

**THIRD AMENDED AND RESTATED SECURITY AGREEMENT**

**AMONG:**

**NORTHCLIFF HOLDINGS (CANADA) LTD.**

**AND**

**SISSON RESOURCES LTD.**

**AND**

**TODD SISSON (NZ) LIMITED**

**JUNE 23, 2022**

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### **THIRD AMENDED AND RESTATED SECURITY AGREEMENT**

**THIS THIRD AMENDED AND RESTATED SECURITY AGREEMENT** is dated the date set out below and made,

**AMONG:**

**NORTHCLIFF HOLDINGS (CANADA) LTD.**, a corporation existing under the laws of the Province of British Columbia;

(**“Northcliff”**)

**AND:**

**SISSON RESOURCES LTD.**, a corporation existing under the laws of the Province of British Columbia;

(**“Sisson”** and together with Northcliff, the **“Debtors”**)

**AND:**

**TODD SISSON (NZ) LIMITED**, a corporation existing under the laws of New Zealand

(the **“Secured Party”**)

**WHEREAS** the Debtors and Northcliff Resources Ltd., as co-borrowers, and the Secured Party, as lender, entered into a convertible loan agreement made as of October 14, 2020 (the **“Original Loan Agreement”**);

**AND WHEREAS** the Debtors granted a security interest over the Collateral in order to secure the performance of the obligations under the Original Loan Agreement to the Secured Party pursuant to a security agreement made as of October 14, 2020 (the **“Original Security Agreement”**) between the Debtors and the Secured Party;

**AND WHEREAS** the parties to the Original Loan Agreement amended and restated the Original Loan Agreement on February 25, 2021 (the **“Amended Original Loan Agreement”**) and in connection therewith the parties to the Original Security Agreement amended and restated the Original Security Agreement on February 25, 2021 (the **“First Amended and Restated Security Agreement”**) in order to secure the performance of the obligations under the Amended Original Loan Agreement;

**AND WHEREAS** the outstanding principal amount of the Amended Original Loan Agreement together with accrued interest thereon was converted into common shares in the capital of Northcliff;

**AND WHEREAS** the Debtors and Northcliff Resources Ltd., as co-borrowers, and the Secured Party, as lender, entered into a second convertible loan agreement made on or about August 20, 2021 (as amended, the **“Second Loan Agreement”**) and in connection therewith the parties to

the First Amended and Restated Security Agreement amended and restated the First Amended and Restated Security Agreement on August 20, 2021 (the “**Second Amended and Restated Security Agreement**”) in order to secure the performance of the obligations under the Amended Original Loan Agreement and Second Loan Agreement;

**AND WHEREAS** the Debtors and Northcliff Resources Ltd., as co-borrowers, and the Secured Party, as lender, entered into an interim convertible loan agreement made on or about the date of this Agreement (the “**Interim Loan Agreement**”);

**AND WHEREAS** the Debtors and Northcliff Resources Ltd., as co-borrowers, and the Secured Party, as lender, entered into a third convertible loan agreement made on or about the date of this Agreement (the “**Third Loan Agreement**”, and together with the Second Loan Agreement and the Interim Loan Agreement the “**Loan Agreements**”);

**AND WHEREAS** the parties to the Second Amended and Restated Security Agreement have agreed to enter into this Agreement, which further amends and restates in its entirety the Second Amended and Restated Security Agreement;

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

## **ARTICLE 1 DEFINITIONS**

### **1.1            Definitions**

In this Agreement the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) “**Act**” means the Personal Property Security Act of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect, and where applicable, the equivalent legislation in any other jurisdiction.
- (b) “**Agreement**” or “**this Agreement**” means this Third Amended and Restated Security Agreement including all recitals and schedules hereto, as modified, amended, restated or replaced from time to time.
- (c) “**Certificates**” means the physical certificates, if any, representing the Collateral.
- (d) “**Collateral**” means any and all and any part of the ownership interests of each of Sisson LP and Sisson GP including common shares, capital stock, voting or non voting shares, partnership interests, membership interests and units or any other interests of Sisson LP or Sisson GP in which any Debtor now or subsequently has an interest, including all warrants and options relating to such interests and any substitutions, additions and proceeds arising out of any consolidation, subdivision, reclassification, conversion, stock dividend or similar increase or decrease in or alteration of the capital of Sisson LP, Sisson GP or any other event.

