EXECUTION VERSION

STEPPE GOLD LTD.

AND

ANACORTES MINING CORP

ARRANGEMENT AGREEMENT

DATED MAY 5, 2023

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated May 5, 2023,

BETWEEN:

STEPPE GOLD LTD., a corporation existing under the laws of Ontario ("**Acquiror**")

AND:

ANACORTES MINING CORP., a corporation existing under the laws of British Columbia (the "**Company**")

WHEREAS:

A. Each of the Company Board and the Acquiror Board have determined that it would be in the best interests of the Company and Acquiror, respectively, to combine their businesses, to be completed by way of the Plan of Arrangement whereby Acquiror will directly or indirectly acquire all of the outstanding Company Shares.

B. The Company Board has unanimously determined, after receipt of the Fairness Opinion and other financial and legal advice, that the business combination to be effected by way of the Plan of Arrangement is in the best interests of the Company and that the consideration to be received by the Company Securityholders pursuant to the Arrangement is fair, from a financial point of view, to the Company Securityholders. The Company Board has approved the transactions contemplated by this Agreement and determined to recommend approval of the Plan of Arrangement to the Company Securityholders.

C. The Acquiror Board has unanimously determined that the business combination to be effected by way of the Plan of Arrangement is in the best interests of Acquiror. The Acquiror Board has approved the transactions contemplated by this Agreement and determined to recommend approval of the issuance of the Consideration Shares and payment of the Cancelled Warrant Consideration pursuant to the Arrangement.

D. In furtherance of such business combination, the Company has entered into agreements with each Company Option Holder pursuant to which each such holder has agreed to the treatment of their Company Options in the manner provided in the Plan of Arrangement and the Company Board has agreed to submit the Plan of Arrangement to the Company Shareholders and the Court for approval.

THIS AGREEMENT 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), the Parties hereto covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

"**Acquiror**" has the meaning ascribed to such term in the recitals;

"**Acquiror Benefit Plans**" means all employee benefit, health, welfare, dental, supplemental unemployment benefit, bonus, incentive, profit sharing, deferred compensation, stock purchase, stock compensation, stock option, disability, life insurance, pension or retirement plans, group registered retirement savings and other employee compensation or benefit plans, policies, arrangements, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, registered or unregistered, insured or self-insured which are sponsored, administered or maintained by or contributed to or required to be contributed to by, or which are otherwise binding upon, Acquiror or any of its subsidiaries or in respect of which Acquiror or any of its subsidiaries has any actual or potential liability;

"**Acquiror Board**" means the board of directors of Acquiror as the same is constituted from time to time;

"**Acquiror Convertible Debentures**" means the 12% convertible unsecured debentures of Acquiror due January 27, 2024 issued to the Mongolian National Investment Fund PIF SPV on January 30, 2020 and transferred and amended by a transfer agreement between the Mongolian National Investment Fund PIF SPV and Bataa Tumur-Ochir on January 27, 2022;

"**Acquiror Convertible Securities**" means the Acquiror Convertible Debentures, Acquiror Options, and Acquiror Warrants;

"**Acquiror Data Room Information**" means the information contained in the files, reports, data, documents and other materials relating to the Acquiror and its subsidiaries as provided in the electronic data room hosted by the Acquiror in connection with the transactions contemplated hereby as of May 5, 2023;

"**Acquiror Disclosure Letter**" means the disclosure letter executed by Acquiror and delivered to the Company in connection with the execution of this Agreement;

"**Acquiror DSU**" means a deferred share unit issued pursuant to the Acquiror Long Term Incentive Plan;

"**Acquiror Financial Statements**" has the meaning ascribed to such term in Section 4.1(i);

"**Acquiror Long Term Incentive Plan**" means the long term incentive plan of Acquiror approved by the Acquiror Shareholders on June 30, 2022;

"**Acquiror Material Contracts**" has the meaning ascribed to such term in Section 4.1(t);

"**Acquiror Material Permits**" has the meaning ascribed to such term in Section 4.1(u);

"**Acquiror Options**" means options granted by Acquiror to purchase Acquiror Shares pursuant to the Acquiror Long Term Incentive Plan;

"**Acquiror Properties**" means the ATO Project and the Uudam Khundii Property;

"**Acquiror PSU**" means a performance share unit issued pursuant to the Acquiror Long Term Incentive Plan;

"**Acquiror Public Disclosure Record**" means all documents and information required to be filed or furnished, as applicable, by Acquiror under applicable Securities Laws on SEDAR during the three years prior to the date hereof;

"**Acquiror Regulatory Authorities**" has the meaning ascribed to such term in Section 4.1(y)(i);

"**Acquiror Regulatory Authorizations**" has the meaning ascribed to such term in Section 4.1(y)(ii);

"**Acquiror RSU**" means a restricted share unit issued pursuant to the Acquiror Long Term Incentive Plan;

"**Acquiror Shareholders**" means the holders of outstanding Acquiror Shares;

"**Acquiror Shares**" means the common shares of the Acquiror, as currently constituted;

"**Acquiror Termination Fee Event**" has the meaning ascribed to such term in Section 7.4.6;

"**Acquiror Warrants**" means, collectively the following warrants of the Acquiror: (i) 2,729,250 warrants, each entitling the holder thereof to purchase one Acquiror Share at an exercise price of $2.00 per Acquiror Share, expiring on May 22, 2023; and (ii) 2,080,000 warrants, each entitling the holder thereof to purchase one Acquiror Share at an exercise price of $2.50 per Acquiror Share, expiring on May 22, 2023;

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement, any offer, proposal, expression of interest, or inquiry, whether oral or written, from any person (other than a Party or any of its affiliates) made after the date hereof relating to: (i) any acquisition, sale, lease, long-term supply agreement or other arrangement having the same economic effect as a sale, direct or indirect, of: (a) the assets of a Party and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of such Party and its subsidiaries taken as a whole (based on the most recently filed financial statements on SEDAR); or (b) 20% or more of any voting or equity securities of a Party, or one or more of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of such Party and its subsidiaries, taken as a whole; (ii) any take-over bid, tender offer or exchange offer for any class of voting or equity securities of a Party; or (iii) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving a Party or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the consolidated assets of such Party and its subsidiaries, taken as a whole;

"**affiliate**" has the meaning ascribed to such term in National Instrument 45-106 — *Prospectus Exemptions* of the Canadian Securities Administrators;

"**Agreement**" means this arrangement agreement as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

"**Arrangement**" means the arrangement under section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto in accordance with Section 8.3 hereof or the Plan of Arrangement or at the direction of the Court in the Final Order with the prior written consent of the Company and Acquiror, each acting reasonably;

"**associate**" has the meaning ascribed to such term in the Securities Act;

"**ATC**" means Aurifera Tres Cruces S.A., an indirect, wholly-owned subsidiary of the Company;

"**ATO Project**" means the Altan Tsagaan Ovoo gold mining project, 100% beneficially and legally owned by Steppe Gold LLC, a wholly-owned subsidiary of Acquiror, and located in the Dornod Province in eastern Mongolia;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**BCSC**" means the British Columbia Securities Commission;

"**business day**" means any day, other than a Saturday, a Sunday or a statutory or civic holiday in Vancouver, British Columbia or Toronto, Ontario;

"**Cancelled Warrant Consideration**" means, with reference to the Company Warrants as defined herein, $0.018601 per August Warrant, $0.001 per July Warrant, $0.001 per October $2.40 Warrant and $0.001 per October $3.30 Warrant;

"**Cancelled Warrant Holders**" means the holders of the Cancelled Warrants;

"**Cancelled Warrants**" means the Company Warrants that remain outstanding and unexercised as of the Effective Time;

"**Change in Recommendation**" means the circumstances where, prior to the Company having obtained the Company Shareholder Approval, the board of directors of a Party, in a manner adverse to the other Party, fails to recommend or withdraws, amends, modifies, qualifies or fails to reaffirm its recommendation of the Arrangement within five business days (and in any case at least two business days prior to the Company Meeting) after having been requested in writing by such other Party to do so at least five business days prior to the Company Meeting, with the taking of a neutral position or no position with respect to an Acquisition Proposal beyond a period of ten business days (or beyond the date which is two business days prior to the Company Meeting, if sooner) being considered an adverse modification;

"**Company**" has the meaning ascribed to such term in the recitals;

"**Company 2021 Equity Incentive Plan**" means the omnibus equity incentive plan of Company approved by the Company Shareholders on September 8, 2021;

"**Company 2022 Equity Incentive Plan**" means the equity incentive plan of Company approved by the Company Shareholders on June 29, 2022;

"**Company Arrangement Resolution**" means the special resolution of the Company Shareholders approving the Arrangement to be considered at the Company Meeting, substantially in the form and content of Schedule B hereto;

"**Company Benefit Plans**" means all employee benefit, health, welfare, dental, supplemental unemployment benefit, bonus, incentive, profit sharing, deferred compensation, stock purchase, stock compensation, stock option, disability, life insurance, pension or retirement plans, group registered retirement savings and other employee compensation or benefit plans, policies, arrangements, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, registered or unregistered, insured or self-insured which are sponsored, administered or maintained by or contributed to or required to be contributed to by, or which are otherwise binding upon, the Company or any of its subsidiaries or in respect of which the Company or any of its subsidiaries has any actual or potential liability;

"**Company Board**" means the board of directors of the Company as the same is constituted from time to time;

"**Company Circular**" means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent to, among others, the Company Securityholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time;

"**Company Convertible Securities**" means the Company Options and the Company Warrants;

"**Company Data Room Information**" means the information contained in the files, reports, data, documents and other materials relating to the Company and its subsidiaries as provided in the electronic data rooms hosted by the Company in connection with the transactions contemplated hereby as of May 5, 2023;

"**Company Disclosure Letter**" means the disclosure letter executed by the Company and delivered to Acquiror in connection with the execution of this Agreement;

"**Company DSU**" means a deferred share unit issued pursuant to the Company 2021 Equity Incentive Plan or the Company 2022 Equity Incentive Plan, as applicable;

"**Company Financial Statements**" has the meaning ascribed to such term in Section 3.1(j);

"**Company Locked-up Securityholders**" means James A. Currie, Horng Dih Lee and each of the directors of the Company;

"**Company Management Termination Payments**" means the payments payable to certain executives of the Company whose employment will be terminated upon the Arrangement becoming effective, as set forth in Schedule 3.1(bb)(ii) of the Company Disclosure Letter;

"**Company Material Contracts**" has the meaning ascribed to such term in Section 3.1(u);

"**Company Material Permits**" has the meaning ascribed to such term in Section 3.1(v);

"**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 to consider the Company Arrangement Resolution;

"**Company Option Holders**" means the holders of the Company Options;

"**Company Options**" means options granted by the Company to purchase the Company Shares pursuant to the Company 2021 Equity Incentive Plan and the Company 2022 Equity Incentive Plan, as applicable;

"**Company Properties**" means the Tres Cruces Project;

"**Company PSU**" means a performance share unit issued pursuant to the Company 2021 Equity Incentive Plan or the Company 2022 Equity Incentive Plan, as applicable;

"**Company Public Disclosure Record**" means all documents and information required to be filed or furnished, as applicable, by the Company under applicable Securities Laws on SEDAR, during the three years prior to the date hereof;

"**Company Regulatory Authorities**" has the meaning ascribed to such term in Section 3.1(z)(i);

"**Company Regulatory Authorizations**" has the meaning ascribed to such term in Section 3.1(z)(ii);

"**Company RSU**" means a restricted share unit issued pursuant to the Company 2021 Equity Incentive Plan or the Company 2022 Equity Incentive Plan, as applicable;

"**Company Securityholders**" means the Company Shareholders and the Cancelled Warrant Holders;

"**Company Shareholder Approval**" has the meaning ascribed to such term in Section 2.2(a)(ii);

"**Company Shareholders**" means the holders of the Company Shares;

"**Company Shares**" means the common shares of the Company, as currently constituted;

"**Company Termination Fee Event**" has the meaning ascribed to such term in Section 7.4.5;

"**Company Voting Agreements**" means the voting agreements (including all amendments thereto) among Acquiror, the Company and the Company Locked-up Securityholders setting forth the terms and conditions upon which the Company Locked-up Securityholders agree to vote their Company Shares in favour of the Company Arrangement Resolution;

"**Company Warrants**" means, collectively the following warrants of the Company: (i) 1,744,500 warrants, each entitling the holder thereof to purchase one Company Share at an exercise price of $0.52 per Company Share, expiring on August 8, 2023 (the "**August Warrants**"); (ii) 815,138 warrants, each entitling the holder thereof to purchase one Company Share at an exercise price of $0.88 per Company Share, expiring on May 7, 2023 (the "**May Warrants**"); (iii) 4,591,354 warrants, each entitling the holder thereof to purchase one Company Share at an exercise price of $3.30 per Company Share, expiring on July 21, 2023 that are subject to the Company Warrant Indenture (the "**July Warrants**"); (iv) 550,668 broker compensation options, each entitling the holder thereof to purchase one Company Share at an exercise price of $2.40 per Company Share, expiring on October 6, 2023 (the "**October $2.40 Warrants**"); and (v) 354,166 warrants, each entitling the holder thereof to purchase one Company Share at an exercise price of $3.30 per Company Share, expiring on October 6, 2023 (the "**October $3.30 Warrants**");

"**Company Warrant Indenture**" means the warrant indenture dated as of July 21, 2021 entered into between the Company and Computershare Trust Company of Canada;

