration pursuant to the *Arbitration Act* (British Columbia). The arbitration shall be conducted by a single arbitrator, the place of arbitration shall be Vancouver, British Columbia and the language of the arbitration shall be English. Unless the parties agree otherwise, the expedited procedure rules of the Vancouver International Arbitration Centre shall govern the procedure of the arbitration. The parties shall keep confidential the existence of the arbitration proceeding and any element of it (including any pleadings, briefs, or other documents submitted or exchanged, any testimony or other oral submissions, and any awards), except as may lawfully be required. The parties agree that there will be a right to appeal on an error in law.

6.3 Waiver of Default

Upon the occurrence of any Event of Default that is continuing the Required Holders shall have the power (in addition to the powers exercisable by Extraordinary Resolution) by requisition in writing to instruct the Rights Agent to waive any such Event of Default and the Rights Agent shall thereupon waive the default upon such terms and conditions as shall be prescribed in such requisition, provided that no delay or omission of the Rights Agent or of the Holders, as applicable, to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence herein and provided further that no act or omission either of the Rights Agent or the Holders in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default hereunder or the rights resulting therefrom.

ARTICLE 7 MEETINGS OF HOLDERS OF RIGHTS

7.1 Right to Convene Meeting

The Rights Agent may at any time and from time to time and shall on receipt of a written request of Northern Superior or a Holders' Request and upon being indemnified and funded to its reasonable satisfaction by Northern Superior or by the Holders signing such request against the costs which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Holders. In the event of the Rights Agent failing, within seven (7) days after receipt of any such request and such indemnity and funding, to give notice convening a meeting, Northern Superior or such Holders, as the case may be, may convene such meeting. Every such meeting shall be held in Vancouver, British Columbia or at such other place as may be approved or determined by the Rights Agent and Northern Superior, each acting reasonably.

7.2 Notice of Meetings

At least twenty one (21) days' notice of any meeting of the Holders shall be given to the Holders in the manner provided in Article 9 and a copy thereof must be sent to the Rights Agent unless the meeting has been called by it and to Northern Superior unless the meeting has been called by it. Such notice must state the time when and the place where the meeting is to be held and state briefly

the general nature of the business to be transacted thereat and it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article.

7.3 Chairperson

An individual (who need not be a Holder) designated in writing by the Rights Agent, shall be the chairperson of the meeting and if no individual is so designated, or if the individual so designated is not present within fifteen (15) minutes from the time fixed for the holding of the meeting, the Holders present in Person or by proxy shall choose an individual present to be chairperson.

7.4 Quorum

Subject to Section 7.11, at any meeting of the Holders a quorum shall consist of Holders, present in Person or by proxy and holding at least twenty-five percent (25%) the aggregate number of then outstanding Rights, provided that at least two (2) Persons entitled to vote thereat are personally present or represented by proxy. If a quorum is not present within thirty (30) minutes from the time fixed for holding any meeting, the meeting, if summoned by the Holders or pursuant to a Holders' Request, shall be dissolved; but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day in which case it shall be adjourned to the next following Business Day) at the same time and place and no notice shall be required to be given in respect of such adjourned meeting. At the adjourned meeting the Holders present in Person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not hold at least twenty-five percent (25%) of the then outstanding Rights.

7.5 Power to Adjourn

The chairperson of any meeting at which a quorum is present may with the consent of the meeting adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

7.6 Voting at Meetings

A poll shall be taken on every resolution, every Extraordinary Resolution, and on any other question submitted to a meeting in such manner as the chairperson may direct and the results of such polls shall be binding on all Holders.

7.7 Voting

On a poll, each Holder present in Person or represented by a proxy duly appointed by an instrument in writing shall be entitled to one (1) vote in respect of each Right or Rights held or represented by that Person. A proxy need not be a Holder. In the case of joint Holders of a Right, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others; but in case more than one of them is present in person or by proxy, they must vote together in respect of the Rights of which they are joint Holders. The chairperson of any meeting shall be entitled to vote in respect of any Rights held or represented by him/her, but shall not have a second or deciding vote.

7.8 Regulations

- (a) The Rights Agent or Northern Superior with the approval of the Rights Agent, may from time to time make or vary or restate such regulations as it shall from time to time think fit regarding the following:
 - (i) providing for and governing the voting by proxy by Holders and the form of instrument appointing proxies and the manner in which the same shall be executed, and for the production of the authority of any Person signing on behalf of the giver of such proxy;
 - (ii) for the deposit of instruments appointing proxies at such place as the Rights Agent, Northern Superior or the Holders convening the meeting, as the case may be, may, in the notice convening the meeting, direct and the time, if any, before the holding of the meeting or any adjournment thereof by which the same must be deposited;
 - (iii) for the deposit of instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, telecopied or sent by facsimile before the meeting to Northern Superior or to the Rights Agent at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting; and
 - (iv) generally, the calling of meetings of Holders and the conduct of business thereat.
- (b) Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Except as such regulations may provide, the only Persons who shall be recognized at any meeting as Holders, or as entitled to vote or be present at the meeting in respect thereof (subject to Section 7.9), shall be Holders and Persons whom Holders have by instrument in writing duly appointed as their proxies.

7.9 Northern Superior and Rights Agent May Be Represented

Northern Superior and the Rights Agent, by their respective officers, directors or employees, and the legal advisers of Northern Superior and the Rights Agent, may attend any meeting of the Holders, and shall be recognized and given reasonable opportunity to speak to any resolutions proposed for consideration by the meeting, but shall not be entitled to vote thereat, whether in respect of any Rights held by them or otherwise.