- (e) **“Debtors”** means the parties so described above and their successors and assigns, whether immediate or derivative, and **“Debtor”** means either of them.
- (f) **“Encumbrances”** means any grant, mortgage, pledge, charge (whether fixed or floating), hypothec, assignment, security interest, lien, privilege title retention agreement, levy, execution attachment or other encumbrance (whether statutory or otherwise) whatsoever or any nature or kind and howsoever created.
- (g) **“Events of Default”** means the events of default described in Article 7 of this Agreement and **“Event of Default”** means any one of them.

**“Governmental Authority”** means the government of Canada, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.
- (h) **“Loans”** means (i) the \$1,000,000 loan made or to be made by the Secured Party, as lender, to the Debtors and Northcliff Resources, as co-borrowers, pursuant to the Second Loan Agreement; (ii) the \$750,000 loan made or to be made by the Secured Party, as lender, to the Debtors and Northcliff Resources, as co-borrowers, pursuant to the Interim Loan Agreement; and (iii) the \$5,200,000 loan made or to be made by the Secured Party, as lender, to the Debtors and Northcliff Resources, as co-borrowers, pursuant to the Third Loan Agreement.
- (i) **“Northcliff Resources”** means Northcliff Resources Ltd.
- (j) **“Persons”** or **“Person”** means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
- (k) **“Permitted Encumbrances”** means, with respect to any Person, the following:
  - (i) liens for taxes, rates, assessments or other governmental charges or levies not yet due, or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person;
  - (ii) undetermined or inchoate liens, rights of distress and charges incidental to current operations that have not at such time been filed or exercised and of which the Secured Party has not been given notice, or that relate to obligations not due or payable, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person;

- (iii) title defects, irregularities or other matters relating to title that are of a minor nature and that in the aggregate do not materially impair the use of the affected property for the purpose for which it is used by that Person;
  - (iv) the right reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit acquired by that Person or by any statutory provision to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;
  - (v) security given to a public utility or any Governmental Authority when required by such utility or authority in connection with the operations of that Person in the ordinary course of its business; the Encumbrance created by a judgement of a court of competent jurisdiction, as long as the judgement is being contested diligently and in good faith by appropriate proceedings by that Person and does not result in an Event of Default; and
  - (vi) such other Encumbrances as are agreed to in writing by the Secured Party.
- (l) **“Secured Obligations”** means the obligations of the Debtor to the Secured Party in connection with the Loans whether direct or indirect, absolute or contingent, joint, several or joint and several, matured or not, extended or renewed, wherever and however incurred, of whatever nature or kind.
  - (m) **“Secured Party”** means the party so described above and its successors and assigns, whether immediate or derivative.
  - (n) **“Sisson”** means Sisson Resources Ltd.
  - (o) **“Sisson GP”** means Sisson Mines Ltd., being the general partner of Sisson LP.
  - (p) **“Sisson LP”** means the Sisson Project Limited Partnership that holds the Sisson property, located near Fredericton, New Brunswick, Canada.
  - (q) **“STA”** means the Securities Transfer Act of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect, and where applicable, the equivalent legislation in any other jurisdiction.

## 1.2 **Applicability of Act**

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

## **ARTICLE 2 SECURITY INTEREST**

### **2.1            Creation of Security Interest**

For valuable consideration and as continuing security for the payment, observance and performance of each and all of the Secured Obligations, each Debtor grants a security interest in its Collateral to the Secured Party.

### **2.2            Attachment**

The Debtors acknowledge that value has been given and agree that the security interest hereby created attaches upon the execution of this Agreement by the Debtors (or in the case of any after acquired property, upon the date of acquisition thereof by or on behalf of any Debtor) and each the Debtor has rights in its Collateral.

## **ARTICLE 3 SECURED OBLIGATIONS**

### **3.1            Secured Obligations**

This Agreement, the Collateral and the security and other interests hereby created are in addition to and not in substitution for any other security interest now or hereafter held by the Secured Party from the Debtors or from any other Person whomsoever and will be general and continuing security for the payment, performance and observance of the Secured Obligations.

## **ARTICLE 4 DEBTOR'S REPRESENTATIONS AND WARRANTIES**

### **4.1            General**

The Debtors make the representations and warranties set out in this paragraph 4.1 to and for the benefit of the Secured Party.