"**Concession**" means any mining concession, contract, agreement, claim, lease, licence, permit or other right to explore for, exploit, develop, mine or produce minerals or any interest therein which a Party or any of its subsidiaries owns or has a right or option to acquire or use;

"**Confidentiality Agreement**" means the form of confidentiality agreement in form and substance acceptable to the Company, the Acquiror and their respective counsel, each acting reasonably;

"**Consideration Shares**" means the Acquiror Shares to be issued to the Company Shareholders and to the Company Option Holders pursuant to the Arrangement at the Exchange Ratio;

"**Contract**" means any contract, agreement, license, franchise, lease, arrangement or other right or obligation to which the Company or Acquiror or any of their respective subsidiaries is a party or by which the Company or Acquiror or any of their respective subsidiaries is bound or affected or to which any of their respective properties or assets is subject;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means (i) TSX Trust Company, for the purpose of, among other things, exchanging certificates representing Company Shares for certificates representing Consideration Shares in connection with the Arrangement and (ii) Computershare Trust Company of Canada, for the purpose of, among other things, paying the Cancelled Warrant Consideration to the Cancelled Warrant Holders in connection with the Arrangement;

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement;

"**Effective Date**" means the date upon which all of the conditions to completion of the Arrangement as set forth in this Agreement have been satisfied or waived and all documents agreed to be delivered hereunder have been delivered to the satisfaction of the Parties hereto, acting reasonably or such other date that the Parties agree in writing;

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time on the Effective Date that the Parties agree in writing;

"**Environmental Laws**" means all applicable federal, provincial, state, local and foreign Laws, imposing liability or standards of conduct for, or relating to, the regulation of activities, materials, substances or wastes in connection with, or for, or to, the protection of human health, safety, the environment or natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation);

"**Environmental Liabilities**" means, with respect to any person, all liabilities, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs, losses, damages, (including punitive damages, property damages, consequential damages and treble damages), costs and expenses, fines, penalties and sanctions incurred as a result of, or related to, any claim, suit, action, administrative order, closure plan, investigation, proceeding or demand by any person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law arising under, or related to, any Environmental Laws, Environmental Permits, or in connection with any Release or threatened Release whether on, at, in, under, from or about or in the vicinity of any real or personal property;

"**Environmental Permits**" means all permits, licenses, written authorizations, certificates, approvals, program participation requirements, sign-offs or registrations required by or available with or from any Governmental Entity under any Environmental Laws;

"**Exchange Ratio**" means 0.4532 of an Acquiror Share per Company Share;

"**Fairness Opinion**" has the meaning given to that term in Section 3.1(b);

"**Final Order**" means the final order of the Court pursuant to section 291 of the BCBCA, approving the Arrangement, in form and substance acceptable to the Company and Acquiror (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 the Parties at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and Acquiror, each acting reasonably) on appeal;

"**Form 51-102F5**" means Form 51-102F5 as prescribed in National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

"**Governmental Entity**" means: (a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) any subdivision, agent, commission, bureau, board or authority of any of the foregoing; (c) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange, including the TSX and the TSXV;

"**Hazardous Substance**" means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material or contaminant regulated or defined under any Environmental Law;

"**IFRS**" means, at the relevant time, the International Financial Reporting Standards as issued by the International Accounting Standards Board, prepared on a consistent basis;

"**including**" means including without limitation, and "**include**" and "**includes**" each have a corresponding meaning;

"**Intellectual Property**" means any licenses for or other rights to use, any inventions, patent applications, patents, trade-marks (both registered and unregistered), trade names, copyrights, trade secrets and other proprietary information of a Party or a material subsidiary of a Party;

"**Interim Order**" means the interim order of the Court, to be issued following the application therefor contemplated by Section 2.2(a) of this Agreement, in form and substance acceptable to the Company and Acquiror, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as the same may be affirmed, amended, modified, supplemented or varied by the Court with the consent of the Company and Acquiror, each acting reasonably;

"**Key Regulatory Approvals**" means those sanctions, rulings, consents, orders, exemptions, permits 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 order prohibiting closing being made) of Governmental Entities as set out in Schedule C hereto;

"**Key Third Party Consents**" means those consents and approvals required from a Party to proceed with the transactions contemplated by this Agreement and the Plan of Arrangement, as set out in the Acquiror Disclosure Letter and the Company Disclosure Letter, as applicable;

"**Law**" or "**Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity or self-regulatory authority, and the term "applicable" with respect to such Laws and in a context that refers to one or more persons, means such Laws as are applicable to such person(s) or its business, undertaking, property or securities and emanate from a person having jurisdiction over the person(s) or its or their business, undertaking, property or securities;

"**Legal Proceedings**" means any litigation, action, application, suit, investigation, inquiry, hearing, claim, deemed complaint, grievance, civil, administrative, regulatory, criminal or arbitration proceeding or other similar proceeding, before or by any Governmental Entity (including any appeal or review thereof and any application for leave for appeal or review);

"**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**Material Adverse Effect**" means, in respect of any Party (the "**Subject Party**"), any change, effect, event or occurrence that either individually or in the aggregate with other such changes, effects, events or occurrences, is material and adverse to the business, operations, results of operations, prospects, assets, properties, condition (financial or otherwise) or liabilities of that person and its subsidiaries, on a consolidated basis, except any change, effect, event or occurrence resulting from or relating to:

(a) changes, developments or conditions in or relating to general international, Peruvian, Mongolian or Canadian political (including any outbreak of hostilities or war or acts of terrorism or any escalation), economic, financial, banking, currency exchange or capital market conditions;

(b) any change or proposed change in any Laws or the interpretation, application or non-application of any Laws by any Governmental Entity;

(c) changes or developments affecting the global mining or gold mining industry in general;

(d) any changes in the price of gold;

(e) any generally applicable changes in IFRS as incorporated in the CPA Canada Handbook;

(f) any hurricane, flood, tornado, earthquake or other natural disaster, man-made disaster or comparable event;

(g) the commencement or continuation of any epidemic, pandemic, disease outbreak (including COVID-19), other outbreak of illness, health crisis or public health event including the escalation or worsening thereof;

(h) any action taken (or omitted to be taken) by the Subject Party or any of its subsidiaries which is required to be taken (or omitted to be taken) pursuant to this Agreement or applicable Law;

(i) any action taken (or omitted to be taken) by a Party or any of its subsidiaries which is expressly consented to by the other Party in writing;

(j) a change in the market price or trading volume of the Company Shares or Acquiror Shares (provided that the underlying cause of any such change may be taken into account in determining whether there has been a Material Adverse Effect);

(k) a change attributable to the execution, announcement, pendency or performance of the transactions contemplated hereby (including, without limitation: any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Subject Party or any of its subsidiaries with any of the Subject Party's current or prospective shareholders; and any litigation relating to or resulting from this Agreement or the transactions contemplated hereby);

(l) a change relating to exchange rates; or

(m) any failure by the Subject Party or any of its subsidiaries to meet any public estimates or expectations regarding its revenues, earnings or other financial performance or results of operations (provided that the underlying cause of any such change may be taken into account in determining whether there has been a Material Adverse Effect);

provided, however, that each of clauses (a) through (g) 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 its subsidiaries, taken as a whole) or Acquiror (and its subsidiaries, taken as a whole) or disproportionately adversely affect the Company (and its subsidiaries, taken as a whole) or Acquiror (and its subsidiaries, taken as a whole) in comparison to other persons of a similar size who operate in the gold mining industry;

"**Material Contract**" means, in respect of any person, any Contract to which such person or one or more of its subsidiaries is party: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect on such person; (ii) under which such person or any of its subsidiaries has directly or indirectly guaranteed any liabilities or obligations of a third party (other than Ordinary Course endorsements for collection) in excess of $0.5 million in the aggregate with respect to the Company and $5 million in the aggregate with respect to the Acquiror; (iii) relating to indebtedness for borrowed money, whether incurred, assumed, guaranteed or secured by any asset, with an outstanding principal amount in excess of $0.5 million with respect to the Company and $5 million with respect to the Acquiror; (iv) providing for the establishment, organization or formation of any joint venture that is material to it; (v) under which such person or any of its subsidiaries is obligated to make or expects to receive payments in excess of $0.5 million with respect to the Company and $5 million with respect to the Acquiror, over the remaining term of the contract; (vi) that limits or restricts such person or any of its subsidiaries from engaging in any line of business or any geographic area in any material respect; or (vii) that is otherwise material to such person and its subsidiaries, considered as a whole; and, for greater certainty, with respect to the Company, includes the Material Contracts listed in Schedule 3.1(u) of the Company Disclosure Letter and, with respect to Acquiror, includes the Material Contracts listed in Schedule 4.1(t) of the Acquiror Disclosure Letter;

"**material fact**" has the meaning ascribed to such term in the Securities Act;

"**material subsidiary**" means, in the case of the Company, those subsidiaries of the Company described in Schedule 3.1(h) of the Company Disclosure Letter as being material subsidiaries of the Company and, in the case of Acquiror, those subsidiaries of Acquiror described in Schedule 4.1(g) of the Acquiror Disclosure Letter as being material subsidiaries of Acquiror;

"**MI 61-101**" means Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators;

"**Non-Disclosure Agreement**" means the confidentiality agreement between the Acquiror and the Company dated February 9, 2023, pursuant to which the Acquiror has been provided with access to confidential information of the Company and the Company has been provided with access to confidential information of the Acquiror;

"**Ordinary Course**", or any similar reference, means, with respect to an action taken by a 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;

"**OTCQX**" means the OTCQX® Best Market in the United States;

"**Outside Date**" means June 30, 2023 or such later date as may be agreed to in writing by the Parties;

"**Party**" means either the Company or Acquiror, as the case may be, and "**Parties**" means both of them, together;

"**Permit**" means any license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization of and from any Governmental Entity;

"**person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status;

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Schedule A hereto, and any amendments or variations thereto made in accordance with Section 8.3 hereof or the Plan of Arrangement or at the direction of the Court;

"**Pre-Acquisition Reorganization**" has the meaning ascribed to such term in Section 5.7;

"**Qualified Person**" shall have the meaning ascribed to such term in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;

"**Receiving Party"** has the meaning ascribed to such term in Section 7.3.1(a);

"**Registrar**" has the meaning ascribed to such term in the BCBCA;

"**Release**" means any release, spill, emission, leaking, pumping, pouring, emitting, emptying, escape, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Substances in the indoor or outdoor environment, including the movement of Hazardous Substances through or in the air, soil, surface water, ground water or property;

"**Representatives**" has the meaning ascribed to such term in Section 7.2.1;

"**Responding Party**" has the meaning ascribed to such term in Section 7.3.1(a);

"**Response Period**" has the meaning ascribed to such term in Section 7.3.1(b);

"**Returns**" means all reports, forms, disclosures, elections, information statements and returns (whether in tangible, electronic or other form) including any amendments, schedules, attachments, supplements, appendices and exhibits thereto relating to, or required to be filed or prepared in connection with any Taxes;

"**Section 3(a)(10) Exemption**" means the exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) thereof;

"**Securities Act**" means the S*ecurities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**Securities Authorities**" means the BCSC and the applicable securities commissions, the TSX, the TSXV, and other securities regulatory authorities in each of the other provinces or territories of Canada;

"**Securities Laws**" means the Securities Act, together with all other applicable provincial and territorial securities laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval described in National Instrument 13-101 – *System for Electronic Document Analysis and Retrieval* of the Canadian Securities Administrators and available for public view at www.sedar.com;

"**Stifel**" means Stifel Nicolaus Canada Inc., financial advisor to the Company;

"**subsidiary**" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary;

"**Superior Proposal**" means any *bona fide*, unsolicited, written Acquisition Proposal made by a third party after the date of this Agreement that relates to the acquisition of 100% of the outstanding voting shares of a Party (the "**Target**") (other than voting shares of the Target owned by the person making the Superior Proposal) or all or substantially all of the consolidated assets of the Target and its subsidiaries, taken as a whole; and

(a) that complies with applicable Laws and did not result from or involve a breach of Section 7.2;

(b) that is not subject to a financing condition and in respect of which any funds or other consideration necessary to complete such Acquisition Proposal have been demonstrated to the satisfaction of the Target's board of directors, acting in good faith (after consultation with its financial advisor(s) and outside legal counsel), to have been obtained or are reasonably likely to be obtained to fund completion of such Acquisition Proposal at the time and on the basis set out therein;

(c) that is reasonably capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such proposal and the person making such proposal;

(d) that, in the case of an Acquisition Proposal to acquire 100% of the outstanding voting shares of the Target (other than voting shares of the Target owned by the person making the Superior Proposal), is made available to all shareholders of the Target on the same terms and conditions;

(e) that is not subject to a due diligence condition; and

(f) in respect of which the Target's board of directors determines, in its good faith judgment, after receiving the advice of its outside legal and financial advisors, that having regard for all of its terms and conditions, such Acquisition Proposal, would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to the holders of its voting shares from a financial point of view than the Arrangement;

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

"**Taxes**" mean any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, mining royalties, alternative minimum taxes, estimated taxes, abandoned or unclaimed (escheat) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers' compensation, Canada and other government pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions whether disputed or not;

"**Termination Fee**" has the meaning ascribed to such term in Section 7.4.4;

"**Transaction Personal Information**" has the meaning ascribed to such term in Section 9.1;

"**Tres Cruces Project**" means the gold exploration project 100% beneficially and legally owned by ATC and consisting of four Concessions located within the Department of La Libertad in north-central Peru, as more fully described in the Company Public Disclosure Record;

"**TSX**" means the Toronto Stock Exchange;

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

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

"**Uudam Khundii Property**" means the exploration stage mineral property 100% beneficially and legally owned by Acquiror, comprised of one exploration licence and located in the Bayankhongor Province in Mongolia.