7.10 Powers Exercisable by Extraordinary Resolution

Subject to applicable law, in addition to the powers conferred upon them by any other provisions of this Indenture or by law, the Holders at a meeting shall have the power, exercisable from time to time by Extraordinary Resolution:

- (a) to sanction any modification, abrogation, alteration, compromise or arrangement of the rights of the Holders or the Rights Agent against Northern Superior, or against its property, whether such rights arise under this Indenture or the Rights Certificates or otherwise;
- (b) to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or in the Rights Certificates which must be agreed to by Northern Superior and to authorize the Rights Agent to concur in and execute any indenture supplemental hereto embodying any such modification, change, addition or omission;
- (c) to sanction any scheme for the reconstruction or reorganization of Northern Superior or for the consolidation, amalgamation or merger of Northern Superior with any other entity or for the sale, leasing, transfer or other disposition of the undertaking, property and assets of Northern Superior or any part thereof;
- (d) to direct or authorize the Rights Agent to exercise any power, right, remedy or authority given to it by this Indenture in any manner specified in any such Extraordinary Resolution or to refrain from exercising any such power, right, remedy or authority;
- (e) to waive and direct the Rights Agent to waive any Event of Default hereunder either unconditionally or upon any condition specified in such Extraordinary Resolution;
- (f) to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Holders; and
- (g) to remove the Rights Agent and appoint a successor agent or trustee.

7.11 Meaning of “Extraordinary Resolution”

- (a) The expression “**Extraordinary Resolution**” when used in this Indenture means, subject as provided in this Article, a resolution proposed to be passed at a meeting of Holders duly convened and held in accordance with the provisions of this Article at which there are Holders present in person or by proxy who hold at least twenty-five percent (25%) of the aggregate number then outstanding Rights and passed by the affirmative votes of the Holders holding at least sixty-six and two-thirds percent (66 2/3%) of the then outstanding Rights represented at the meeting and voted on a poll upon such resolution.
- (b) If, at any such meeting, the Holders holding at least twenty-five percent (25%) of the then outstanding Rights are not present in person or by proxy within thirty (30) minutes after the time appointed for the meeting, then the meeting, if convened by or on the requisition of the Holders, shall be dissolved; but in any other case it shall stand adjourned to such date, being not less than seven (7) nor more than forty five (45) days later, and to such place and time as may be appointed by the chairperson. Not less than two (2) days’ prior notice shall be given of the time and place of such adjourned meeting in the manner provided in Article 9. Such notice must state that

at the adjourned meeting the Holders present in person or by proxy shall form a quorum but it shall not be necessary to set forth the purposes for which the meeting was originally called or any other particulars. At the adjourned meeting, the Holders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed by the requisite vote as provided in Subsection 7.11(a) shall be an Extraordinary Resolution within the meaning of this Indenture, notwithstanding that Holders holding at least twenty-five percent (25%) of the then outstanding Rights are not present in person or by proxy at such adjourned meeting.

- (c) Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

7.12 Powers Cumulative

It is hereby declared and agreed that any one or more of the powers or any combination of the powers in this Indenture stated to be exercisable by the Holders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers or any combination of powers from time to time shall not be deemed to exhaust the rights of the Holders to exercise the same or any other such power or combination of powers thereafter from time to time.

7.13 Minutes

Minutes of all resolutions and proceedings at every meeting of Holders shall be made and duly entered in books to be from time to time provided for that purpose by the Rights Agent at the expense of Northern Superior, and any such minutes as aforesaid, if signed by the chairperson or secretary of the meeting at which such resolutions were passed or proceedings had, or by the chairperson or secretary of the next succeeding meeting (if any) of the Holders, shall be *prima facie* evidence of the matters herein stated and, until the contrary is proved, every such meeting in respect of the proceedings of which minutes shall have been made shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken thereat, to have been duly passed and taken.

7.14 Instruments in Writing

All actions which may be taken and all powers which may be exercised by the Holders at a meeting held as hereinbefore provided in this Article 7 may also be taken and exercised by Holders holding at least sixty six and two-thirds percent (66 2/3%) of the then outstanding Rights by an instrument in writing signed in one or more counterparts and the expression “**Extraordinary Resolution**” when used in this Indenture shall include an instrument so signed.

7.15 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article at a meeting of Holders shall be binding upon all Holders, whether present at or absent from such meeting, and every instrument in writing signed by Holders in accordance with

Section 7.14 shall be binding upon all the Holders, whether signatories thereto or not, and each and every Holder and the Rights Agent (subject to the provisions for its indemnity herein contained) shall be bound to give effect accordingly to every such resolution, Extraordinary Resolution and instrument in writing.

ARTICLE 8

ADJUSTMENT OF THE CVR PAYMENT AMOUNT

8.1 Definitions

In this Article 8, references to “**record date**” refer to the particular time on such relevant date stipulated for such event and otherwise refer to 5:00 p.m. (Montréal time) on such date.

8.2 Adjustment

The rights attached to the Rights are subject to adjustment from time to time in the events and in the manner provided as follows:

- (a) Share Reorganization. If at any time after the issuance of the Rights and before the Payment Date, Northern Superior:
 - (i) subdivides, re-divides or changes its outstanding Northern Superior Shares into a greater number of Northern Superior Shares;
 - (ii) reduces, combines, consolidates or changes its outstanding Northern Superior Shares into a lesser number of Northern Superior Shares; or
 - (iii) issues to all or substantially all the holders of Northern Superior Shares by way of a stock distribution, stock dividend or otherwise, Northern Superior Shares or convertible securities,

(any of such events in Paragraphs 8.2(a)(i), 8.2(a)(ii) and 8.2(a)(iii) being herein called a “**Share Reorganization**”), then the CVR Payment Amount will be adjusted as of the record date at which the holders of the Northern Superior Shares are determined for the purpose of the Share Reorganization by multiplying the number of Northern Superior Shares issuable pursuant to each Right theretofore obtainable immediately prior to such record date by a fraction, the numerator of which will be the number of Northern Superior Shares outstanding on the record date after giving effect to the Share Reorganization and the denominator of which will be the number of Northern Superior Shares outstanding on the record date before giving effect to the Share Reorganization.