- (a)    **Proceedings and Enforceability:** Each Debtor represents and warrants that this Agreement is granted in accordance with resolutions of the directors of such Debtor and all other matters and things have been done and performed so as to authorize and make the execution and delivery of this Agreement and the performance of the Secured Obligations hereunder, a valid and legally binding obligation of such Debtor enforceable in accordance with its terms, subject only to bankruptcy, insolvency or other statutes or judicial decisions affecting the enforcement of creditors' rights generally and to general principles of equity.
- (b)    **Non-Conflict:** Neither the execution nor the performance of this Agreement requires the approval of any regulatory agency having jurisdiction over any Debtor nor is this Agreement in contravention of or in conflict with the articles, by-laws or resolutions of the directors of any Debtor, or of the provisions of any agreement to which any Debtor is a party or by which any of its property may be



bound or of any statute, regulation, by-law, ordinance or other law, or of any judgment, decree, award, ruling or order to which any Debtor or any of its property may be subject.

- (c) **No Default:** No Debtor is in breach or default under any agreement to which it is a party which if not cured would have a material adverse effect upon such Debtor or the Collateral.
- (d) **No Liens:** Except for Permitted Encumbrances, each Debtor has paid and discharged all claims and demands of all employees, contractors, subcontractors, material men, mechanics, carriers, warehousemen, landlords, and other like persons, and all governmental taxes, assessments, withholdings, remittances, charges, levies, and claims levied or imposed, which, if unpaid, become or might become an Encumbrance upon any or all of the properties, assets, earnings, or operations of such Debtor.
- (e) **Collateral Free of Encumbrances:** Each Debtor is the owner of or has rights in its Collateral free and clear of all Encumbrances whatsoever save only Permitted Encumbrances.
- (f) **Ownership:**
  - (i) The Collateral set out on Schedule A represent all of the issued and outstanding equity interests of Sisson LP and Sisson GP held by the Debtors;
  - (ii) The Collateral, where applicable, has been duly issued and are outstanding as fully paid and non-assessable securities;
  - (iii) Upon delivery of the Certificates and related powers of attorney to the Secured Party, no other person has control of the 885 Common Shares of Sisson GP that are described in Schedule A;
  - (iv) The jurisdiction of Sisson LP (determined in accordance with Section 44(5) of the STA) and Sisson GP is set out on Schedule A; and
  - (v) All of Sisson GP's issued and outstanding capital is certificated.

## **ARTICLE 5 DEBTOR'S COVENANTS**

### **5.1 General Covenants**

The Debtors covenant and agree with the Secured Party as set forth in this Section 5.1 unless compliance with any such covenants is waived by the Secured Party in writing, or unless non-compliance with any such covenants is otherwise consented to by the Secured Party by written agreement with a Debtor.

- (a) **Compliance with Secured Obligations:** The Debtors shall strictly comply with all of the Secured Obligations.

- (b) **Keep Collateral in Good Repair:** The Debtors shall keep the Collateral in good order, condition and repair.
- (c) **Conduct of Business:** The Debtors shall carry on and conduct their affairs in a proper and efficient manner so as to protect and preserve the Collateral.
- (d) **Payment of Other Sums Due:** The Debtors shall pay when due all amounts which are payable by it in connection with the Collateral, howsoever arising, including without limiting the generality of the foregoing, all rents, charges, taxes, rates, levies, assessments, fees and duties of every nature which may be levied, assessed or imposed against or in respect of the Collateral or the Debtors and shall provide the Secured Party with evidence of such payment upon request.
- (e) **Notice of Encumbrances and Proceedings:** The Debtors shall promptly notify the Secured Party of any Encumbrance made or asserted against any of the Collateral, and of any suit, action or proceeding affecting any of the Collateral or which could affect a Debtor. Each Debtor shall, at its own expense, defend the Collateral against any and all Encumbrances (other than any Permitted Encumbrances) and against any and all such suits, actions or proceedings.
- (f) **No Accessions or Fixtures:** Each Debtor shall prevent the Collateral from becoming an accession to any property other than other items of the Collateral or from becoming a Fixture unless the security interests hereby created rank prior to the interests of all other persons in the applicable property.
- (g) **Marking the Collateral:** Each Debtor shall, at the request of the Secured Party, mark, or otherwise take appropriate steps to identify, the Collateral to indicate clearly that it is subject to the security interests hereby created.
- (h) **Notice of Loss of Collateral:** Each Debtor shall give immediate written notice to the Secured Party of all loss or damage to or loss or possession of the Collateral otherwise than by disposition in accordance with the terms hereof.
- (i) **Delivery of Documents:** The Debtor shall promptly deliver to the Secured Party upon request:
  - (i) any documents of title and instruments representing or relating to the Collateral;
  - (ii) deliver a true and complete copy of each agreement or contract or other document included in the Collateral; and
  - (iii) such information concerning the Collateral, the Debtors and the Debtors' operations and affairs as the Secured Party may request, acting reasonably.
- (j) **Reliance and Survival:** All representations and warranties of any Debtor made herein or in any certificate or other document or agreement delivered by or on behalf of a Debtor for the benefit of the Secured Party are material, will survive

the execution and delivery of this Agreement and will continue in full force and effect without time limit. The Secured Party is deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