1.2 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, subsections, paragraphs and Schedules, and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.3 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.4 Date for Any Action

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

1.5 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of the Canada and "$" refers to Canadian dollars.

1.6 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.

1.7 Knowledge

In this Agreement, references to "the knowledge of the Company" means the actual knowledge of James Currie and Horng Dih Lee in each case after reasonable enquiry within the Company and its subsidiaries and references to "the knowledge of Acquiror" means the actual knowledge of Bataa Tumur-Ochir and Jeremy South, in each case after reasonable enquiry within Acquiror and its subsidiaries.

1.8 Schedules

The following Schedules are annexed to this Agreement and are incorporated by reference into this Agreement and form a part hereof:

Schedule A	—	Plan of Arrangement
Schedule B	—	Company Arrangement Resolution
Schedule C	—	Key Regulatory Approvals

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement

The Company and Acquiror 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.

2.2 Court Orders

The Company shall apply to the Court, in a manner acceptable to Acquiror, acting reasonably, pursuant to the BCBCA for the Interim Order and the Final Order as follows:

(a) As soon as reasonably practicable following the date of execution of this Agreement, the Company shall file, proceed with and diligently pursue an application to the Court for the Interim Order which shall provide, among other things:

(i) the class of persons to whom notice is to be provided in respect of the Arrangement and the Company Meeting and the manner in which such notice is to be provided;

(ii) that the requisite approval for the Company Arrangement Resolution shall be: (A) 66⅔% of the votes cast on the Company Arrangement Resolution by the Company Shareholders present in person or by proxy at the Company Meeting; and (B) a majority of the votes cast by the Company Shareholders present in person or by proxy at the Company Meeting excluding for this purpose votes attached to the Company Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101, if required, (collectively, the "**Company Shareholder Approval**");

(iii) that in all other respects, the terms, conditions and restrictions of Company's constating documents, including quorum requirements and other matters, shall apply in respect of the Company Meeting;

(iv) for the grant of Dissent Rights only to registered holders of the Company Shares;

(v) for notice requirements with respect to the presentation of the application to the Court for the Final Order;

(vi) that the Company Meeting may be adjourned or postponed from time to time by the management of the Company in accordance with the terms of this Agreement without the need for additional approval of the Court;

(vii) confirmation of the record date for the purposes of determining the Company Shareholders entitled to notice of and to vote at the Company Meeting;

(viii) that the record date for the Company Shareholders entitled to notice of and to vote at the Company Meeting will not, unless agreed to in writing by Acquiror and the Company, change in respect of any adjournment(s) of the Company Meeting;

(ix) that the Parties intend to rely upon the Section 3(a)(10) Exemption, subject to and conditioned on the Court's determination that the Arrangement is substantively and procedurally fair to the Company Securityholders, with respect to the issuance of the Consideration Shares pursuant to the Arrangement, to implement the transactions contemplated hereby in respect of the Company Securityholders;

(x) that each Company Securityholder and any other affected person shall have the right to appear before the Court at the hearing of the Court to approve the application for the Final Order so long as they enter a response within a reasonable time; and

(xi) for such matters as the Parties may reasonably require, subject to obtaining the prior consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed.

(b) Subject to obtaining the approvals contemplated by the Interim Order, and as may be directed by the Court in the Interim Order, the Company shall take all commercially reasonable steps necessary or desirable to submit the Arrangement to the Court and to apply for the Final Order.

2.3 Company Meeting

Subject to receipt of the Interim Order and the terms of this Agreement:

(a) The Company agrees to convene and conduct the Company Meeting in accordance with the Interim Order, the Company's constating documents and applicable Laws on or before June 19, 2023.

(b) The Company, promptly after obtaining the Interim Order, shall cause the Company Circular and such other documents to be filed and sent to each Company Securityholder and other person as required by the Interim Order and Law, in each case so as to permit the Company Meeting to be held by the date specified in Section 2.3(a) and in accordance with this Section 2.3.

(c) The Company will use its commercially reasonable efforts to solicit proxies in favour of the approval of the Company Arrangement Resolution and against any resolution submitted by any Company Securityholder that is inconsistent with the Company Arrangement Resolution or the completion of any of the transactions contemplated by this Agreement, including, if so requested by Acquiror and determined by the Company to be prudent in the circumstances, using proxy solicitation services.

(d) The Company will advise Acquiror as Acquiror may reasonably request, and at least on a daily basis on each of the last ten business days prior to the date of the Company Meeting, as to the tally of the proxies received by the Company in respect of the Company Arrangement Resolution.

(e) Except to comply with Section 7.3.4 hereof, the Company will not adjourn, postpone or cancel the Company Meeting without the prior written consent of Acquiror and the obligations of the Company under this Section 2.3(e) will not be affected by the commencement, public proposal, public disclosure or communications to the Company or another person of any Acquisition Proposal relating to the Company.

(f) The Company will promptly advise Acquiror of any written notice of dissent or purported exercise by any Company Shareholder of Dissent Rights received by the Company in relation to the Company Arrangement Resolution and any withdrawal of Dissent Rights received by the Company and, subject to applicable Law, 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 Company Arrangement Resolution.

(g) The Company will not waive any failure by any holder of Company Shares to timely deliver a notice of exercise of Dissent Rights, make any payment or settlement offer, or agree to any payment or settlement prior to the Effective Time with respect to Dissent Rights without the prior written consent of Acquiror.

(h) The Company will promptly advise Acquiror of receipt of any communication (written or oral) from any Company Shareholder or any other securityholder of the Company in opposition to the Arrangement (other than non-substantive communications).

(i) Promptly upon the request of Acquiror, the Company will use its commercially reasonable efforts to prepare or cause to be prepared and provide to Acquiror a list of the Company Securityholders of all classes, as well as a security position listing from each depositor of its securities, including CDS Clearing and Depositary Services Inc., and will obtain and will deliver to Acquiror thereafter on demand supplemental lists setting out any changes

thereto, all such deliveries to be in printed form and, if available, in computer-readable format.

2.4 Company Circular

(a) The Company shall prepare the Company Circular in compliance with applicable Securities Laws and file the Company Circular as soon as practicable, and in any event on or before June 19, 2023, in all jurisdictions where the same is required to be filed and mail the same as required by the Interim Order and in accordance with all applicable Laws, in all jurisdictions where the same is required, complying in all material respects with all applicable Laws on the date of mailing thereof.

(b) The Company shall ensure that the Company Circular complies in all material respects with all applicable Laws, and, without limiting the generality of the foregoing, that the Company Circular will 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 contained therein not misleading in light of the circumstances in which they are made (other than in each case with respect to any information relating to Acquiror and its affiliates) and shall provide the Company Securityholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be placed before them at the Company Meeting. Subject to Section 7.2, the Company Circular will include the unanimous recommendation of the Company Board that the Company Shareholders vote in favour of the Company Arrangement Resolution, a statement that each director of the Company intends to vote all of such director's Company Shares (including any Company Shares issued upon the exercise of any Company Convertible Securities) in favour of the Company Arrangement Resolution, subject to the other terms of this Agreement and the Company Voting Agreements, and all statements that, in the reasonable judgement of the Parties and their legal counsel, are required to allow the Parties to rely on the Section 3(a)(10) Exemption.

(c) Acquiror will furnish to the Company all such information regarding Acquiror, its affiliates and the Consideration Shares, as may be reasonably required by the Company (including, as required by MI 61-101 and section 14.2 of Form 51-102F5) in the preparation of the Company Circular and other documents related thereto. Acquiror shall also use commercially reasonable efforts to obtain any necessary consents from Qualified Persons and its auditors to the use of any financial or technical information required to be included in the Company Circular. Acquiror shall ensure that no such information will include any untrue statement of a material fact or omit to state a material fact required to be stated in the Company Circular in order to make any information so furnished or any information concerning Acquiror not misleading in light of the circumstances in which it is disclosed and shall constitute full, true and plain disclosure of such information concerning Acquiror.

(d) Acquiror and its legal counsel shall be given a reasonable opportunity to review and comment on the Company Circular, prior to the Company Circular being printed and mailed to the Company Securityholders and filed with the Securities Authorities, and reasonable consideration shall be given to any comments made by Acquiror and its counsel, provided that all information relating solely to Acquiror included in the Company Circular shall be in form and content satisfactory to Acquiror, acting reasonably. The Company shall provide Acquiror with a final copy of the Company Circular prior to mailing to the Company Securityholders.

(e) The Company and Acquiror shall 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 Acquiror only with respect to Acquiror) that the Company Circular contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Company Circular, and the Parties shall co-operate in the preparation of any amendment or supplement to the Company Circular, as required or appropriate, and the Company shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Company Circular to the Company Securityholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities and as otherwise required.

(f) The Company shall keep Acquiror informed of any requests or comments made by Securities Authorities in connection with the Company Circular.

2.5 Final Order

If: (i) the Interim Order is obtained; and (ii) the Company Arrangement Resolution is passed at the Company Meeting by the Company Shareholders as provided for in the Interim Order and as required by applicable Law; the Company shall as soon as reasonably practicable thereafter and in any event within three business days thereafter, 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 291 of the BCBCA.

2.6 Court Proceedings

Subject to the terms of this Agreement, the Acquiror will cooperate with, assist and consent to the Company seeking the Interim Order and the Final Order, including by providing the Company on a timely basis any information required to be supplied by the Acquiror in connection therewith. The Company shall diligently pursue, and the Acquiror shall cooperate with the Company in diligently pursuing, the Interim Order and the Final Order and each of them shall oppose any proposal from any third party that the Final Order contain any provision inconsistent with this Agreement. The Company will cause its legal counsel to provide the Acquiror with a reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and will give reasonable consideration to all such comments. The Company will also cause its legal counsel to provide the Acquiror on a timely basis with copies of any notice of appearance or notice of intent to oppose and any evidence 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. 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 hereby or with the Acquiror's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided that nothing herein shall require the Acquiror to agree or consent to any change in the consideration or other modification or amendment to such filed or served materials that expands or increases the Acquiror's obligations set forth in this Agreement.

2.7 Payment of Consideration

The Parties will, following receipt of the Final Order and prior to the Effective Time, ensure that each Depositary, as applicable, has been provided with sufficient Consideration Shares and cash in escrow to pay to the Company Shareholders, the Company Option Holders and the Cancelled Warrant Holders, as applicable, pursuant to the Arrangement.

2.8 Preparation of Filings

Acquiror and the Company shall co-operate in the preparation of any application for the Key Regulatory Approvals and any other orders, registrations, consents, filings, rulings, exemptions, no-action letters and

approvals and the preparation of any documents reasonably deemed by either of the Parties to be necessary to discharge its respective obligations or otherwise advisable under applicable Laws in connection with this Agreement or the Plan of Arrangement.

2.9 Closing

Not later than the third business day after the satisfaction or, where not prohibited, the waiver of the conditions (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver of those conditions as of the Effective Date) set forth in Article 6, unless another time or date is agreed to in writing by the Parties, the Effective Date shall occur and the Company and/or Acquiror shall file with the Registrar any records, information or other documents required to be filed with the Registrar by the Company, and/or Acquiror, respectively, in connection with the Arrangement, if any. From and after the Effective Time, the Plan of Arrangement shall be effective under applicable Law, including the BCBCA. The closing of the Arrangement will take place at the offices of Fasken Martineau DuMoulin LLP, 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 at 9:00 a.m. (Vancouver time) on the Effective Date, or at such other time and place as may be agreed to by the Parties.

2.10 Announcement and Shareholder Communications

(a) The Parties shall issue a joint press release with respect to this Agreement and the Arrangement as soon as practicable following the execution of this Agreement, the text of such announcement to be in form and substance approved by the Company and Acquiror in advance, acting reasonably and without delay. The Parties consent to this Agreement and forms of the Company Voting Agreements being filed on SEDAR, subject to any redactions that are agreed to between the Parties acting reasonably and permitted under Securities Laws.

(b) The Company and Acquiror agree to cooperate and participate: (i) in the preparation of presentations to the Company Securityholders or the analyst community regarding the Arrangement; (ii) in issuing any press releases or otherwise making public statements or public disclosures with respect to this Agreement or the Arrangement; and (iii) in making any filing with any Governmental Entity or with any stock exchange, with respect to this Agreement or the Arrangement or the transactions contemplated hereby and thereby. Each of the Company and Acquiror shall use commercially reasonable efforts to enable the other Party and its Representatives to review and comment on all such press releases, presentations, public statements and filings prior to the release or filing, respectively, thereof and reasonable consideration shall be given to any comments made by the other Party and their Representatives.

(c) Neither the Company nor Acquiror shall: (i) issue any press release or otherwise make public announcements with respect to this Agreement or the Plan of Arrangement without the consent of the other Party (which consent shall not be unreasonably withheld, delayed or conditioned); or (ii) make any filing with any Governmental Entity or with any stock exchange with respect thereto without prior consultation with the other Party, in each case, except as set out in this Agreement.

(d) The obligations of the Parties set out in Sections 2.10(b) and 2.10(c) shall be subject to: (i) each Party's overriding obligation to make any disclosure or filing required under Law or stock exchange rules; and (ii) the Party making any disclosure using commercially reasonable efforts to give prior written notice to the other Party, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing.