For the purposes of determining the number of Northern Superior Shares outstanding at any particular time for the purpose of this Subsection 8.2(a), there shall be included that number of Northern Superior Shares which would have resulted from the conversion at that time of any such convertible securities issued to all or substantially all the holders of the Northern Superior Shares.

- (b) Capital Reorganization. If at any time after the issuance of the Rights and before the Payment Date there is a reclassification of Northern Superior Shares or a change of the Northern Superior Shares (other than through a Share Reorganization) into other securities or property, or a consolidation, amalgamation, arrangement or merger of Northern Superior (including a business combination or exchange of like effect) with or into any corporation or other entity (other than a consolidation, amalgamation, arrangement or merger which does not result in any reclassification of the outstanding Northern Superior Shares or a change of the Northern Superior Shares into other securities or property), or a transfer of the undertaking or assets of Northern Superior as an entirety or substantially as an entirety to another entity, or a record date for any of the foregoing events occurs (any of such events being herein called a “**Capital Reorganization**”), any Holder who is entitled to the CVR Payment Amount upon the occurrence of the Payment Condition after the record date or effective date of such Capital Reorganization will be entitled to receive, and will accept, in lieu of the number of Northern Superior Shares to which such Holder was theretofore entitled, the aggregate number of securities or property of Northern Superior, or the continuing, successor or purchasing person, as the case may be, under the Capital Reorganization which such Holder would have been entitled to receive as a result of such Capital Reorganization if, on the effective date of such Capital Reorganization, the Holder had been the registered holder of the number of Northern Superior Shares to which such Holder was then entitled pursuant to the Rights. No such Capital Reorganization shall be carried into effect unless all necessary steps shall have been taken so that the Holders shall thereafter be entitled to receive such number of Northern Superior Shares or other securities or property of Northern Superior or of the continuing, successor or purchasing person, as the case may be, under the Capital Reorganization, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in this Section 8.2 and Section 8.3. If determined appropriate by Northern Superior, acting reasonably, appropriate adjustments will be made as a result of any such Capital Reorganization in the application of the provisions set forth in this Article 8 with respect to the rights and interests thereafter of the Holders to the extent that the provisions set forth in this Article 8 will thereafter correspondingly be made applicable as nearly as may be reasonable in relation to any securities or property thereafter deliverable upon the conversion of any Right. Any such adjustments will be made by and set forth in terms and conditions supplemental hereto approved by Northern Superior, acting reasonably, and, absent manifest error, will for all purposes be conclusively deemed to be the appropriate adjustment.
- (c) Special Distributions. If at any time after the issuance of the Rights and before the Payment Date, Northern Superior issues or distributes to the holders of all or substantially all of the outstanding Northern Superior Shares, securities of Northern Superior, including rights, options or warrants to acquire Northern Superior Shares or securities convertible into or exchangeable for Northern Superior Shares or property or assets, including evidences of indebtedness, other than dividends or distributions paid in the ordinary course and other than as a result of a Share Reorganization or a Capital Reorganization (any such events being herein called a “**Special Distribution**”), or a record date for any of the foregoing events occurs,

subject to the receipt of the approval of the TSX Venture Exchange, there will be an appropriate adjustment in the number of Northern Superior Shares issuable upon conversion of the Rights to be issued at the Payment Date in accordance with this Article 8, for the same aggregate consideration payable, if any, in addition to the number of Northern Superior Shares to which such Holder was theretofore entitled, the Holder will be entitled to receive from Northern Superior such securities, property or assets as if, on the record date at which holders of Northern Superior Shares are determined for the purpose thereof, such Holder had been the registered holder of the number of Northern Superior Shares to which the Holder was then entitled.

- (d) No Participation in Spinout of Ontario Assets. Notwithstanding the foregoing, any transaction involving a spinout of Northern Superior's Ontario assets (whether by way of a plan of arrangement or otherwise) shall not be considered to be a Share Reorganization, a Capital Reorganization or a Special Distribution and shall not entitle the Holder to participate in such transaction and receive any additional securities, property or assets that it would otherwise be entitled to receive pursuant to the terms hereof.

8.3 Adjustment Rules

The following rules and procedures shall be applicable to adjustments made pursuant to Section 8.2:

- (a) The adjustments provided for in this Article 8 are cumulative and, subject to Subsection 8.3(b), shall apply (without duplication) to successive issues, subdivisions, combinations, consolidations, changes, distributions and any other events that require adjustment of the CVR Payment Amount or the number or kind of securities or property issuable hereunder.
- (b) No adjustment in the CVR Payment Amount shall be required unless the adjustment would result in a change of at least 1% of the number of such Northern Superior Shares to be issued, provided, however, that any adjustments that, except for the provisions of this subsection would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment.
- (c) Notwithstanding anything in this Article 8, no adjustment shall be made to the CVR Payment Amount if the issue of Northern Superior Shares is being made pursuant to this Indenture or pursuant to any stock option, stock purchase, restricted stock unit, deferred stock unit or other long term incentive plan in force from time to time for directors, officers or employees of Northern Superior and any such issue shall be deemed not to be a Share Reorganization or a Special Distribution.
- (d) No adjustment in the CVR Payment Amount shall be made in respect of any events described in this Article 8 if the Holders are entitled to participate, subject to the receipt of the approval of the TSX Venture Exchange, in the events on the same

terms, *mutatis mutandis*, as if their Rights had been converted immediately prior to the effective date or record date of the events.