- (k) **Compliance with Agreements and Laws:** No Debtors shall use the Collateral in violation of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation, court order or ordinance.
- (l) **Disposition of Collateral:** Provided that so long as no Event of Default remains outstanding, the Debtor shall not, except with the prior written consent of the Secured Party, such consent not to be unreasonably delayed or withheld:
  - (i) assign, sell, lease, exchange, or otherwise dispose of the Collateral or any interest therein; or
  - (ii) release, surrender or abandon possession of any of the Collateral or terminate or cancel any material agreement included in the Collateral.
- (m) **Encumbrances:** No Debtor shall create, assume or suffer to exist any Encumbrance in, of or on any of the Collateral except for Permitted Encumbrances.
- (n) **Liability for Deficiency:** If the aggregate sum realized as a result of any realization pursuant hereto is not sufficient to pay the whole amount of the Secured Obligations, each Debtor shall forthwith pay to the Secured Party the full amount of the deficiency plus interest thereon at the rate or rates applicable to the Secured Obligations.
- (o) **Notification:** Each Debtors shall notify the Secured Party promptly of the details of any claims or litigation affecting the Debtors or the Collateral other than as disclosed in Northcliff Resources' filings on SEDAR.
- (p) **Payments:** Each Debtor shall forthwith pay:
  - (i) Taxes: all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless such Debtor shall in good faith contests its obligations so to pay and furnishes such security as the Secured Party may require; and
  - (ii) Prior Encumbrances: all Encumbrances which rank or could in any event rank in priority to or *pari passu* with the security constituted by this Agreement.
- (q) **Delivery of Certificates:** The Certificates and any future certificates representing the Collateral, endorsed in blank for transfer shall forthwith be delivered to and remain in the custody of the Secured Party or its nominee. Upon an event of default, any or all of the Collateral may, at the option of the Secured Party, be

registered in the name of the Secured Party or its nominee and the Debtors covenant to deliver such stock powers and similar documents with respect to the Collateral as the Secured Party or its nominee may reasonably from time to time request, satisfactory in form and substance to the Secured Party. If the charter documents of Sisson LP or Sisson GP restrict the transfer of the Collateral, then the Debtors shall also deliver to the Secured Party a certified copy of a resolution of the partners of Sisson LP or the directors or shareholders of Sisson GP, as applicable, consenting to the transfer(s) contemplated by this Agreement.

## **ARTICLE 6 PERFORMANCE OF OBLIGATIONS**

### **6.1        Perform Obligations**

If a Debtor fails to perform its obligations hereunder, the Secured Party may, but will not be obligated to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred in connection therewith will be payable by the Debtors to the Secured Party forthwith with interest until paid at the rate borne by the Secured Obligations and such amounts will be a charge upon and security interest in the Collateral in favour of the Secured Party prior to all claims subsequent to this Agreement.

## **ARTICLE 7 DEFAULT**

### **7.1        Default**

The Debtors shall be in default under this Agreement upon the occurrence of any of the following events:

- (a) if, pursuant to the Loan Agreements, the Secured Party is entitled to accelerate any Loan;
- (b) if a Debtor neglects to observe or perform any covenant or obligation herein contained on its part to be observed or performed and it fails to remedy such default within 15 days from the earlier of (i) the date it becomes aware of such default, and (ii) the date the Lender delivers written notice of the default to it;
- (c) if any representation or warranty made by a Debtor in this Agreement, proves to have been incorrect or misleading in any material respect on and as of the date that it was made or was deemed to have been made and it fails to remedy such default within 15 days of the occurrence of such event;
- (d) if a receiver or receiver-manager is appointed by a court or any other Person in respect of a Debtor, or any part of the property, assets or undertakings charged by this Agreement; or

- (e) if a Debtor or any other Person who becomes an owner of an interest in any of the Collateral while this Agreement is in effect, without the prior consent in writing of the Secured Party, grants or proposes to grant an Encumbrance upon or in respect of that Collateral other than pursuant to this Agreement or a Permitted Encumbrance; or
- (f) if any execution, sequestration, extent or any other process of any other kind is levied or enforced upon or against the Collateral or any part thereof by any Person other than the Secured Party and remains unsatisfied for a period of 10 days; or
- (g) if the holder (other than the Secured Party) of any Encumbrance against any of the Collateral does anything to enforce or realize on such Encumbrance; or
- (h) a material portion of the Collateral is lost, damaged or destroyed.