(e) Nothing in this Section 2.10 shall prevent either Party from making internal announcements to employees and consultants, having discussions with shareholders and financial analysts and other stakeholders, or from including disclosures in subsequent filings required under Securities Laws so

long as such statements and announcements are consistent in all material respects with the most recent press releases, public disclosures or public statements made by the relevant Party, unless such Party has made a Change in Recommendation that is not in breach of this Agreement.

(f) The restrictions set forth in this Section 2.10 shall not apply to any release or public statement made or proposed to be made by a Party in connection with: (i) any dispute regarding this Agreement or the transactions contemplated hereby; or (ii) a Change in Recommendation by a Party that is not in breach of this Agreement, or any action taken pursuant thereto.

2.11 Withholding Taxes

Acquiror, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any person hereunder and from all dividends or other distributions otherwise payable to any former Company Shareholders such amounts as Acquiror, the Company or the Depositary may be required or permitted to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes. To the extent that such amounts are so deducted and withheld, such amounts shall be treated for all purposes under this Agreement as having been paid to the person to whom such amounts would otherwise have been paid, provided that such withheld amounts are actually remitted to the appropriate Governmental Entity.

2.12 Voting Agreements

The Company has, concurrent with the execution of this Agreement, delivered to Acquiror the Company Voting Agreements representing not less that 22% of the Company Shares.

2.13 U.S. Securities Law Matters

The Parties intend that the Arrangement shall be carried out such that the issuance of the Consideration Shares in exchange for the Company Shares qualifies for the exemption from the registration requirements of the U.S. Securities Act provided by the Section 3(a)(10) Exemption and applicable U.S. state securities laws in reliance upon available exemptions under applicable U.S. state securities laws. Each Party agrees to act in good faith, consistent with the intent of the Parties and the intended treatment of the Arrangement as set forth in this Section 2.13. In order to ensure the availability of the Section 3(a)(10) Exemption, 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;

(b) the Court will be advised as to the intention of the Parties to rely on the Section 3(a)(10) Exemption prior to the Court hearing required to issue the Interim Order;

(c) the Court will be required to satisfy itself as to the substantive and procedural fairness of the terms and conditions of the Arrangement;

(d) the Court will hold a hearing before approving the substantive and procedural fairness of the terms and conditions of the Arrangement;

(e) the Parties will ensure that each Company Shareholder entitled to receive Consideration Shares on completion of the Arrangement will: (i) be given adequate notice advising them of their right to attend the Court hearing and providing them with sufficient information necessary for them to exercise that right; and (ii) be advised that the Consideration Shares issuable pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act and will be issued by Acquiror in reliance on the Section 3(a)(10) Exemption, and that certain restrictions on resale under the securities laws of the United

States, including, as applicable, Rule 144 under the U.S. Securities Act, may be applicable with respect to securities issued to affiliates of Acquiror who were affiliates of Acquiror within 90 days preceding the Effective Time;

(f) the Interim Order will specify that each Company Shareholder entitled to receive Consideration Shares on completion of the Arrangement and Cancelled Warrant Holder will have the right to appear before the Court at the Court hearing on the Final Order so long as such Company Securityholder enters an appearance within a reasonable time; and

(g) the Final Order will expressly state that the Arrangement is approved by the Court as being substantively and procedurally fair to the Cancelled Warrant Holders and Company Shareholders to whom Consideration Shares will be issued and shall 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 Acquiror, pursuant to or in connection with the Plan of Arrangement."

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

3.1 Representations and Warranties

The Company hereby represents and warrants to and in favour of Acquiror as set out in this Section 3.1, except to the extent that such representations and warranties are qualified by the Company Disclosure Letter (with any disclosure therein applying against any representations and warranties to which it is reasonably apparent it should relate) and acknowledges that Acquiror is relying upon such representations and warranties in connection with the entering into of this Agreement.

(a) Board Approval. As of the date hereof, the Company Board, after consultation with its financial and legal advisors has determined that the Arrangement is in the best interests of the Company and that the Consideration Shares to be received by the Company Shareholders, as applicable, is fair, from a financial point of view, and has resolved unanimously to recommend to the Company Shareholders that they vote in favour of the Company Arrangement Resolution. The Company Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement.

(b) Fairness Opinion. The Company has received the opinion of Stifel, the financial advisor to the Company, to the effect that, as of the date of such opinion, subject to the assumptions, qualifications and limitations set out therein, the Consideration Shares to be received by the Company Shareholders, and the Cancelled Warrant Consideration to be received by the Cancelled Warrant Holders, is fair, from a financial point of view, to the Company Shareholders (other than Acquiror) and to the Cancelled Warrant Holders, respectively (the "**Fairness Opinion**"). The fee payable to Stifel shall be a flat fee for delivery of the Fairness Opinion irrespective of the conclusions of the Fairness Opinion and no portion of any fee payable to Stifel shall be conditional on the closing of the Arrangement.

(c) Organization and Qualification. The Company and each of its subsidiaries is a corporation duly incorporated or an entity duly created and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or other power and capacity to own its property and assets as now owned and to carry on

its business as it is now being conducted. The Company and each of its subsidiaries: (A) has all Permits necessary to conduct its business substantially as now conducted, as such business is disclosed in the Company Public Disclosure Record, except where the failure to have such Permit would not reasonably be expected to have a Material Adverse Effect on the Company; and (B) is duly registered or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so registered or in good standing would not reasonably be expected to have a Material Adverse Effect on the Company.

(d) Authority Relative to this Agreement. The Company has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by the Company and the performance by the Company of its obligations under this Agreement have been duly authorized by the Company Board and except for Company Shareholder Approval, no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement. 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 the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(e) No Violation. Except as disclosed in Section 3.1(e) of the Company Disclosure Letter, none of the authorization, execution and delivery of this Agreement by the Company or the completion of the transactions contemplated by this Agreement or the Arrangement, or the performance of its obligations thereunder, or compliance by the Company with any of the provisions of this Agreement, will:

(1) violate, conflict with, or result (with or without notice or the passage of time) in a violation or breach of any provision of, or require, other than the Key Third Party Consents and Key Regulatory Approvals that relate to the Company, any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration of indebtedness under, or result in the creation of any Lien upon, any of the properties or assets of the Company or any of its subsidiaries, or cause any indebtedness to come due before its stated maturity or cause any credit commitment to cease to be available or cause any payment or other obligation to be imposed on the Company or any of its subsidiaries, under any of the terms, conditions or provisions of:

(A) their respective articles, charters or by-laws or other comparable organizational documents; or

(B) any Permit or Material Contract to which the Company or any of its subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which the Company or any of its subsidiaries is bound;

(2) subject to obtaining the Key Regulatory Approvals,

(A) result (with or without notice or the passage of time) in a violation or breach of or constitute a default under any provisions of any Laws applicable to the Company or any of its subsidiaries or any of their respective properties or assets; or

(B) cause the suspension or revocation of any Permit currently in effect relating to the Company or any of its subsidiaries,

(except, in the case of each of clauses (1) and (2) above, for such violations, conflicts, breaches, defaults, terminations, accelerations, creations of Liens, suspensions or revocations which, or any consents (expressly excluding the Key Third Party Consents and Key Regulatory Approvals), approvals or notices which if not given or received, would not, individually or in the aggregate, reasonably be expected to have any Material Adverse Effect on the Company);

(3) give rise to any rights of first refusal or trigger any change in control provisions, rights of first offer or first refusal or any similar provisions or any restrictions or limitation under any such note, bond, mortgage, indenture, contract, license, franchise or Permit; or

(4) result in any material, individually or in the aggregate, payment (including severance, unemployment compensation, "golden parachute", bonus or otherwise) becoming due to any director, officer or employee of the Company or any subsidiary of the Company or increase any benefits otherwise payable under any pension or benefit plan of the Company or any subsidiary of the Company or result in the acceleration of the time of payment or vesting of any such benefits.

The Key Third Party Consents are the only consents and approvals required from any party under any Contracts of the Company or any of its subsidiaries in order for the Company and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement and the Arrangement pursuant to the Plan of Arrangement.

(f) Capitalization.

(1) The authorized share capital of the Company consists of an unlimited number of Company Shares without par value.

(2) As of the close of business on May 5, 2023:

(A) 42,582,118 Company Shares were issued and outstanding;

(B) an aggregate of up to 3,975,000 Company Shares were issuable upon the exercise of Company Options;

(C) an aggregate of up to 8,055,826 Company Shares were issuable upon the exercise of Company Warrants;

(D) nil Company RSUs were outstanding under the Company 2021 Equity Incentive Plan or the Company 2022 Equity Incentive Plan, as applicable;

(E) nil Company DSUs were outstanding under the Company 2021 Equity Incentive Plan or the Company 2022 Equity Incentive Plan, as applicable; and

(F) nil Company PSUs were outstanding under the Company 2021 Equity Incentive Plan or the Company 2022 Equity Incentive Plan, as applicable.

(3) Other than the Company Convertible Securities and Company Shares issuable in partial settlement of fees owing to certain financial advisors to the Company referenced in Section 3.1(ii), there are no other options, warrants, conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by the Company of any securities of the Company (including Company Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of the Company (including Company Shares) or any material subsidiary of the Company.

(4) All outstanding Company Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all Company Shares issuable upon the exercise of the Company Convertible Securities in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights.

(5) All securities of the Company (including the Company Shares and the Company Convertible Securities) have been issued in compliance with all applicable Laws and Securities Laws.

(6) Other than the Company Shares, there are no securities of the Company or of any of its subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the Company Shareholders on any matter.

(7) There are no outstanding contractual or other obligations of the Company or any subsidiary to repurchase, redeem or otherwise acquire any of the Company's securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries.

(8) There are no outstanding bonds, debentures or other evidences of indebtedness of the Company or any of its subsidiaries having the right to vote with the holders of the outstanding Company Shares on any matters.

(g) Reporting Status and Securities Laws Matters. The Company is a "reporting issuer" and not on the list of reporting issuers in default under applicable Securities Laws in each of British Columbia, Alberta, and Ontario. The Company Shares are listed on the TSXV and no delisting, suspension of trading in or cease trading order with respect to any securities of the Company and, to the knowledge of the Company, no inquiry or investigation (formal or informal) of any Securities Authority or the TSXV is in effect or ongoing or, to the knowledge of the Company, expected to be implemented or undertaken with respect to the foregoing. Other than the TSXV and the OTCQX, the Company's securities, including debt

securities, are not traded in Canada or another country on a marketplace or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.

(h) Ownership of Subsidiaries. Schedule 3.1(h) of the Company Disclosure Letter includes a complete and accurate list of all subsidiaries owned, directly or indirectly, by the Company. All of the issued and outstanding shares of capital stock and other ownership interests in such subsidiaries of the Company are duly authorized, validly issued, fully paid and, where the concept exists, non-assessable, and all such shares and other ownership interests held directly or indirectly by the Company are legally and beneficially owned free and clear of all Liens, and there are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to purchase or acquire, or securities convertible into or exchangeable for, any such shares of capital stock or other ownership interests in or material assets or properties of any of the subsidiaries of the Company. There are no contracts, commitments, agreements, understandings, arrangements or restrictions which require any subsidiaries of the Company to issue, sell or deliver any shares in its share capital or other ownership interests, or any securities or obligations convertible into or exchangeable for, any shares of its share capital or other ownership interests. There are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) providing to any third party the right to acquire any shares or other ownership interests in any subsidiaries of the Company. All ownership interests of the Company and its subsidiaries are owned free and clear of all Liens of any kind or nature whatsoever held by third parties. Schedule 3.1(h) of the Company Disclosure Letter includes a complete and accurate list of all securities owned by the Company in another corporate person, other than its subsidiaries. The Company (together with its affiliates and persons acting jointly or in concert with any of the Company or its affiliates) does not beneficially own or exercise control or direction over any Acquiror Shares or other securities of Acquiror as at the date of this Agreement.

(i) Public Filings. The Company has filed all documents required to be filed by it in accordance with applicable Securities Laws with the Securities Authorities or the TSXV. All such documents and information comprising the Company Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto): (i) 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 in which they were made, not misleading; and (ii) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to the Company Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSXV. The Company has not filed any confidential material change report with any Securities Authorities that at the date of this Agreement remains confidential. There has been no change in a material fact or a material change (as such terms are defined under the Securities Act) in any of the information contained in the Company Public Disclosure Record, except for changes in material facts or material changes that are reflected in a subsequently filed document included in the Company Public Disclosure Record.

(j) Company Financial Statements. The Company's audited consolidated financial statements as at and for the fiscal years ended December 31, 2022 and 2021 (including the notes thereto) (the "**Company Financial Statements**") were prepared in accordance with IFRS consistently applied (except 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) and fairly present in all material respects the consolidated financial position, results of operations and cash flows of the Company and its subsidiaries as of the

dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal period end adjustments) and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of the Company and its subsidiaries on a consolidated basis. There has been no material change in the Company's accounting policies, except as described in the notes to the Company Financial Statements, since December 31, 2022.

(k) Internal Controls and Financial Reporting. The Company has designed such disclosure controls and procedures, or caused them to be designed under the supervision of its Chief Executive Officer and Chief Financial Officer, to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's Chief Executive Officer and Chief Financial Officer to allow timely decisions regarding required disclosure. The Company maintains systems of "internal control over financial reporting" that have been designed by, or under the supervision of, its Chief Executive Officer and Chief Financial Officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Since January 1, 2023 and except as disclosed in Section 3.1(k) of the Company Disclosure Letter, the Company's auditors and the audit committee of the Company Board have not been advised of: (A) any deficiency, or a combination of deficiencies, in the design or operation of internal controls over financial reporting, or (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Company's internal control over financial reporting.