- (e) If any questions, controversies or disputes shall at any time arise with respect to adjustments of the CVR Payment Amount, such questions, controversies or disputes shall be conclusively determined by Northern Superior's external auditors or, if they are unable or unwilling to act, in accordance with Section 6.2.
- (f) If Northern Superior shall set a record date to determine the holders of Northern Superior Shares for the purpose of entitling them to receive any distribution or any subscription or purchase rights in accordance with this Article 8 and shall, thereafter, legally abandon its plans to pay or deliver the distribution or subscription or purchase rights, then no adjustment in the CVR Payment Amount shall be required by reason of the setting of the record date.
- (g) In case Northern Superior, after the date hereof and prior to a conversion of the Rights, shall take any action affecting the Northern Superior Shares, other than any action described in this Article 8, which, in the reasonable opinion of the Directors, would materially affect the rights of the Holders or the rights attached to the Rights, then the CVR Payment Amount shall, subject to the receipt of the approval of the TSX Venture Exchange, be adjusted in such manner, if any, and at such time as the Directors may, in their discretion, reasonably determine to be equitable to the Holders in such circumstances.
- (h) The Rights Agent shall be entitled to act and rely upon the certificate of Northern Superior and any other documents filed by Northern Superior pursuant to this Article 8 and shall not at any time be under any duty or responsibility to any Holder to determine whether any facts exist which may require any adjustment contemplated by this Article 8, or with respect to the nature or extent of any such adjustment when made or the method employed in making such adjustment.

8.4 Notice of Certain Events

- (a) Promptly upon the occurrence of the earlier of the effective date of or the record date for any event referred to in Section 8.2 or Section 8.3 that requires an adjustment or readjustment in the CVR Payment Amount, Northern Superior shall:
 - (i) file with the Rights Agent a certificate of Northern Superior specifying the particulars of the event and, if determinable, the amount of the adjustment or readjustment, and computation of the adjustment or readjustment and the Rights Agent may act and rely absolutely on the certificate of Northern Superior; and
 - (ii) give notice to the Holders of the particulars of the event and, if determinable, the adjustment or readjustment.

- (b) If notice has been given under Subsection 8.4(a) and the adjustment is not then determinable, Northern Superior shall promptly, after the adjustment is determinable:
 - (i) file with the Rights Agent a computation of the adjustment; and
 - (ii) give notice to the Holders of the adjustment.

8.5 Protection of Rights Agent

The Rights Agent shall not:

- (a) at any time be under any duty or responsibility to any Holder to determine whether any facts exist which may require any adjustment contemplated by Article 8, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the same;
- (b) be accountable with respect to the validity or value (or the kind or amount) of any Northern Superior Shares or of any other securities or property which may at any time be issued or delivered upon the exercise of the rights attaching to any Right;
- (c) be responsible for any failure of Northern Superior to issue, transfer or deliver Northern Superior Shares or certificates for the same upon the surrender of any Rights for the purpose of the exercise of such rights or to comply with any of the covenants contained in this Article 9; and
- (d) incur any liability or be in any way responsible for the consequences of any breach on the part of Northern Superior of any of the representations, warranties or covenants herein contained or of any acts of the directors, officers, employees, agents or servants of Northern Superior.

ARTICLE 9 NOTICES

9.1 Notice to Northern Superior and the Rights Agent

- (a) Unless herein otherwise expressly provided, any notice to be given hereunder to Northern Superior or the Rights Agent, which for certainty shall not include the Achievement Certificate or Non-Achievement Certificate, shall be deemed to be validly given if delivered or if sent by registered letter, postage prepaid, or by electronic transmission:

if to Northern Superior, to:

Northern Superior Resources Inc.
1351C, Kelly Lake Road, Unit 7
Sudbury, ON P3E 5P5

Attention: François Perron/Dan Rothberg
Email: [Redacted]/dan.rothberg@devrylaw.ca

with a copy to:

Cassels Brock & Blackwell LLP
2200 – 885 West Georgia Street
Vancouver, BC V6C 3E8

Attention: Jennifer Traub
Email: jtraub@cassels.com

if to the Rights Agent, to:

Computershare Trust Company of Canada
Attention: General Manager, Corporate Trust Department
1500 Blvd Robert-Bourassa, Montréal, QC H3A 3S8
Facsimile: (514) 982-7677

Email: NoticesCTmontreal@computershare.com

and any such notice delivered in accordance with the foregoing shall be deemed to have been received on the date of receipt or if sent by electronic transmission, on the first Business Day following such transmission or, if mailed, on the fifth Business Day following the date of the postmark on such notice.

- (b) Northern Superior or the Rights Agent, as the case may be, may from time to time notify the others in the manner provided in Subsection 9.1(a) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of Northern Superior or the Rights Agent, as the case may be, for all purposes of this Indenture.
- (c) Northern Superior or the Rights Agent, as the case may be, may from time to time notify the others in the manner provided in Subsection 9.1(a) of a change of address which, from the effective date of such notice and until changed by like notice, shall be the address of Northern Superior or the Rights Agent, as the case may be, for all purposes of this Indenture.

9.2 Notice to the Holders

Except as herein otherwise expressly provided and subject to Section 9.3, any notice required or permitted to be given to the Holders under the provisions of this Indenture shall be deemed to be validly given if personally delivered or if sent by ordinary post to the Holders at their addresses appearing in one of the registers hereinbefore mentioned. Any notice so sent including, but not limited to, any Achievement Certificate or Non-Achievement Certificate, shall be deemed to have been received on the next Business Day after the date of personal delivery to such address or, if mailed, on the fifth Business Day following the date on which it was mailed. Accidental error or omission in giving notice or accidental failure to give notice to Holders shall not invalidate any action or proceeding founded thereon. In determining under any provision hereof the date when notice of any meeting or other event must be given, the date of giving notice shall be included and the date of the meeting or other event shall be excluded.

9.3 Receipt of the Achievement Certificate or Non-Achievement Certificate by the Rights Agent and Holders Committee

The Achievement Certificate or Non-Achievement Certificate shall be deemed to have been received by the Rights Agent if sent by electronic transmission, on the next Business Day of such transmission if receipt has been acknowledged, otherwise on the Business Day following such transmission or, if by courier on the same day if delivered before 5:00 p.m. EST., otherwise on the first Business Day following such delivery.