## ARTICLE 8 RIGHTS, REMEDIES AND POWERS

### 8.1 Before and After Default

At any time and from time to time without notice, whether before or after an Event of Default, the Secured Party will have the right and power (but will not be obligated):

- (a) **Inspection and Records:** to inspect the Collateral whenever the Secured Party considers it appropriate to do so, acting reasonably, and to inspect, review, audit and copy any or all information relating thereto or to the Collateral or to any other transactions between the parties hereto wherever and however such information is stored, and for such purposes may at any time with or without notice enter into and upon any lands, buildings and premises where the Collateral or any such information is or may be;
- (b) **Set-Off:** to set off the Secured Obligations against any or all debts and liabilities, direct and indirect, absolute and contingent, in any currency, now existing or hereafter incurred by the Secured Party in any capacity in favour of the Debtors;
- (c) **Perfection of Charges:** to file such financing statements and financing change statements and do such other acts, matters and things as the Secured Party may consider appropriate to perfect, preserve, continue and realize upon the security interest created hereby, all without the consent of or notice to the Debtors; and
- (d) **Extensions and Other Indulgences:** to grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of Encumbrances, and otherwise deal with the Debtors and other obligors of the Debtors, sureties and others and with the Collateral and Encumbrances as the Secured Party may consider appropriate, acting reasonably, all without prejudice to the liability of the Debtors or the Secured Party's rights to hold and realize on the security interest created hereby.

## 8.2 After Default

Upon the occurrence of an Event of Default and at any time thereafter, the Secured Party may exercise any or all of the rights, remedies and powers of the Secured Party under the Act, or otherwise existing, whether under this Agreement or any other agreement or at law or in equity, all of which other rights, remedies and powers are hereby incorporated as if expressly set out herein. In addition to the foregoing, the Secured Party will have the right and power (but will not be obligated):

- (a) **Accelerate Secured Obligations:** to declare any or all of the Secured Obligations to be immediately due and payable;
- (b) **Enter and Take Possession:** to take possession of the Collateral and to collect and get in the same, and for such purposes may at any time, with or without notice or legal process and to the exclusion of all others including the Debtors and their servants, agents and employees, enter into and upon, use and occupy any lands, buildings and premises wheresoever and whatsoever, where the Collateral is or may be located and do any act and take any proceedings in the name of a Debtor or otherwise, as the Secured Party may consider appropriate;
- (c) **Control of Proceeds:** to take control of any or all proceeds where the Collateral (including proceeds) is dealt with or otherwise gives rise to proceeds;
- (d) **Use and Protection of the Collateral:** to use, hold, insure, preserve, repair, process, maintain, protect and prepare the Collateral for disposition and to renew or replace such of the Collateral as may be worn out, lost or otherwise unserviceable, in the manner and to the extent that the Secured Party may consider appropriate;
- (e) **Disposition of the Collateral:** to sell, lease, rent or otherwise dispose of or concur in the sale, lease, rental or other disposition of the Collateral, whether in or out of the ordinary course of business, by private or public sale, lease or other disposition, with or without notice, advertising or any other formality, either for cash or in any manner involving deferred payment in whole or in part, at such time or times and upon such terms and conditions as the Secured Party may consider appropriate and for such prices or consideration as can reasonably be obtained at such time therefor, and to carry any such disposition into effect by conveying title and executing agreements and assurances in the name of a Debtor or otherwise as the Secured Party may consider appropriate, and to make any stipulations as to title or conveyance or commencement of title or otherwise as the Secured Party may consider appropriate, and to buy in or rescind or vary any contract for the disposition of the Collateral and to re-dispose of the same without being answerable for any loss occasioned thereby;
- (f) **Exercise and Enforcement of the Debtor's Rights:** to exercise as to the Collateral any or all of the rights, remedies and powers of the Debtors, and to enforce the observance and performance by others of all other obligations and liabilities under or in respect of the Collateral;