(l) Corrupt Practices Legislation. Neither the Company, its subsidiaries and affiliates, nor any of their respective officers, directors or employees acting on behalf of the Company or any of its subsidiaries or affiliates has taken, committed to take or been alleged to have taken any action which would cause the Company or any of its subsidiaries or affiliates to be in violation of the *Foreign Corrupt Practices Act* (United States) (and the regulations promulgated thereunder), the *Corruption of Foreign Public Officials Act* (Canada) (and the regulations promulgated thereunder) or any applicable Law of similar effect of any other jurisdiction, and to the knowledge of the Company no such action has been taken by any of its agents, representatives or other persons acting on behalf of the Company or any of its subsidiaries or affiliates.

(m) Books and Records. Except as disclosed in Section 3.1(m) of the Company Disclosure Letter, the financial books, records and accounts of Company and its material subsidiaries, have in all material respects, been maintained in accordance with applicable Law, in accordance with IFRS and, in each case, are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of Company and its material subsidiaries and accurately and fairly reflect the basis for the Company Financial Statements.

(n) Minute Books. Except as disclosed in Section 3.1(n) of the Company Disclosure Letter, the minute books of the Company and each of its material subsidiaries are true and correct in all material respects; they contain the duly signed minutes of all meetings of the boards of directors and shareholders and all resolutions passed by the boards of directors and the shareholders thereof except for minutes relating to the proposed transaction between Acquiror and the Company; provided that minutes for recent meetings of the Company Board and committees thereof which have not been finalized as of the date hereof will be finalized and included in the minute books in accordance with the Company's past practice.

(o) No Undisclosed Liabilities. Except as disclosed in Section 3.1(o) of the Company Disclosure Letter, the Company and its subsidiaries on a consolidated basis have no material outstanding indebtedness or liabilities and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any person, that are material to the Company, other than those specifically identified in the Company Financial Statements, or incurred in the Ordinary Course since the date of the most recent Company Financial Statements.

(p) No Material Change. Except as disclosed in the Company Public Disclosure Record, since December 31, 2022: (i) there has been no material change in respect of the Company and its material subsidiaries, taken as a whole, and the debt, business and material property of the Company and its material subsidiaries, on a consolidated basis, conform in all material respects to the description thereof contained in the Company Public Disclosure Record; (ii) there has been no dividend or distribution of any kind declared, paid or made by the Company on any Company Shares; (iii) there has not been a material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company and its material subsidiaries taken as a whole; and (iv) the Company and its material subsidiaries have carried on business in the Ordinary Course.

(q) Litigation. Except as disclosed in Section 3.1(q) of the Company Disclosure Letter, there are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of the Company, threatened affecting the Company or any of its subsidiaries or affecting any of their respective property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws. Neither the Company nor any of its material subsidiaries nor their respective assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree.

(r) Taxes. Except as provided for in the Company Financial Statements,

(i) The Company and each of its material subsidiaries has duly and timely filed all Returns required to be filed by it prior to the date hereof, other than those which have been administratively waived, and all such Returns are complete and correct in all material respects.

(ii) The Company and each of its material subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published Company Financial Statements.

(iii) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of the Company or any of its material subsidiaries, and neither the Company nor any of its material 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 against the Company or any of its material subsidiaries or any of their respective assets, that would reasonably be expected to have a Material Adverse Effect.

(iv) No claim has been made by any Governmental Entity in a jurisdiction where the Company and any of its material subsidiaries does not file Returns that the Company

or any of its material subsidiaries is or may be subject to Tax by that jurisdiction that would reasonably be expected to have a Material Adverse Effect.

(v) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable) upon any of the assets or receivables of the Company or any of its material subsidiaries.

(vi) The Company and each of its material subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to do so would not, individually or in the aggregate, result in a Material Adverse Effect to the Company.

(vii) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from the Company or any of its material subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.

(viii) All the Returns, audit reports and assessments in the Company Data Room Information were true, correct and complete copies of such Returns, audit reports and assessments.

(ix) The Company Shares are listed on a "designated stock exchange", as that term is defined in section 248(1) of the Tax Act.

(x) The Company is a "Canadian corporation" for purposes of the Tax Act.

(s) Property.

(i) The Company Properties are accurately described in the Company Public Disclosure Record.

(ii) The Company Public Disclosure Record together with the Company Data Room Information discloses all material real and immoveable property legally or beneficially owned, licensed, or leased by the Company or its material subsidiaries, or in respect of which the Company or its material subsidiaries enjoy the benefit of rights of way, surface rights, easements and Permits for the use of real and immoveable property, and there is no other material real and immoveable property in respect of which the Company or its material subsidiaries has any interest.

(iii) The Concessions relating to the Company Properties are the only mining concessions, claims, leases, licenses, Permits or other rights that are required to conduct the activities of the Company or its material subsidiaries on the Company Properties as currently conducted.

(iv) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect to the Company (i) each Concession relating to the Company Properties is in full force and effect and in good standing and (ii) the interests of the Company or its material subsidiaries in each Concession, as applicable and only to the extent of such interest, relating to the Company Properties is held free and clear of all Liens. The Company Public Disclosure Record together with the Company Data Room Information accurately describes, in all material

respects: (A) the interests of the Company and its material subsidiaries in each of the material Concessions relating to the Company Properties; and (B) the agreement or document pursuant to which the Company or its material subsidiaries holds its interest in each material Concession relating to the Company Properties. The Company or its material subsidiaries are lawfully authorized to hold its interest in the material Concessions relating to the Company Properties.

(v) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect to the Company:

(A) each Concession relating to the Company Properties comprises a valid and subsisting mineral claim or concession, in each case in all material respects, and the Company or its material subsidiaries enjoys legally enforceable access to the Company Properties as may be required to conduct the activities of the Company or its material subsidiaries as currently conducted;

(B) any and all assessment work required to be performed and filed in respect of the Company Properties or under the Concessions relating to the Company Properties has been performed and filed;

(C) any and all Taxes and other payments required to be paid in respect of the Company Properties and the Concessions relating to the Company Properties and all rental or royalty payments required to be paid in respect of the Concessions relating to the Company Properties have been paid;

(D) any and all filings required to be filed in respect of the Company Properties and the Concessions relating to the Company Properties have been filed;

(E) the Company or its material subsidiaries have the exclusive right to deal with the Company Properties and the Concessions relating to the Company Properties;

(F) except as set out in Section 3.1(s)(v)(F) the Company Disclosure Letter, no other person has any material interest in the Company Properties or the Concessions relating to the Company Properties or any right to acquire any such interest;

(G) except as set out in Section 3.1(s)(v)(G) of the Company Disclosure Letter there are no back-in rights, earn-in rights, rights of first refusal, royalty rights or similar provisions which would materially affect the Company's or any of its material subsidiaries' interests in the Company Properties or the Concessions relating to the Company Properties; and

(H) neither the Company nor any of its material subsidiaries have received any notice, whether written or oral from any Governmental Entity or any person with jurisdiction or applicable authority of any revocation or intention to revoke the Company's or any of its material subsidiaries' interests in the Company Properties or the Concessions relating to the Company Properties.

(vi) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect to the Company, all work and activities carried out on the Company Properties and the Concessions relating to the Company Properties by the Company or its material subsidiaries or, to the knowledge of the Company, by any other person appointed by the Company or any of its material subsidiaries have been carried out in all material respects in compliance with all applicable Laws, and neither the Company nor any of its material subsidiaries, nor, to the knowledge of the Company, any other person, has received any notice of any material breach of any such applicable Laws.

(t) Title and Rights re: Other Assets. Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect on the Company, the Company and its material subsidiaries, as applicable, have good and valid title to all material properties and material assets reflected in the Company Financial Statements, free and clear of all Liens, or valid leasehold or licence interests in all material properties and material assets not reflected in such financial statements but used by the Company or any of its material subsidiaries.

(u) Contracts. Schedule 3.1(u) of the Company Disclosure Letter includes a complete and accurate list of all Material Contracts to which the Company or any of its material subsidiaries is a party and that are currently in force (the "**Company Material Contracts**"). All Company Material Contracts are in full force and effect, and the Company or its material subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. The Company has made available to Acquiror for inspection true and complete copies of all of the Company Material Contracts. All of the Company Material Contracts are valid and binding obligations of the Company or a material subsidiary of the Company as the case may be, enforceable in accordance with their 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. The Company and its material subsidiaries have complied in all material respects with all terms of the Company Material Contracts, have paid all amounts due thereunder, as and when due, have not waived any rights thereunder and no material default or breach exists in respect thereof on the part of the Company or any of its material subsidiaries or, to the knowledge of the Company, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach or trigger a right of termination of any of the Company Material Contracts. As at the date hereof, neither the Company nor any of its material subsidiaries has received written notice that any party to a Company Material Contract intends to cancel, terminate or otherwise modify or not renew such Company Material Contract, and to the knowledge of the Company, no such action has been threatened. Neither the Company nor any of its material subsidiaries is a party to any Material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of the Company or any of its material subsidiaries.

(v) Permits. The Company and each of its material subsidiaries has obtained and is in compliance in all material respects with all material Permits required by applicable Laws necessary to conduct its current business as now being conducted, except where such non-compliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company (the "**Company Material Permits**"). All of the Company Material Permits have been disclosed to Acquiror in the Company Data Room Information. To the knowledge of the Company, there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in compliance with

such Company Material Permits as are necessary to conduct its business as it is currently being conducted as set forth in the Company Public Disclosure Record.

(w) Intellectual Property. There is no action, suit, proceeding or claim pending or, to the knowledge of the Company, threatened by others challenging the Company or any of its material subsidiaries' rights in or to any Intellectual Property which is used for the conduct of the Company and its material subsidiaries' business as currently carried on as set forth in the Company Public Disclosure Record.

(x) Environmental Matters. Each of the Company and its material subsidiaries and their respective businesses and operations:

(i) is in material compliance with all Environmental Laws and all terms and conditions of all Environmental Permits;

(ii) has not received any order, request or notice from any person alleging a material violation of any Environmental Law;

(iii) Except as disclosed in Section 3.1(x)(iii) of the Company Disclosure Letter, (i) is not a party to any litigation or administrative proceeding, nor is any litigation or administrative proceeding threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arises out of or is related to the Release of any Hazardous Substances, and (ii) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and

(iv) is not involved in any remediation, reclamation or other environmental operations outside the Ordinary Course and does not know of any facts, circumstances or conditions, including any Release of Hazardous Substances, that would reasonably be expected to result in any Environmental Liabilities,

except in each case as disclosed in the Company Public Disclosure Record or where it would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company.

(y) Mineral Reserves and Resources. The estimated indicated, measured and inferred mineral resources disclosed in the Company Public Disclosure Record have been prepared and disclosed in all material respects in accordance with all applicable Laws. The information provided by the Company to the Qualified Persons in connection with the preparation of such estimates was complete and accurate at the time such information was furnished. There has been no material reduction in the aggregate amount of estimated mineral resources of the Company and its subsidiaries, taken as a whole, from the amounts disclosed in the Company Public Disclosure Record.

(z) Regulatory. Except as disclosed in Section 3.1(z) of the Company Disclosure Letter:

(i) The Company and its material subsidiaries have operated and are currently operating in material compliance with all applicable Laws, including all applicable published

rules, regulations, guidelines and policies of any regulatory or governmental agency having jurisdiction over the Company or its material subsidiaries or their respective activities (collectively, the "**Company Regulatory Authorities**"); and

(ii) The Company and its material subsidiaries have operated and are currently operating their respective businesses in compliance with all licenses, Permits, authorizations, approvals, registrations and consents of the Company Regulatory Authorities (the "**Company Regulatory Authorizations**") in all material respects and have made all requisite material declarations and filings with the Company Regulatory Authorities. The Company and its material subsidiaries have not received any written notices or other correspondence from the Company Regulatory Authorities regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material Company Regulatory Authorization relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of the Company or any of its material subsidiaries to operate their respective businesses in a manner which would have a Material Adverse Effect on the Company.

(aa) Employee Benefits.

(i) The Company and each of its material subsidiaries has complied, in all material respects, with the terms of all Company Benefit Plans and with all applicable Laws and any collective bargaining agreements relating thereto.

(ii) Schedule 3.1(aa)(ii) of the Company Disclosure Letter lists all Company Benefit Plans of Company and all material Company Benefit Plans of the Company's material subsidiaries and the Company has furnished to Acquiror true, correct, up-to-date and complete copies of such Company Benefit Plans as amended as of the date hereof together with all related documentation, any material correspondence with a Governmental Entity, any filings and plan summaries. The plan summaries accurately describe the benefits provided under each such Company Benefit Plan referred to therein.

(iii) No Company Benefit Plan is a "registered pension plan" as that term is defined in section 248(1) of the Tax Act or a "multi-employer pension plan" or a "multi-employer plan" as those terms (or equivalent terms) are used in applicable provincial pension standards legislation and the Company and its material subsidiaries have never maintained, sponsored or contributed to any such "registered pension plan", "multi-employer pension plan", "multi-employer plan" on behalf of the employees or former employees of the Company and its material subsidiaries.