9.4 Mail Service Information

- (a) If by reason of any interruption of mail service, actual or threatened, any notice to be given to the Holders, the Rights Agent or Northern Superior would be unlikely to reach its destination in the ordinary course of mail, such notice shall be valid and effective only if the notice is:
 - (i) in the case of the Rights Agent or Northern Superior, delivered to an officer of the party to which it is addressed or if sent to such party, at the appropriate address in accordance with Section 9.1 by courier, electronic transmission or other means of prepaid transmitted or recorded communication; and
 - (ii) in the case of Holders, published once (i) in the national edition of The Globe & Mail; and (ii) in such other place or places and manner, if any, as the Rights Agent may require.
- (b) Any notice given to the Holders by publication shall be deemed to have been given on the last day on which publication shall have been effected as required pursuant to Subsection 9.4(a).

ARTICLE 10 CONCERNING THE RIGHTS AGENT

10.1 No Conflict of Interest

The Rights Agent represents to Northern Superior that to the best of its knowledge, at the date of the execution and delivery of this Indenture there exists no material conflict of interest in its role as a fiduciary hereunder. In the event of a material conflict of interest arising in the Rights Agent's role as fiduciary hereunder the Rights Agent shall, as soon as practicable but in any case within twenty (20) days after ascertaining that it has such material conflict of interest, either eliminate the same or assign its trust hereunder to a successor rights agent approved by Northern Superior. Notwithstanding the foregoing provisions of this section, if any such material conflict of interest exists or hereafter shall exist, the validity and enforceability of this Indenture and the Rights Certificate(s) shall not be affected in any manner whatsoever by reason hereof.

10.2 Replacement of Rights Agent

- (a) The Rights Agent may resign its trust and be discharged from all further duties and liabilities hereunder by giving to Northern Superior at least forty five (45) days' notice in writing or such shorter notice as Northern Superior may accept as sufficient. The Holders by Extraordinary Resolution shall have the power at any time to remove the existing Rights Agent and to appoint a new rights agent. If the Rights Agent resigns or is removed by Extraordinary Resolution or is dissolved, becomes bankrupt, goes into liquidation or otherwise becomes incapable of acting hereunder, Northern Superior shall forthwith appoint a new rights agent unless a new rights agent has already been appointed by the Holders; failing such appointment by Northern Superior, the retiring Rights Agent or any Holder may bring the matter to binding arbitration in accordance with Section 6.2, for the appointment of a new rights agent; but any new rights agent so appointed by Northern Superior or by arbitration shall be subject to removal as aforesaid by the Holders. Any new rights agent appointed under any provision of this Section 10.2 must be a corporation authorized to carry on the business of a trust company in the Province of British Columbia and, if required by the applicable trust indenture legislation of any other province or territory, in that other province or territory, and must be a corporation which is independent of Northern Superior and has no material conflict of interest. On any new appointment the new rights agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Rights Agent.
- (b) Any corporation into which the Rights Agent may be merged or with which it may be consolidated or amalgamated or any corporation resulting from any merger, consolidation or amalgamation to which the Rights Agent shall be a party or any corporation succeeding to the trust business of the Rights Agent, shall be the successor rights agent under this Indenture without the execution of any instrument or any further act.

10.3 Evidence, Experts and Advisers

- (a) In addition to the reports, certificates, opinions and other evidence required by this Indenture, Northern Superior shall furnish to the Rights Agent such additional evidence of compliance with any provision hereof, and in such form, as may be prescribed by applicable trust indenture legislation or as the Rights Agent may reasonably require by written notice to Northern Superior.
- (b) In the exercise of its rights and duties hereunder, the Rights Agent may, if it is acting in good faith, rely as to the truth of the statements and the accuracy of the opinions expressed in statutory declarations, opinions, reports, written requests, consents, or orders of Northern Superior, certificates of Northern Superior or other evidence furnished to the Rights Agent pursuant to any provision hereof or any indenture legislation or pursuant to a request of the Rights Agent, not only as to its due execution and the validity and effectiveness of its provisions, but also to the truth and acceptability of any information therein contained which the Rights Agent in good faith believes to be genuine.
- (c) Whenever it is provided in this Indenture, required under applicable law or pursuant to a request of the Rights Agent, Northern Superior shall deposit with the Rights Agent resolutions, certificates, reports, opinions, requests, orders or other documents, it is intended that the truth, accuracy and good faith on the effective date thereof and the facts and opinions stated in all such documents so deposited shall, in each and every such case, be conditions precedent to the right of Northern Superior to have the Rights Agent take the action to be based thereon.
- (d) Proof of the execution of an instrument in writing, including a Holders' Request, by any Holder may be made by the certificate of a notary public, or other officer with similar powers, that the person signing such instrument acknowledged to it the execution thereof, or by an affidavit of a witness to such execution or in any other manner which the Rights Agent may consider adequate.
- (e) The Rights Agent may, at the expense of Northern Superior employ or retain such Counsel, accountants, appraisers or other experts or advisers as it may reasonably require for the purpose of discharging its duties hereunder and may pay reasonable remuneration for all services so performed by any of them, without taxation of costs of any counsel, and shall not be responsible for any misconduct or negligence on the part of any such experts or advisers who have been appointed with due care by the Rights Agent.

10.4 Rights Agent May Deal in Securities

Subject to Section 10.1, the Rights Agent may buy, sell, lend upon and deal in securities of Northern Superior and generally contract and enter into financial transactions with Northern Superior or otherwise, without being liable to account for any profits made thereby.

10.5 Rights Agent Not Ordinarily Bound

Except as otherwise specifically provided herein, the Rights Agent shall not be bound to give notice to any Person of the execution hereof, nor to do, observe or perform or see to the observance or performance by Northern Superior of any of the obligations herein imposed upon Northern Superior or of the covenants on the part of Northern Superior herein contained.

10.6 Rights Agent Not Required to Give Security

The Rights Agent shall not be required to give any bond or security in respect of the execution of the trusts and powers of this Indenture or otherwise in respect of the premises.