- (g) **Payment of Liabilities:** to pay any or all debts and liabilities in connection with the Collateral;
- (h) **Arrangements:** to enter into any compromise, extension, reorganization, deposit, merger or consolidation agreement or similar arrangement in any way relating to or affecting the Collateral, and in connection therewith may deposit, exchange or surrender control of the Collateral and accept other property upon such terms as the Secured Party may consider appropriate, and either with or without payment or exchange of money for equality of exchange or otherwise;
- (i) **Institution and Defence of Actions:** to institute and prosecute all suits, proceedings and actions which the Secured Party may consider necessary or advisable for the proper protection or enforcement of the Collateral, and to defend all suits, proceedings and actions against the Debtors or either of them, and to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted, and to appeal any suit, proceeding or action;
- (j) **Foreclosure:** to exercise its rights under the Act, as amended from time to time, to give notice of a proposal to take, and to subsequently take, the Collateral in satisfaction of the Secured Obligations;
- (k) **Other Means of Enforcement:** to otherwise enforce this Agreement and realize upon the security interest created hereby by any method permitted by law, including by bringing action to recover a judgment or by taking proceedings to obtain a certificate under the Creditor Assistance Act of British Columbia against the Debtors or either of them, and to do all such other acts and things as it may consider incidental or conducive to any of its rights, remedies and powers; and
- (l) **Appointment of Receiver:** to appoint by instrument in writing with or without bond, or to take proceedings in any court of competent jurisdiction for the appointment of, a receiver or receiver manager of any Debtor or the Collateral, including all or any part or parts of the undertaking and business or businesses of the Debtors, and to remove any receiver or receiver manager appointed by the Secured Party and to appoint another in his stead, (and any person so appointed, whether by the Secured Party or a court, will be referred to herein as the “Receiver”).

### 8.3 Receiver

Any Receiver will be entitled to exercise any and all rights, remedies and powers of the Secured Party under the Act as amended from time to time or any other applicable legislation or otherwise existing, whether under this Agreement or any other agreement or at law or in equity, all of which other rights, remedies and powers are hereby incorporated as if expressly set out herein, and in addition will have the right and power (but will not be obligated):

- (a) **Carry on Business:** to carry on or concur in carrying on all or any part of the business or businesses of the Debtors;

- (b) **Employ Agents:** to employ and discharge such agents, managers, clerks, lawyers, accountants, servants, workmen and others upon such terms and with such salaries, wages or remuneration as the Receiver may consider appropriate;
- (c) **Raise Funds and Grant Security:** to borrow or otherwise raise on the security of the Collateral or otherwise any sum or sums of money required for the seizure, retaking, repossession, holding, insuring, repairing, processing, maintaining, protecting, preparing for disposition and disposing of the Collateral, or for the carrying on of all or any part of the business or businesses of the Debtors, or for any other enforcement of this Agreement, in such sum or sums as will in the opinion of the Receiver be sufficient for obtaining the amounts from time to time required, and in so doing may issue certificates which may be payable either to order or to bearer and may be payable at such time or times as the Receiver may consider appropriate and may bear interest as stated therein, and the amounts from time to time payable by virtue of such certificates will form an Encumbrance in and upon the Collateral in priority to the security interest created hereby; and
- (d) **Other Rights:** to exercise any or all rights, remedies and powers of the Secured Party under this Agreement conferred or delegated to the Receiver by the Secured Party.

#### **8.4 Rights of Transferees**

No purchaser, lessee or other transferee pursuant to any disposition made or purporting to be made pursuant to this Agreement will be bound or concerned to see or enquire whether an Event of Default has occurred or continues, or whether any notice required hereunder has been given, or as to the necessity or expediency of the stipulations subject to which such disposition is to be made, or otherwise as to the propriety of such disposition or the regularity of its proceedings, or be affected by notice that no Event of Default has occurred or continues or that any required notice has not been given or that the disposition is otherwise unnecessary, improper or irregular, and, notwithstanding any impropriety or irregularity whatsoever or notice thereof, the disposition as regards such purchaser, lessee or other transferee will be deemed to be within the powers conferred by this Agreement and will be valid accordingly, and the remedy (if any) of the Debtors in respect of any impropriety or irregularity whatsoever in any such disposition will be in damages only.