(iv) Each Company Benefit Plan is and has been established, registered (if required), qualified, invested and administered, in all material respects, in compliance with the terms of such Company Benefit Plan (including the terms of any documents in respect of such Company Benefit Plan), all applicable Laws, and any collective bargaining agreement relating thereto and there exists no condition or set of circumstances in connection with which the Company or Acquiror could incur, directly or indirectly, any liability or expense (other than for routine contributions or benefit payments) under the terms of the Company Benefit Plans or applicable Laws.

(v) All obligations of the Company or any of its material subsidiaries regarding the Company Benefit Plans have been satisfied in all material respects and no Taxes are owing or exigible under any of the Company Benefit Plans by the Company or any

of its material subsidiaries. All employer and employee payments, contributions and premiums required to be remitted, paid to or in respect of each Company Benefit Plan have been paid or remitted in a timely fashion in accordance with its terms and all applicable Laws.

(vi) Each Company Benefit Plan is insured or funded in compliance with the terms of such Company Benefit Plan, all applicable Laws and any collective bargaining agreement relating thereto and is in good standing with such Governmental Entities as may be applicable and, as of the date hereof, no currently outstanding notice of under-funding, non-compliance, failure to be in good standing or otherwise has been received by the Company or any of its material subsidiaries from any such Governmental Entities.

(vii) To the knowledge of the Company: (A) no Company Benefit Plan is subject to any pending investigation, examination or other proceeding, action or claim initiated by any Governmental Entity, or by any other party (other than routine claims for benefits); and (B) there exists no state of facts which after notice or lapse of time or both would reasonably be expected to give rise to any such investigation, examination or other proceeding, action or claim or to affect the registration or qualification of any Company Benefit Plan required to be registered or qualified.

(viii) The Company and its material subsidiaries have no formal plan and have made no promise or commitment, whether legally binding or not, to create any additional Company Benefit Plan or to improve or change the benefits provided under any Company Benefit Plan.

(ix) There is no entity other than the Company and any of its material subsidiaries participating in any Company Benefit Plan.

(x) None of the Company Benefit Plans provide benefits beyond retirement or other termination of service to employees or former employees or to the beneficiaries or dependants of such employees.

(xi) Except for the Company Management Termination Payments, neither the execution and delivery of this Agreement by the Company nor completion of the Arrangement pursuant to the Plan of Arrangement nor compliance by the Company with any of the provisions hereof shall result in any payment (including severance, unemployment compensation, bonuses or otherwise) becoming due to any director or employee of the Company or any of its subsidiaries or result in any increase or acceleration of contributions, liabilities or benefits or acceleration of vesting or an obligation to fund or secure benefits, in whole or in part, under any Company Benefit Plan.

(xii) All data necessary to administer each Company Benefit Plan is in the possession of the Company or one of its material subsidiaries or their respective agents and is in a form which is sufficient for the proper administration of the Company Benefit Plan in accordance with its terms and all applicable Laws and such data is complete and correct.

(bb) Labour and Employment.

(i) No material employee of the Company or its material subsidiaries is on long-term disability leave, extended absence, authorized unpaid leave of absence (including

maternity or parental leave or unpaid sick leave) or worker's compensation leave. As of the date of this Agreement, none of the material employees of the Company or its material subsidiaries has indicated an intention to resign their employment. All current assessments under applicable workers' compensation legislation in relation to the employees of the Company and its material subsidiaries have been paid or accrued by the Company and its material subsidiaries, as applicable, and the Company and its material subsidiaries are not subject to any special or penalty assessment under such legislation which has not been paid.

(ii) Schedule 3.1(bb)(ii) of the Company Disclosure Letter contains a complete and accurate list of all Contracts or arrangements for the employment or services of any employee, officer, director or consultant of the Company or any of its material subsidiaries that is party to a change of control, severance, termination, "golden parachute" or similar agreement or provision.

(iii) There are no outstanding or, to the knowledge of the Company, pending or threatened material labour tribunal proceedings of any kind, including unfair labour practice proceedings or any proceedings which could result in certification of a trade union or employee association as bargaining agent for any employees of the Company or any of its material subsidiaries. To the knowledge of the Company, there are no threatened or apparent organizing activities by a trade union or employee association involving employees of the Company or any of its material subsidiaries. The Company and its material subsidiaries are not certified to enter into and have not entered into a voluntary recognition arrangement with a trade union or employee association and are not party to a collective agreement (whether or not the expiry date of such collective agreement has passed.)

(iv) The Company Financial Statements include adequate accruals or reserves determined in accordance with IFRS for all accrued and unpaid salaries, wages, bonuses or other remuneration, vacation pay, Canada Pension Plan and Employment Insurance and other employee-related accruals including for any severance or termination payments in respect of employees whose employment was terminated before the date of such statements.

(cc) Compliance with Laws. The Company and its material subsidiaries have complied with and are not in violation of any applicable Laws, other than non-compliance or violations which would not, individually or in the aggregate, have a Material Adverse Effect on the Company.

(dd) Absence of Cease Trade Orders. No order ceasing or suspending trading in the Company Shares (or any of them) or any other securities of the Company is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of the Company, are pending, contemplated or threatened.

(ee) Related Party Transactions. Except as set out in Section 3.1(ee) of the Company Disclosure Letter, there are no Contracts or other transactions currently in place between the Company or any of its material subsidiaries, on the one hand, and: (i) to the knowledge of Company, any officer or director of the Company or any of its material subsidiaries; (ii) to the knowledge of the Company, any holder of record or, to the knowledge of the Company, beneficial owner of 10% or more of the Company Shares; and (iii) to the knowledge of the Company, any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.

(ff) Registration Rights. No Company Shareholder has any right to compel the Company to register or otherwise qualify the Company Shares (or any of them) for public sale or distribution.

(gg) Rights of Other Persons. No person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by the Company or any of its material subsidiaries, or any part thereof.

(hh) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon the Company or any of its material subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect on the Company.

(ii) Brokers. Schedule 3.1(ii) of the Company Disclosure Letter contains a complete and accurate list of any broker, investment banker, financial advisor or other person entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of the Company, and the aggregate amount of such fees that may become payable in respect of all such arrangements is set out in Schedule 3.1(ii) of the Company Disclosure Letter.

(jj) Insurance. As of the date hereof, the Company and its material subsidiaries have such policies of insurance as are listed in Schedule 3.1(jj) of the Company Disclosure Letter. All insurance maintained by the Company or any of its material subsidiaries is in full force and effect and in good standing and neither the Company nor any of its subsidiaries is in default, whether as to payment of premium or otherwise, under the terms of any such insurance nor has the Company or any of its material subsidiaries failed to give any notice or present any material claim under any such insurance in a due and timely fashion or received notice or otherwise become aware of any intent of an insurer to either claim any default on the part of the Company or any of its material subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost, except where such failure or default or other event would not reasonably be expected to have a Material Adverse Effect on the Company.

(kk) United States Securities Laws.

(i) The Company is a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act; and

(ii) The Company is not registered or required to be registered as an "investment company" under the United States *Investment Company Act of 1940*, as amended.

(ll) Arrangements with Shareholders. Other than this Agreement, the Company does not have any agreement, arrangement or understanding (whether written or oral) with respect to Acquiror or any of its securities, businesses or operations with any shareholder of Acquiror, any interested party of Acquiror or any related party of any interested party of Acquiror, or any joint actor with any such persons (and for this purpose, the terms "interested party", "related party" and "joint actor" shall have the meaning ascribed to such terms in MI 61-101).

(mm) No "Collateral Benefit". Except as set out in Section 3.1(mm) of the Company Disclosure Letter, 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 such instrument) as a consequence of the transaction contemplated by this Agreement.

(nn) Bankruptcy and Insolvency. None of the Company or any of its subsidiaries has made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof nor has any petition for a receiving order been presented in respect of it. None of the Company or any of its subsidiaries has initiated any Legal Proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution and, to the knowledge of the Company, no such Legal Proceedings have been threatened by any other person. No receiver has been appointed in respect of the Company or any of its subsidiaries or any of their respective property or assets and no execution or distress has been levied upon any of their respective property or assets and, to the knowledge of the Company, no such Legal Proceedings have been threatened by any other person.

(oo) Payments. Except for Company Management Termination Payments contemplated under Section 5.8, all costs, expenses, liabilities, royalties and other obligations payable, including payments in the Ordinary Course, on or prior to the Effective Date under the terms of any Contracts to which the Company or any of its subsidiaries or affiliates is bound, will, as of the Effective Date, have been paid in full.

(pp) Investment Canada Act. The Company is not a "non Canadian" within the meaning of the *Investment Canada Act*.

3.2 Survival of Representations and Warranties

The representations and warranties of Company contained in this Agreement shall not survive the completion of the Arrangement and shall 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.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF ACQUIROR

4.1 Representations and Warranties

Acquiror hereby represents and warrants to and in favour of the Company as set out in this Section 4.1, except to the extent that such representations and warranties are qualified by the Acquiror Disclosure Letter (with any disclosure therein applying against any representations and warranties to which it is reasonably apparent it should relate) and acknowledges that the Company is relying upon such representations and warranties in connection with the entering into of this Agreement.

(a) Board Approval. As of the date hereof, the Acquiror Board, after consultation with its financial and legal advisors has determined that the Arrangement is in the best interests of Acquiror. The Acquiror Board has approved the execution and performance of this Agreement.

(b) Organization and Qualification. Acquiror and each of its subsidiaries is a corporation duly incorporated or an entity duly created and validly existing under the applicable Laws of its jurisdiction of incorporation, continuance or creation and has all necessary corporate or

other power and capacity to own its property and assets as now owned and to carry on its business as it is now being conducted. Acquiror and each of its subsidiaries: (A) has all Permits necessary to conduct its business substantially as now conducted, as such business is disclosed in the Acquiror Public Disclosure Record, except where the failure to have such Permit would not reasonably be expected to have a Material Adverse Effect on Acquiror; and (B) is duly registered or otherwise authorized and qualified to do business and each is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such qualification necessary, except where the failure to be so registered or in good standing would not reasonably be expected to have a Material Adverse Effect on Acquiror.

(c) Authority Relative to this Agreement. Acquiror has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by Acquiror and the performance by Acquiror of its obligations under this Agreement have been duly authorized by the Acquiror Board and no other corporate proceedings on its part are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by Acquiror and constitutes a legal, valid and binding obligation of Acquiror enforceable against Acquiror in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(d) No Violation. None of the authorization, execution and delivery of this Agreement by Acquiror or the completion of the transactions contemplated by this Agreement or the Arrangement, or the performance of its obligations thereunder, or compliance by Acquiror with any of the provisions of this Agreement, will:

(1) violate, conflict with, or result (with or without notice or the passage of time) in a violation or breach of any provision of, or require, other than the Key Third Party Consents and Key Regulatory Approvals that relate to Acquiror, any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration of indebtedness under, or result in the creation of any Lien upon, any of the properties or assets of Acquiror or any of its subsidiaries, or cause any indebtedness to come due before its stated maturity or cause any credit commitment to cease to be available or cause any payment or other obligation to be imposed on Acquiror or any of its subsidiaries, under any of the terms, conditions or provisions of:

(A) their respective articles, charters or by-laws or other comparable organizational documents; or

(B) any Permit or Material Contract to which Acquiror or any of its subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which Acquiror or any of its subsidiaries is bound;

(2) subject to obtaining the Key Regulatory Approvals,

(A) result (with or without notice or the passage of time) in a violation or breach of or constitute a default under any provisions of any

Laws applicable to Acquiror or any of its subsidiaries or any of their respective properties or assets; or

(B) cause the suspension or revocation of any Permit currently in effect relating to Acquiror or any of its subsidiaries,

(except, in the case of each of clauses (1) and (2) above, for such violations, conflicts, breaches, defaults, terminations, accelerations, creations of Liens, suspensions or revocations which, or any consents (expressly excluding the Key Third Party Consents and Key Regulatory Approvals), approvals or notices which if not given or received, would not, individually or in the aggregate, reasonably be expected to have any Material Adverse Effect on Acquiror);

(3) give rise to any rights of first refusal or trigger any change in control provisions, rights of first offer or first refusal or any similar provisions or any restrictions or limitation under any such note, bond, mortgage, indenture, contract, license, franchise or Permit; or

(4) result in any material, individually or in the aggregate, payment (including severance, unemployment compensation, "golden parachute", bonus or otherwise) becoming due to any director, officer or employee of Acquiror or any subsidiary of Acquiror or increase any benefits otherwise payable under any pension or benefit plan of Acquiror or any subsidiary of Acquiror or result in the acceleration of the time of payment or vesting of any such benefits.

The Key Third Party Consents are the only consents and approvals required from any party under any Contracts of Acquiror or any of its subsidiaries in order for Acquiror and its subsidiaries to proceed with the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement and the Arrangement pursuant to the Plan of Arrangement.

(e) Capitalization.

(1) The authorized share capital of Acquiror consists of an unlimited number of Acquiror Shares without par value.

(2) As of the close of business on May 5, 2023:

(A) 72,535,634 Acquiror Shares were issued and outstanding;

(B) an aggregate of up to 3,775,000 Acquiror Shares were issuable upon the exercise of Acquiror Options;

(C) an aggregate of up to 4,809,250 Acquiror Shares were issuable upon the exercise of 4,809,250 Acquiror Warrants;

(D) an aggregate of up to 4,411,764 Acquiror Shares were issuable upon the exercise of Acquiror Convertible Debentures, of which an aggregate principal amount of $3,000,000 were issued and outstanding;

(E) 549,125 Acquiror RSUs were outstanding under the Acquiror Long Term Incentive Plan;

(F) nil Acquiror DSUs were outstanding under the Acquiror Long Term Incentive Plan; and

(G) nil Acquiror PSUs were outstanding under the Acquiror Long Term Incentive Plan.