10.7 Rights Agent Not Required to Give Notice of Default

The Rights Agent shall not be bound to give any notice or do or take any act, action or proceeding by virtue of the powers conferred on it hereby unless and until it shall have been required to do so under the terms hereof; nor shall the Rights Agent be required to take notice of any Event of Default, unless and until notified in writing of such Event of Default, which notice shall distinctly specify the specific Event of Default desired to be brought to the attention of the Rights Agent and in the absence of any such notice the Rights Agent may for all purposes of this Indenture conclusively assume that no Event of Default has occurred. Any such notice shall in no way limit any discretion herein given to the Rights Agent to determine whether or not the Rights Agent shall take action with respect to any Event of Default.

10.8 Acceptance of Appointment

The Rights Agent hereby accepts its appointment as Rights Agent and its duties and obligations in this Indenture declared and provided for and agrees to perform them upon the terms and conditions herein set forth and to hold and exercise the rights, privileges and benefits conferred upon it hereby, subject to all the terms and conditions herein set forth, until discharged therefrom by resignation or other lawful removal.

10.9 Duties of Rights Agent

The Rights Agent, in exercising its powers and discharging its duties hereunder, shall:

- (a) act honestly and in good faith with a view to the best interests of the Holders; and
- (b) exercise the care, diligence and skill that a reasonably prudent rights agent would exercise in comparable circumstances.

10.10 Actions by Rights Agent

- (a) The obligation of the Rights Agent to commence or continue any act, action or proceeding for the purpose of enforcing any rights of the Rights Agent or the Holders hereunder shall be conditional upon the Holders delivering to the Rights Agent:

- (i) a Holder's Request or Extraordinary Resolution directing the Rights Agent to take such act, action, or proceeding;
 - (ii) sufficient funds to commence or continue such act, action or proceeding; and
 - (iii) an indemnity reasonably satisfactory to the Rights Agent to protect and hold harmless the Rights Agent against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damages it may suffer by reason thereof.
- (b) None of the provisions contained in this Indenture shall require the Rights Agent to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified and funded as aforesaid.

The Rights Agent may, before commencing or at any time during the continuance of any such act, action or proceeding, require the Holders, at whose instance it is acting, to deposit with the Rights Agent the Rights held by them, for which Rights the Rights Agent shall issue receipts.

10.11 Protection of Rights Agent

By way of supplement to the provisions of any law for the time being relating to trustees it is expressly declared and agreed as follows:

- (a) the Rights Agent shall not be liable for or by reason of any statements of fact or recitals in this Indenture or in the Rights Certificates (except the representation contained in Section 10.1 or in the certificate of the Rights Agent on the Rights Certificates) or be required to verify the same, but all such statements or recitals are and shall be deemed to be made by Northern Superior;
- (b) nothing herein contained shall impose any obligation on the Rights Agent to see to or to require evidence of the registration or filing (or renewal thereof) of this Indenture or any instrument ancillary or supplemental hereto; and
- (c) the Rights Agent shall not be bound to give notice to any Person or Persons of the execution hereof.

10.12 Indemnification of the Rights Agent

The Rights Agent, its officers, directors, agents and employees shall at all times be indemnified and saved harmless by Northern Superior from and against all claims, demands, losses, actions, causes of action, suits, proceedings, costs, charges, expenses, assessments, judgements, damages and liabilities whatsoever arising in connection with this Indenture, including, without limitation, those arising out of or related to actions taken or omitted to be taken by the Rights Agent contemplated hereby, reasonable expert consultant and legal fees and disbursements on a solicitor and client basis and reasonable costs and expenses incurred in connection with the enforcement of this indemnity, which the Rights Agent may suffer or incur, whether at law or in equity, in any

way caused by or arising, directly or indirectly, in respect of any act, deed, matter or thing whatsoever made, done, acquiesced in or omitted in or about or in relation to the execution of its duties as Rights Agent. The foregoing provisions of this section do not apply to the extent that in any circumstance there have been acts of gross negligence, wilful misconduct, or bad faith by the Rights Agent. This indemnity shall survive the termination or discharge of this Indenture and the resignation or removal of the Rights Agent.

10.13 Third Party Interests

Each party to this Indenture hereby represents to the Rights Agent that any account to be opened by, or interest to held by the Rights Agent in connection with this Indenture, for or to the credit of such party, either: (a) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Rights Agent's prescribed form as to the particulars of such third party.

10.14 Not Bound to Act/ Anti-Money Laundering

The Rights Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Rights Agent, in its sole judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline. Further, should the Rights Agent, in its sole judgment, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering, antiterrorist or economic sanctions legislation, regulation or guideline, then it shall have the right to resign on ten (10) days' written notice to Northern Superior, provided (i) that the Rights Agent's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Rights Agent's satisfaction within such ten (10) day period, then such resignation shall not be effective.

10.15 Privacy Laws

The parties acknowledge that the Rights Agent may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes: (a) to provide the services required under this Indenture and other services that may be requested from time to time; (b) to help the Rights Agent manage its servicing relationships with such individuals; (c) to meet the Rights Agent's legal and regulatory requirements; and (d) if Social Insurance Numbers are collected by the Rights Agent, to perform tax reporting and to assist in verification of an individual's identity for security purposes.

Each party acknowledges and agrees that the Rights Agent may receive, collect, use and disclose personal information provided to it or acquired by it in the course of its acting as agent hereunder this Indenture for the purposes described above and, generally, in the manner and on the terms described in its Privacy Code, which the Rights Agent shall make available on its website, www.computershare.com, or upon request, including revisions thereto. The Rights Agent may

transfer personal information to other companies in or outside of Canada that provide data processing and storage or other support in order to facilitate the services it provides.

Further, each party agrees that it shall not provide or cause to be provided to the Rights Agent any personal information relating to an individual who is not a party to this Indenture unless the that party has assured itself that such individual understands and has consented to the aforementioned uses and disclosures.

10.16 Force Majeure

Except for the payment obligations of Northern Superior contained herein, neither party shall be liable to the other, or held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provisions contained herein by reason of act of God, riots, terrorism, acts of war, epidemics, pandemics, governmental action or judicial order, earthquakes, economic sanctions or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this section.