#### **8.5 Application of Proceeds**

Any proceeds of any disposition of the Collateral, any net profits of carrying on all or any part of the business or businesses of the Debtors or either of them, and any proceeds of any other realization will, at the option of the Secured Party, be held in whole or in part unappropriated in a separate account (as security for any or all of the Secured Obligations including such part or parts thereof as may be contingent or not yet due) or be applied in whole or in part (subject to applicable legislation and the claims of any creditors ranking in priority to the security interest created hereby):

- (a) **Receiver's Costs:** firstly, to the payment of all reasonable costs, charges and expenses of and incidental to the appointment of any Receiver and the exercise by the Receiver of any or all of its rights, remedies and powers with respect to the



Debtors, the Collateral and this Agreement, including the remuneration of the Receiver and all amounts properly payable by the Receiver together with all legal costs in respect thereof;

- (b) **Costs of Repossession and Disposition:** secondly, to the payment of all reasonable costs, charges and expenses incurred or paid in connection with seizing, repossessing, collecting, holding, repairing, processing, preparing for disposition and disposing of the Collateral and any other expenses of enforcing this Agreement incurred by the Secured Party (including legal fees and all taxes, costs and charges in respect of the Collateral);
- (c) **Secured Obligations:** thirdly, to the payment of the Secured Obligations; and
- (d) **Surplus:** fourthly, any surplus will, subject to the rights of any other creditors of the Debtors, be paid to the Debtors.

It is understood that the Debtors shall remain jointly and severally liable to the extent of any deficiency between the amount of the proceeds of the Collateral and the aggregate amount of the Secured Obligations.

#### **8.6 Rights Cumulative**

All rights, remedies and powers of the Secured Party and any Receiver set out in this Agreement are cumulative. No right, remedy or power set out herein is intended to be exclusive but each will be in addition to every other right, remedy and power contained herein or in any other existing or future agreement or now or hereafter existing by statute, at law or in equity.

#### **8.7 Order of Realization**

The Secured Party may realize upon the security interest created hereby and any other Encumbrances it may now or hereafter have in such order as it may consider appropriate, and any such realization by any means upon any such Encumbrance will not bar realization upon any other Encumbrance(s).

#### **8.8 Waiver**

The Secured Party in its absolute discretion may at any time and from time to time by written notice waive any breach by the Debtors of any of its covenants or agreements herein. No course of dealing between the Debtors and the Secured Party will operate as a waiver of any of the Secured Party's rights, remedies or powers. No failure or delay on the part of the Secured Party to exercise any right, remedy or power given herein or by any other existing or future agreement or now or hereafter existing by statute, at law or in equity will operate as a waiver thereof, nor will any single or partial exercise of any such right, remedy or power preclude any other exercise thereof or the exercise of any other such right, remedy or power, nor will any waiver by the Secured Party be deemed to be a waiver of any subsequent, similar or other event.

## **ARTICLE 9 MISCELLANEOUS**

### **9.1           No Merger**

This Agreement will not operate so as to create any merger or discharge of any of the Secured Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from a Debtor or from any other person whomsoever. The taking of a judgment with respect to any of the Secured Obligations will not operate as a merger of any of the covenants contained in this Agreement.

### **9.2           Set-Off or Counterclaim**

The obligation of each Debtor to make all payments comprising part of the Secured Obligations is absolute and unconditional and will not be affected by:

- (a) any circumstance, including any set-off, compensation, counterclaim, recoupment, defence or other right which a Debtor may now or hereafter have against the Secured Party or any one or more others for any reason whatsoever; or
- (b) any insolvency, bankruptcy, reorganization or similar proceedings by or against a Debtor.

### **9.3           Assignment**

The Secured Party may, without further notice to the Debtors, at any time assign, transfer or grant a security interest in this Agreement and the security interests granted hereby. The Debtors expressly agree that the assignee, transferee or secured party, as the case may be, will have all of the Secured Party's rights and remedies under this Agreement and the Debtors shall not assert any defence, counterclaim, right of set-off or otherwise any claim which they now have or hereafter acquire against the Secured Party in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Secured Obligations to the assignee, transferee or secured party, as the case may be, as the Secured Obligations become due. No Debtor shall assign this Agreement or any of its rights or benefits hereunder without the prior written consent of the Secured Party.

### **9.4           Further Assurances**

The Debtors shall at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Secured Party may reasonably require in order to give effect to the provisions hereof and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the security interests hereby created and the priority accorded to them by law or under this Agreement.

## **9.5            Notices**

Notice hereunder may be given to either party in the manner contemplated by the Loan Agreements.

## **9.6            Discharge**

Any partial payment or satisfaction of the Secured Obligations will be deemed not to be a redemption or discharge of this Agreement. The Debtor shall be entitled to a release and discharge of this Agreement upon full payment and satisfaction of all Secured Obligations and upon written request by the Debtor.

## **9.7            Delivery of Copy/Waiver**

The Debtors acknowledge receiving a copy of this Agreement. Each Debtor waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed at any time in respect of this Agreement.