(3) Other than the Acquiror Convertible Securities, there are no options, warrants, conversion privileges or other rights, shareholder rights plans, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) of any character whatsoever requiring or which may require the issuance, sale or transfer by Acquiror of any securities of Acquiror (including Acquiror Shares), or any securities or obligations convertible into, or exchangeable or exercisable for, or otherwise evidencing a right or obligation to acquire, any securities of Acquiror (including Acquiror Shares) or any material subsidiary of Acquiror.

(4) All outstanding Acquiror Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all Acquiror Shares issuable upon the exercise of the Acquiror Convertible Securities in accordance with their respective terms have been duly authorized and, upon issuance, will be validly issued as fully paid and non-assessable, and are not and will not be subject to, or issued in violation of, any pre-emptive rights.

(5) All securities of Acquiror (including the Acquiror Shares and the Acquiror Convertible Securities) have been issued in compliance with all applicable Laws and Securities Laws.

(6) Other than Acquiror Shares, there are no securities of Acquiror or of any of its subsidiaries outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the Acquiror Shareholders on any matter.

(7) There are no outstanding contractual or other obligations of Acquiror or any subsidiary to repurchase, redeem or otherwise acquire any of Acquiror's securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries.

(8) There are no outstanding bonds, debentures or other evidences of indebtedness of Acquiror or any of its subsidiaries having the right to vote with the holders of the outstanding Acquiror Shares on any matters.

(f) Reporting Status and Securities Laws Matters. Acquiror is a "reporting issuer" and not on the list of reporting issuers in default under applicable Securities Laws in each of the provinces of Canada except Quebec. The Acquiror Shares are listed on the TSX and the Acquiror Shares are traded on the Frankfurt Stock Exchange and the OTCQX, and no delisting, suspension of trading in or cease trading order with respect to any securities of Acquiror and, to the knowledge of Acquiror, no inquiry or investigation (formal or informal) of any Securities Authority, the TSX, the Frankfurt Stock Exchange or the OTCQX is in effect or ongoing or, to the knowledge of Acquiror, expected to be implemented or undertaken with respect to the foregoing.

(g) Ownership of Subsidiaries. Schedule 4.1(g) of the Acquiror Disclosure Letter includes a complete and accurate list of all subsidiaries owned, directly or indirectly, by Acquiror. All of the issued and outstanding shares of capital stock and other ownership interests in such subsidiaries of Acquiror are duly authorized, validly issued, fully paid and, where the concept exists, non-assessable, and all such shares and other ownership interests held directly or indirectly by Acquiror are legally and beneficially owned free and clear of all Liens, and there are no outstanding options, warrants, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to purchase or acquire, or securities convertible into or exchangeable for, any such shares of capital stock or other ownership interests in or material assets or properties of any of the subsidiaries of Acquiror. There are no contracts, commitments, agreements, understandings, arrangements or restrictions which require any subsidiaries of Acquiror to issue, sell or deliver any shares in its share capital or other ownership interests, or any securities or obligations convertible into or exchangeable for, any shares of its share capital or other ownership interests. There are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) providing to any third party the right to acquire any shares or other ownership interests in any subsidiaries of Acquiror. All ownership interests of Acquiror and its subsidiaries are owned free and clear of all Liens of any kind or nature whatsoever held by third parties. Schedule 4.1(g) of the Acquiror Disclosure Letter includes a complete and accurate list of all securities owned by Acquiror of another corporate person, other than its subsidiaries. Acquiror (together with its affiliates and persons acting jointly or in concert with any of Acquiror or its affiliates) does not beneficially own or exercise control or direction over any the Company Shares or other securities of the Company as at the date of this Agreement.

(h) Public Filings. Acquiror has filed, as applicable, all documents required to be filed by it in accordance with applicable Securities Laws with the Securities Authorities and the TSX. All such documents and information comprising the Acquiror Public Disclosure Record, as of their respective dates (and the dates of any amendments thereto): (i) 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 in which they were made, not misleading; and (ii) complied in all material respects with the requirements of applicable Securities Laws, and any amendments to the Acquiror Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the TSX. Acquiror has not filed any confidential material change report with any Securities Authorities that at the date of this Agreement remains confidential. There has been no change in a material fact or a material change (as such terms are defined under the Securities Act) in any of the information contained in the Acquiror Public Disclosure Record, except for changes in material facts or material changes that are reflected in a subsequently filed document included in the Acquiror Public Disclosure Record.

(i) Acquiror Financial Statements. Acquiror's audited consolidated financial statements as at and for the fiscal years ended December 31, 2022 and 2021 (including the notes thereto) (the "**Acquiror's Financial Statements**") were prepared in accordance with IFRS consistently applied (except as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of Acquiror's independent auditors) and fairly present in all material respects the consolidated financial position, results of operations and cash flows of Acquiror and its subsidiaries as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal period end adjustments) and reflect reserves required by IFRS in respect of all material contingent liabilities, if any, of Acquiror and its subsidiaries on a consolidated basis. There has been no material change in Acquiror's accounting

policies, except as described in the notes to Acquiror's Financial Statements, since December 31, 2022.

(j) Internal Controls and Financial Reporting. Acquiror has designed such disclosure controls and procedures, or caused them to be designed under the supervision of its Chief Executive Officer and Chief Financial Officer, to provide reasonable assurance that information required to be disclosed by Acquiror in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to Acquiror's Chief Executive Officer and Chief Financial Officer to allow timely decisions regarding required disclosure. Acquiror maintains systems of "internal control over financial reporting" that have been designed by, or under the supervision of, its Chief Executive Officer and Chief Financial Officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Since January 1, 2023, Acquiror's auditors and the audit committee of the Acquiror Board have not been advised of: (A) any deficiency, or a combination of deficiencies, in the design or operation of internal controls over financial reporting, or (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Acquiror's internal control over financial reporting.

(k) Corrupt Practices Legislation. Neither Acquiror, its subsidiaries and affiliates, nor any of their respective officers, directors or employees acting on behalf of Acquiror or any of its subsidiaries or affiliates has taken, committed to take or been alleged to have taken any action which would cause Acquiror or any of its subsidiaries or affiliates to be in violation of the *Foreign Corrupt Practices Act* (United States) (and the regulations promulgated thereunder), the *Corruption of Foreign Public Officials Act* (Canada) (and the regulations promulgated thereunder) or any applicable Law of similar effect of any other jurisdiction, and to the knowledge of Acquiror no such action has been taken by any of its agents, representatives or other persons acting on behalf of Acquiror or any of its subsidiaries or affiliates.

(l) Books and Records. The financial books, records and accounts of Acquiror and its material subsidiaries, have in all material respects, been maintained in accordance with applicable Law, in accordance with IFRS and, in each case, are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of Acquiror and its material subsidiaries and accurately and fairly reflect the basis for Acquiror Financial Statements.

(m) Minute Books. The minute books of Acquiror and each of its material subsidiaries are true and correct in all material respects; they contain the duly signed minutes of all meetings of the boards of directors and shareholders and all resolutions passed by the boards of directors and the shareholders thereof except for minutes relating to the proposed transaction between Acquiror and the Company; provided that minutes for recent meetings of the Acquiror Board and committees thereof which have not been finalized as of the date hereof will be finalized and included in the minute books in accordance with Acquiror's past practice.

(n) No Undisclosed Liabilities. Acquiror and its subsidiaries on a consolidated basis have no material outstanding indebtedness or liabilities and are not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any person, that are material to Acquiror, other than those specifically identified in the Acquiror

Financial Statements, or incurred in the Ordinary Course since the date of the most recent Acquiror Financial Statements.

(o) No Material Change. Except as disclosed in the Acquiror Public Disclosure Record, since December 31, 2022 (i) there has been no material change in respect of Acquiror and its material subsidiaries, taken as a whole, and the debt, business and material property of Acquiror and its material subsidiaries, on a consolidated basis, conform in all material respects to the description thereof contained in the Acquiror Public Disclosure Record; (ii) there has been no dividend or distribution of any kind declared, paid or made by Acquiror on any Acquiror Shares; (iii) there has not been a material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of Acquiror and its material subsidiaries taken as a whole; and (iv) Acquiror and its material subsidiaries have carried on business in the Ordinary Course.

(p) Litigation. There are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of Acquiror, threatened affecting Acquiror or any of its subsidiaries or affecting any of their respective property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws. Neither Acquiror nor any of its material subsidiaries nor their respective assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree.

(q) Taxes. Except as provided for in the Acquiror Financial Statements,

(i) Acquiror and each of its material subsidiaries has duly and timely filed all Returns required to be filed by it prior to the date hereof, other than those which have been administratively waived, and all such Returns are complete and correct in all material respects.

(ii) Acquiror and each of its material subsidiaries has paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, other than those which are being or have been contested in good faith and in respect of which reserves have been provided in the most recently published Acquiror Financial Statements.

(iii) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of Acquiror or any of its material subsidiaries, and, neither Acquiror nor any of its material 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 Acquiror, threatened against Acquiror or any of its material subsidiaries or any of their respective assets, that would reasonably be expected to have a Material Adverse Effect.

(iv) No claim has been made by any Governmental Entity in a jurisdiction where Acquiror and any of its material subsidiaries does not file Returns that Acquiror or any of its material subsidiaries is or may be subject to Tax by that jurisdiction that would reasonably be expected to have a Material Adverse Effect.

(v) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable) upon any of the assets or receivables of Acquiror or any of its material subsidiaries.

(vi) Acquiror and each of its material subsidiaries has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to do so would not, individually or in the aggregate, result in a Material Adverse Effect to Acquiror.

(vii) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any claim for, or the period for the collection or assessment or reassessment of, Taxes due from Acquiror or any of its material subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.

(viii) All the Returns, audit reports and assessments in the Acquiror Data Room Information were true, correct and complete copies of such Returns, audit reports and assessments.

(ix) The Acquiror Shares are listed on a "designated stock exchange", as that term is defined in section 248(1) of the Tax Act.

(x) Acquiror is a "Canadian corporation" for purposes of the Tax Act.

(r) Property.

(i) The Acquiror Properties are accurately described in the Acquiror Public Disclosure Record.

(ii) The Acquiror Public Disclosure Record together with the Acquiror Data Room Information discloses all material real and immoveable property legally or beneficially owned, licensed, or leased by Acquiror or its material subsidiaries, or in respect of which Acquiror or its material subsidiaries enjoy the benefit of rights of way, surface rights, easements and Permits for the use of real and immoveable property, and there is no other material real and immoveable property in respect of which Acquiror or its material subsidiaries has any interest.

(iii) The Concessions relating to the Acquiror Properties are the only mining concessions, claims, leases, licenses, Permits or other rights that are required to conduct the activities of Acquiror or its material subsidiaries on the Acquiror Properties as currently conducted.

(iv) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect to Acquiror (i) each Concession relating to the Acquiror Properties is in full force and effect and in good standing and (ii) the interests of Acquiror or its material subsidiaries in each Concession relating to the Acquiror Properties is held free and clear of all Liens. The Acquiror Public Disclosure Record together with the Acquiror Data Room Information accurately describes, in all material respects: (A) the interests of Acquiror and its material subsidiaries in each of the material Concessions relating to the Acquiror Properties; and (B) the agreement or document pursuant to which Acquiror or its material subsidiaries holds its interest in each material Concession relating to the Acquiror Properties. Acquiror or its material subsidiaries are lawfully authorized to hold its interest in the material Concessions relating to the Acquiror Properties.

(v) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect to Acquiror:

(A) each Concession relating to the Acquiror Properties comprises a valid and subsisting mineral claim or concession, in each case in all material respects, and Acquiror or its material subsidiaries enjoys legally enforceable access to the Acquiror Properties as may be required to conduct the activities of Acquiror or its material subsidiaries as currently conducted;

(B) any and all assessment work required to be performed and filed in respect of the Acquiror Properties or under the Concessions relating to the Acquiror Properties has been performed and filed;

(C) any and all Taxes and other payments required to be paid in respect of the Acquiror Properties and the Concessions relating to the Acquiror Properties and all rental or royalty payments required to be paid in respect of the Concessions relating to the Acquiror Properties have been paid;

(D) any and all filings required to be filed in respect of the Acquiror Properties and the Concessions relating to the Acquiror Properties have been filed;

(E) Acquiror or its material subsidiaries have the exclusive right to deal with the Acquiror Properties and the Concessions relating to the Acquiror Properties;

(F) no other person has any material interest in the Acquiror Properties or the Concessions relating to the Acquiror Properties or any right to acquire any such interest;

(G) there are no back-in rights, earn-in rights, rights of first refusal, royalty rights or similar provisions which would materially affect Acquiror's or any of its material subsidiaries' interests in the Acquiror Properties or the Concessions relating to the Acquiror Properties; and

(H) neither Acquiror nor any of its material subsidiaries has received any notice, whether written or oral from any Governmental Entity or any person with jurisdiction or applicable authority of any revocation or intention to revoke Acquiror's or any of its material subsidiaries' interests in the Acquiror Properties or the Concessions relating to the Acquiror Properties.

(vi) Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect to Acquiror, all work and activities carried out on the Acquiror Properties and the Concessions relating to the Acquiror Properties by Acquiror or its material subsidiaries or, to the knowledge of Acquiror, by any other person appointed by Acquiror or any of its material subsidiaries have been carried out in all material respects in compliance with all applicable Laws, and neither Acquiror nor any of its material subsidiaries, nor, to the knowledge of Acquiror, any

other person, has received any notice of any material breach of any such applicable Laws.