10.17 US Securities Law Matters

Northern Superior confirms that (i) the Rights are being issued pursuant to the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereof and similar exemptions from applicable U.S. state securities laws and are not “restricted securities” as defined in Rule 144 under the U.S. Securities Act; and (ii) the Northern Superior Shares issuable upon conversion of the Rights, if issued, will be issued pursuant to the exemption from registration under the U.S. Securities Act provided by Section 3(a)(9) thereof, will not be “restricted securities” as defined in Rule 144 thereunder and shall not bear a U.S. restrictive legend (unless issued to persons who are, have been within 90 days of the Effective Time, or, at the Effective Time become, “affiliates” of Northern Superior, as such term is defined in Rule 144 under the U.S. Securities Act.

ARTICLE 11

AMENDMENTS

11.1 Amendments Without Consent of the Holders

Northern Superior may unilaterally enter into one or more amendments to this Indenture for any of the following purposes without the consent of any of the Holders:

- (a) to evidence the appointment of another person as a successor Rights Agent, provided such successor Rights Agent is appointed in accordance with Section 11.2;
- (b) to add to the covenants of Northern Superior such further covenants, restrictions, conditions or provisions for the protection and benefit of the Holders;

- (c) to cure any ambiguity, to correct or supplement any provision in this Indenture that may be defective or inconsistent with any other provision in this Indenture or to make any other provisions with respect to matters or questions arising under this Indenture; or
- (d) any other amendment to this Indenture that would provide any additional rights or benefits to the Holders and that does not materially adversely affect the interests of any such Holders.

11.2 Amendments with Consent of Holders

With the approval of Required Holders, which for the purposes of this Section 11.2 only shall be fifty percent (50%) of the Holders, Northern Superior and the Rights Agent may enter into one or more amendments to this Indenture for the purpose of adding, eliminating or changing any provisions of this Indenture, even if such addition, elimination or change is adverse to the interests of the Holders.

Promptly after the execution by Northern Superior and the Rights Agent of any amendment listed above (whether with or without the consent of Holders), Northern Superior, by way of instruction to the Rights Agent, as applicable, will notify the Holders of such amendment.

ARTICLE 12

EVENTS OF DEFAULT

12.1 Events of Default Under this Indenture

- (a) Prior to the earlier of the Payment Date and the Termination Date, each one of the following events is an event of default (each, an “**Event of Default**”) under this Indenture:
 - (i) any representation or warranty made by Northern Superior in this Indenture or in respect of the Rights shall prove to have been incorrect in any material respect when made or deemed to be made; *provided* that where such representation or warranty is capable of remediation then an Event of Default shall occur only where it continues to be incorrect for 120 days after written notice thereof has been given to Northern Superior by the Rights Agent or to Northern Superior and the Rights Agent by any Required Holders specifying the relevant representation or warranty and requiring it to be remedied;
 - (ii) Northern Superior shall fail to observe or perform in any material respect any covenant, condition or agreement contained in this Indenture or in respect of the Rights and such failure shall continue unremedied for a period of 120 days after written notice has been given to Northern Superior by the Rights Agent or to Northern Superior and the Rights Agent by any Required Holders specifying such failure and requiring it to be remedied;

- (iii) a court having competent jurisdiction over Northern Superior entering a decree or order (i) for relief in respect of Northern Superior following the filing of any petition, application or other proceeding against or in respect of Northern Superior by or on behalf of a Person (other than Northern Superior) under any applicable bankruptcy, insolvency or other similar law now or thereafter in effect, or (ii) appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of Northern Superior or for any substantial part of its property or ordering the winding up or liquidation of its affairs, and in case of (i) or (ii), such decree or order remaining unstayed and in effect for a period of thirty (30) consecutive days; or
 - (iv) Northern Superior voluntarily (i) commencing or filing any petition, application or other proceeding under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, (ii) consenting to the entry of an order for relief under any proceeding initiated against or in respect of Northern Superior by or on behalf of a Person (other than Northern Superior) under any such law, (iii) consenting to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee or sequestrator (or similar official) of Northern Superior or for any substantial part of its property, or (iv) making any general assignment for the benefit of its creditors.
- (b) If an Event of Default described in Section 12.1(a)(iii) or Section 12.1(a)(iv) above occurs, then the Rights in aggregate will thereafter automatically be converted into and represent an unsecured claim for indebtedness against Northern Superior in an amount of \$8,700,000 in cash plus any additional amount determined to be due and payable to Holders by Northern Superior pursuant to any arbitration under Section 6.2 in lieu of delivery of Northern Superior Shares, regardless of the satisfaction of the Payment Condition (for greater certainty, such unsecured claim shall rank *pari passu* with other unsecured claims of Northern Superior) and the Rights shall no longer entitle Holders to Northern Superior Shares in any circumstance.
- (c) If an Event of Default described in Section 12.1(a) occurs and is continuing, then either the Rights Agent by notice to Northern Superior or the Rights Agent upon the written request of Required Holders by notice to Northern Superior and to the Rights Agent, shall bring the matter to binding arbitration in accordance with Section 6.2 to protect the rights of the Holders.
- (d) The foregoing provisions are subject to the condition that if, at any time after the Rights Agent shall have delivered a notice of arbitration, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, Northern Superior shall pay or shall deposit with the Rights Agent a sum sufficient to cover reasonable compensation to the Rights Agent, its agents, attorneys and counsel, and all other reasonable out-of-pocket expenses and liabilities incurred and all advances made, by the Rights Agent, and if any and all Events of Default under

this Indenture shall have been cured, waived or otherwise remedied as provided in this Indenture, then and in every such case the Required Holders, by written notice to Northern Superior and to the Rights Agent, may waive all Events of Default with respect to the Rights, but no such waiver or rescission and annulment will extend to or will affect any subsequent Event of Default or shall impair any right consequent thereof.