## **9.8            General Partnership Interests**

If at any time or from time to time, the Collateral is comprised of general partner units of Sisson LP (“**General Partner Units**”) the Debtors acknowledge that it is the intention of the Secured Party and the Debtors that the Secured Party should not under any circumstances prior to realization thereon be held to be a general partner of a limited partnership. Therefore, notwithstanding any provisions to the contrary contained in this Agreement, where a Debtor is the registered owner of General Partner Units which are Collateral, such Debtor will remain the sole registered owner of such General Partner Units until such time as such General Partner Units are effectively transferred into the name of the Secured Party or any other Person on the books and records of Sisson LP. To the extent any provision hereof would have the effect of constituting the Secured Party as a general partner of Sisson LP prior to such time, such provision shall be severed herefrom and shall be ineffective with respect to General Partner Units which are Collateral without otherwise invalidating or rendering unenforceable this Agreement or invalidating or rendering unenforceable such provision insofar as it relates to Collateral which is not General Partner Units.

# **ARTICLE 10 INTERPRETATION**

## **10.1          Amendment**

Any amendment of this Agreement shall not be binding unless in writing and signed by the Secured Party and the Debtors.

## **10.2          Headings**

All headings and titles in this Agreement are for reference only and are not to be used in the interpretation of the terms hereof.

**10.3            Hereof, Etc.**

All references in this Agreement to the words “**hereof**”, “**herein**”, “**hereby**” or “**hereunder**” will be construed to mean and refer to this Agreement as a whole and will not be construed to refer only to a specific Article, Section, paragraph or clause of this Agreement unless the context clearly requires such construction.

**10.4            Severability**

If any of the terms of this Agreement are or are held to be unenforceable or otherwise invalid, such holding will not in any way affect the enforceability or validity of the remaining terms of this Agreement.

**10.5            Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia, and each party hereby submits to the jurisdiction of the courts of the Province of British Columbia provided that the foregoing will in no way limit the right of the Secured Party to commence suits, actions or proceedings based on this Agreement in any other jurisdiction.

**10.6            Interpretation**

Wherever the singular or masculine gender is used throughout this Agreement the same will be construed as meaning the plural or the feminine or the body corporate or politic where the context or the parties hereto so require.

**10.7            Binding Effect**

This Agreement shall be binding on the Debtors and their heirs, executors, personal representatives, successors and permitted assigns and shall enure to the benefit of the Secured Party and its successors and assigns.

**10.8            Entire Agreement**

The Secured Party has made no representations, warranties, covenants or acknowledgements affecting any Collateral, other than as expressly set out herein in writing.

**10.9            Amendment and Restatement**

This Agreement amends and restates the Second Amended and Restated Security Agreement, which shall remain in full force and effect as amended herein. The Debtors and the Secured Party acknowledge and agree that the security interest granted under the Original Security Agreement continues in full force and effect to secure the Secured Obligations and each reference to the Original Security Agreement, the First Amended and Restated Security Agreement and Second Amended and Restated Security Agreement in each agreement, document and instrument executed by the Debtors, the Secured Party or any other person

pursuant to the Original Loan Agreement, the Amended Original Loan Agreement and the Second Loan Agreement shall mean and refer to this Agreement.

**10.10            Counterparts**

This Agreement may be executed in counterparts and an executed copy of this Agreement may be delivered by electronic facsimile transmission or other means of electronic communication capable of producing a signed printed copy of this Agreement. **Any such execution and delivery will be deemed to have occurred as of the date set forth below by the party so delivering such copy.**

**[Signature pages follow]**

**EXECUTED** by the Debtors and the Secured Party as of the 23<sup>rd</sup> day of June, 2022.

**NORTHCLIFF HOLDINGS (CANADA)  
LTD.**

Per: (signed) "Andrew Ing"  
Authorized Signatory

**SISSON RESOURCES LTD.**

Per: (signed) "Andrew Ing"  
Authorized Signatory

**TODD SISSON (NZ) LIMITED**

Per: (signed) "Michael Wolley"  
Authorized Signatory

## **SCHEDULE A**

### **COLLATERAL**

As of June 23, 2022

Issuer	Holder	Jurisdiction of Issuer	Shares/Partnership Units	Certificated?
Sisson LP	Northcliff Holdings (Canada) Ltd.	British Columbia	885 Partnership Units	No
Sisson GP	Sisson Resources Ltd.	British Columbia	885 Common Shares	Yes