- (e) Northern Superior shall provide the Rights Agent with written notice of the occurrence of any Event of Default under this Indenture within three (3) Business Days of Northern Superior becoming aware of any such Event of Default.

ARTICLE 13

GENERAL PROVISIONS

13.1 Execution

This Indenture may be simultaneously executed in several counterparts, and may be executed by facsimile or other means of electronic communication producing a printed copy, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof.

13.2 Satisfaction and Discharge of Indenture

On the Termination Date, this Indenture shall cease to be of any force and effect and the Rights Agent, on demand of and at the cost and expense of Northern Superior and upon delivery to the Rights Agent of a certificate of Northern Superior stating that all conditions precedent to the satisfaction and discharge of this Indenture have been complied with, shall execute instruments as requested by Northern Superior acknowledging satisfaction of and discharging this Indenture. Notwithstanding the foregoing, the indemnities provided to the Rights Agent by Northern Superior hereunder shall remain in full force and effect and survive the termination of this Indenture.

13.3 Provisions of Indenture and Rights for the Sole Benefit of Parties and Holders

Nothing in this Indenture or in the Rights Certificates, expressed or implied, shall give or be construed to give to any Person other than the parties thereto and the Holders, as the case may be, any legal or equitable right, remedy or claim under this Indenture, or under any covenant or provision herein or therein contained, all such covenants and provisions being for the sole benefit of the parties hereto and the Holders.

13.4 Withholding

Each of Northern Superior and the Rights Agent, as applicable, shall be entitled to deduct or withhold from any amount payable or deliverable hereunder, such amounts as Northern Superior or the Rights Agent, as the case may be, is required to deduct or withhold with respect to such payment or delivery under the *Income Tax Act* (Canada) or any provision of federal, provincial, state, local or foreign tax law (including, for the avoidance of doubt, U.S. federal income tax law if applicable). Northern Superior or the Rights Agent, upon instruction from Northern Superior,

may sell or otherwise dispose of Northern Superior Shares otherwise payable or deliverable to a Holder hereunder as is necessary to provide sufficient funds to enable Northern Superior or the Rights Agent, as the case may be, to comply with all deduction or withholding requirements, and neither Northern Superior nor the Rights Agent shall be liable to any Holder for any deficiency in respect of any proceeds received, and Northern Superior or the Rights Agent, as applicable, shall notify the Holder and remit to the Holder any unapplied balance of the net proceeds of such sale. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes hereof as having been paid to the relevant Holder, provided that such deducted or withheld amounts are actually remitted to the appropriate taxing authority. In lieu of withholding such amounts Northern Superior and the Rights Agent shall be entitled to otherwise require a Holder to provide for such applicable taxes.

[Remainder of page has been left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF the parties hereto have caused this Indenture to be executed as of the date first written above by their respective officers thereunder duly authorized.

NORTHERN SUPERIOR RESOURCES INC.

By: _____
Name:
Title:

**COMPUTERSHARE TRUST COMPANY OF
CANADA**

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE “A”

FORM OF RIGHTS CERTIFICATE

(see attached)

Certificates issued to CDS must bear the following legend:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. (“CDS”) TO NORTHERN SUPERIOR RESOURCES INC. OR ITS TRANSFER AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE.

RIGHTS CERTIFICATE

NORTHERN SUPERIOR RESOURCES INC. (a corporation existing under the laws of
British Columbia)
 (“Northern Superior”)

RIGHTS CERTIFICATE NO. _____

_____ RIGHTS, each entitling the holder to acquire the CVR Payment Amount.

THIS IS TO CERTIFY THAT _____

(the “**holder**”) is the registered holder of the number specified above of rights (“**Rights**”), each Right entitling the holder to receive Common Shares of Northern Superior all on the terms and conditions set out in a rights indenture (the “**Rights Indenture**”) between Northern Superior and Computershare Trust Company of Canada dated [●], 2022.

The Rights represented by this certificate are issued under and pursuant to the Rights Indenture. Reference is made to the Rights Indenture and any instruments supplemental thereto for a full description of the rights of the holders of the Rights and the terms and conditions upon which the Rights are, or are to be, issued and held, with the same effect as if the provisions of the Rights Indenture and all instruments supplemental thereto were herein set forth. By acceptance hereof, the holder assents to all provisions of the Rights Indenture. In the event of a conflict between the provisions of this Rights Certificate and the Rights Indenture, the provisions of the Rights

Indenture shall govern. Capitalized terms used in the Rights Indenture have the meaning herein as therein, unless otherwise defined.

The registered holder of this Rights Certificate may, at any time prior to the close of business on the last Business Day immediately preceding the earlier of the Payment Date and the Termination Date, upon surrender hereof to the Rights Agent at its offices in the city of Montreal, Quebec, exchange this Rights Certificate for other Rights Certificates entitling the holder to acquire, in the aggregate, the same CVR Payment Amount as may be acquired under this Rights Certificate.

The holding of the Rights evidenced by this Rights Certificate shall not constitute the holder hereof a shareholder of Northern Superior or entitle the holder to any right or interest in respect thereof except as expressly provided in the Rights Indenture and in this Rights Certificate.

The Rights Indenture provides that all holders of Rights shall be bound by any resolution passed at a meeting of the holders held in accordance with the provisions of the Rights Indenture and resolutions signed by the holders of Rights.

The Rights evidenced by this Rights Certificate may only be transferred in accordance with the terms of the Rights Indenture and upon compliance with such reasonable requirements as the Rights Agent may prescribe.

This Rights Certificate shall not be valid for any purpose whatever unless and until it has been certified by or on behalf of the Rights Agent.

Time shall be of the essence hereof.

IN WITNESS WHEREOF Northern Superior has caused this Rights Certificate to be signed by its duly authorized officer as of [●], 2022.

**NORTHERN SUPERIOR RESOURCES
INC.**

Per: _____
(Authorized Signatory)

Certified by:

**COMPUTERSHARE TRUST
COMPANY OF CANADA**

Rights Agent

Per: _____
(Authorized Signatory)