(s) Title and Rights re: Other Assets. Except as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect on Acquiror, and except as disclosed in Schedule 4.1(s) of the Acquiror Disclosure Letter, Acquiror and its material subsidiaries, as applicable, have good and valid title to all material properties and material assets reflected in the Acquiror Financial Statements, free and clear of all Liens, or valid leasehold or licence interests in all material properties and material assets not reflected in such financial statements but used by Acquiror or any of its material subsidiaries.

(t) Contracts. Schedule 4.1(t) of the Acquiror Disclosure Letter includes a complete and accurate list of all Material Contracts to which Acquiror or any of its material subsidiaries is a party and that are currently in force (the "**Acquiror Material Contracts**"). Acquiror Material Contracts are in full force and effect, and Acquiror or its material subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. Acquiror has made available to the Company for inspection true and complete copies of all of the Acquiror Material Contracts. All of the Acquiror Material Contracts are valid and binding obligations of Acquiror or a material subsidiary of Acquiror as the case may be, enforceable in accordance with their 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. Acquiror and its material subsidiaries have complied in all material respects with all terms of the Acquiror Material Contracts, have paid all amounts due thereunder, as and when due, have not waived any rights thereunder and no material default or breach exists in respect thereof on the part of Acquiror or any of its material subsidiaries or, to the knowledge of Acquiror, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach or trigger a right of termination of any of the Acquiror Material Contracts. As at the date hereof, neither Acquiror nor any of its material subsidiaries has received written notice that any party to an Acquiror Material Contract intends to cancel, terminate or otherwise modify or not renew such Acquiror Material Contract, and to the knowledge of Acquiror, no such action has been threatened. Neither Acquiror nor any of its material subsidiaries is a party to any Material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of Acquiror or any of its material subsidiaries.

(u) Permits. Acquiror and each of its material subsidiaries has obtained and is in compliance in all material respects with all material Permits required by applicable Laws, necessary to conduct its current business as now being conducted, except where such non-compliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror (the "**Acquiror Material Permits**"). All of the Acquiror Material Permits have been disclosed to the Company in the Acquiror Data Room Information. To the knowledge of Acquiror, there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in compliance with such Acquiror Material Permits as are necessary to conduct its business as it is currently being conducted as set forth in the Acquiror Public Disclosure Record.

(v) Intellectual Property. There is no action, suit, proceeding or claim pending or, to the knowledge of Acquiror, threatened by others challenging Acquiror's or any of its material subsidiaries' rights in or to any Intellectual Property which is used for the conduct of Acquiror's and its material subsidiaries' business as currently carried on as set forth in the Acquiror Public Disclosure Record.

(w) Environmental Matters. Each of Acquiror and its material subsidiaries and their respective businesses and operations:

(i) is in material compliance with all Environmental Laws and all terms and conditions of all Environmental Permits;

(ii) has not received any order, request or notice from any person alleging a material violation of any Environmental Law;

(iii) (i) is not a party to any litigation or administrative proceeding, nor is any litigation or administrative proceeding threatened against it or its property or assets, which in either case (1) asserts or alleges that it violated any Environmental Laws, (2) asserts or alleges that it is required to clean up, remove or take remedial or other response action due to the Release of any Hazardous Substances, or (3) asserts or alleges that it is required to pay all or a portion of the cost of any past, present or future cleanup, removal or remedial or other response action which arise out of or is related to the Release of any Hazardous Substances, and (ii) is not subject to any judgment, decree, order or citation related to or arising out of applicable Environmental Law and has not been named or listed as a potentially responsible party by any Governmental Entity in a matter arising under any Environmental Laws; and

(iv) is not involved in any remediation, reclamation or other environmental operations outside the Ordinary Course and does not know of any facts, circumstances or conditions, including any Release of Hazardous Substances, that would reasonably be expected to result in any Environmental Liabilities,

except, in each case as disclosed in the Acquiror Public Disclosure Record or where it would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Acquiror.

(x) Mineral Reserves and Resources. The estimated proven and probable mineral reserves and estimated indicated, measured and inferred mineral resources disclosed in the Acquiror Public Disclosure Record have been prepared and disclosed in all material respects in accordance with all applicable Laws. The information provided by Acquiror to the Qualified Persons in connection with the preparation of such estimates was complete and accurate at the time such information was furnished. Except as a result of mineral production, there has been no material reduction in the aggregate amount of estimated mineral reserves or estimated mineral resources of Acquiror and its subsidiaries, taken as a whole, from the amounts disclosed in the Acquiror Public Disclosure Record.

(y) Regulatory.

(i) Acquiror and its material subsidiaries have operated and are currently operating in material compliance with all applicable Laws, including all applicable published rules, regulations, guidelines and policies of any regulatory or governmental agency having jurisdiction over Acquiror or its material subsidiaries or their respective activities (collectively, the "**Acquiror Regulatory Authorities**"); and

(ii) Acquiror and its material subsidiaries have operated and are currently operating their respective businesses in compliance with all licenses, Permits, authorizations, approvals, registrations and consents of the Acquiror Regulatory Authorities (the "**Acquiror Regulatory Authorizations**") in all material respects and have made all requisite material declarations and filings with the Acquiror Regulatory Authorities.

Acquiror and its material subsidiaries have not received any written notices or other correspondence from the Acquiror Regulatory Authorities regarding any circumstances that have existed or currently exist which would lead to a loss, suspension, or modification of, or a refusal to issue, any material Acquiror Regulatory Authorization relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of Acquiror or any of its material subsidiaries to operate their respective businesses in a manner which would have a Material Adverse Effect on Acquiror.

(z) Employee Benefits.

(i) Acquiror and each of its material subsidiaries has complied, in all material respects, with the terms of all Acquiror Benefit Plans and with all applicable Laws and any collective bargaining agreements relating thereto.

(ii) Schedule 4.1(z)(ii) of the Acquiror Disclosure Letter lists all Acquiror Benefit Plans of Acquiror and all material Acquiror Benefit Plans of Acquiror's material subsidiaries and Acquiror has furnished to the Company true, correct, up-to-date and complete copies of such Acquiror Benefit Plans as amended as of the date hereof together with all related documentation, any material correspondence with a Governmental Entity, any filings and plan summaries. The plan summaries accurately describe the benefits provided under each such Acquiror Benefit Plan referred to therein.

(iii) No Acquiror Benefit Plan is a "registered pension plan" as that term is defined in section 248(1) of the Tax Act or a "multi-employer pension plan" or a "multi-employer plan" as those terms (or equivalent terms) are used in applicable provincial pension standards legislation and Acquiror and its material subsidiaries have never maintained, sponsored or contributed to any such "registered pension plan", "multi-employer pension plan", "multi-employer plan" on behalf of the employees or former employees of Acquiror and its material subsidiaries.

(iv) Each Acquiror Benefit Plan is and has been established, registered (if required), qualified, invested and administered, in all material respects, in compliance with the terms of such Acquiror Benefit Plan (including the terms of any documents in respect of such Acquiror Benefit Plan), all applicable Laws, and any collective bargaining agreement relating thereto and there exists no condition or set of circumstances in connection with which Acquiror could incur, directly or indirectly, any liability or expense (other than for routine contributions or benefit payments) under the terms of the Acquiror Benefit Plan or applicable Laws.

(v) All obligations of Acquiror or any of its material subsidiaries regarding the Acquiror Benefit Plans have been satisfied in all material respects and no Taxes are owing or exigible under any of the Acquiror Benefit Plans by Acquiror or any of its material subsidiaries. All employer and employee payments, contributions and premiums required to be remitted, paid to or in respect of each Acquiror Benefit Plan have been paid or remitted in a timely fashion in accordance with its terms and all applicable Laws.

(vi) Each Acquiror Benefit Plan is insured or funded in compliance with the terms of such Acquiror Benefit Plan, all applicable Laws and any collective bargaining agreement relating thereto and is in good standing with such Governmental Entities as may be applicable and, as of the date hereof, no currently outstanding notice of

under-funding, non-compliance, failure to be in good standing or otherwise has been received by Acquiror or any of its material subsidiaries from any such Governmental Entities.

(vii) To the knowledge of Acquiror: (A) no Acquiror Benefit Plan is subject to any pending investigation, examination or other proceeding, action or claim initiated by any Governmental Entity, or by any other party (other than routine claims for benefits); and (B) there exists no state of facts which after notice or lapse of time or both would reasonably be expected to give rise to any such investigation, examination or other proceeding, action or claim or to affect the registration or qualification of any Acquiror Benefit Plan required to be registered or qualified.

(viii) Acquiror and its material subsidiaries have no formal plan and have made no promise or commitment, whether legally binding or not, to create any additional Acquiror Benefit Plan or to improve or change the benefits provided under any Acquiror Benefit Plan.

(ix) There is no entity other than Acquiror and any of its material subsidiaries participating in any Acquiror Benefit Plan.

(x) None of the Acquiror Benefit Plans provide benefits beyond retirement or other termination of service to employees or former employees or to the beneficiaries or dependants of such employees.

(xi) Neither the execution and delivery of this Agreement by Acquiror nor completion of the Arrangement pursuant to the Plan of Arrangement nor compliance by Acquiror with any of the provisions hereof shall result in any payment (including severance, unemployment compensation, bonuses or otherwise) becoming due to any director or employee of Acquiror or any of its subsidiaries or result in any increase or acceleration of contributions, liabilities or benefits or acceleration of vesting or an obligation to fund or secure benefits, in whole or in part, under any Acquiror Benefit Plan.

(xii) All data necessary to administer each Acquiror Benefit Plan is in the possession of Acquiror or one of its material subsidiaries or their respective agents and is in a form which is sufficient for the proper administration of the Acquiror Benefit Plan in accordance with its terms and all applicable Laws and such data is complete and correct.

(aa) Issuance of Acquiror Shares. The Consideration Shares to be issued will, when issued pursuant to the Arrangement, be duly and validly issued as fully paid and non-assessable Acquiror Shares.

(bb) Labour and Employment.

(i) No material employee of Acquiror or its material subsidiaries is on long-term disability leave, extended absence, authorized unpaid leave of absence (including maternity or parental leave or unpaid sick leave) or worker's compensation leave. As of the date of this Agreement, none of the material employees of Acquiror or its material subsidiaries has indicated an intention to resign their employment. All current assessments under applicable workers' compensation legislation in relation to the employees of Acquiror and its material subsidiaries have been paid or accrued by Acquiror and its material subsidiaries, as applicable, and Acquiror and its material

subsidiaries are not subject to any special or penalty assessment under such legislation which has not been paid.

(ii) There are no outstanding or, to the knowledge of Acquiror, pending or threatened material labour tribunal proceedings of any kind, including unfair labour practice proceedings or any proceedings which could result in certification of a trade union or employee association as bargaining agent for any employees of Acquiror or any of its material subsidiaries. To the knowledge of Acquiror, there are no threatened or apparent organizing activities by a trade union or employee association involving employees of Acquiror or any of its material subsidiaries. Acquiror and its material subsidiaries are not certified to or entered into a voluntary recognition arrangement with a trade union or employee association and are not party to a collective agreement (whether or not the expiry date of such collective agreement has passed.)

(iii) The Acquiror Financial Statements include adequate accruals or reserves determined in accordance with IFRS for all accrued and unpaid salaries, wages, bonuses or other remuneration, vacation pay, Canada Pension Plan and Employment Insurance and other employee-related accruals including for any severance or termination payments in respect of employees whose employment was terminated before the date of such statements.

(cc) Compliance with Laws. Acquiror and its material subsidiaries have complied with and are not in violation of any applicable Laws, other than non-compliance or violations which would not, individually or in the aggregate, have a Material Adverse Effect on Acquiror.

(dd) Absence of Cease Trade Orders. No order ceasing or suspending trading in Acquiror Shares (or any of them) or any other securities of Acquiror is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of Acquiror, are pending, contemplated or threatened.

(ee) Related Party Transactions. Except as disclosed in the Acquiror Public Disclosure Record, there are no Contracts or other transactions currently in place between Acquiror or any of its material subsidiaries, on the one hand, and: (i) to the knowledge of Acquiror, any officer or director of Acquiror or any of its material subsidiaries; (ii) to the knowledge of Acquiror, any holder of record or, to the knowledge of Acquiror, beneficial owner of 10% or more of the Acquiror Shares; and (iii) to the knowledge of Acquiror, any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.

(ff) Registration Rights. No Acquiror Shareholder has any right to compel Acquiror to register or otherwise qualify the Acquiror Shares (or any of them) for public sale or distribution.

(gg) Rights of Other Persons. No person has any right of first refusal or option to purchase or any other right of participation in any of the material properties or assets owned by Acquiror or any of its material subsidiaries, or any part thereof.

(hh) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon Acquiror or any of its material subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of any of them, any acquisition or disposition of property by any of them, or the conduct of the business by any of them as currently conducted, which could reasonably be expected to have a Material Adverse Effect on Acquiror.

(ii) Brokers. Schedule 4.1(ii) of the Acquiror Disclosure Letter contains a complete and accurate list of any broker, investment banker, financial advisor or other person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated hereby based upon arrangements made by or on behalf of Acquiror, and the aggregate amount of such fees that may become payable in respect of all such arrangements is set out in Schedule 4.1(ii) of the Acquiror Disclosure Letter.

(jj) Insurance. As of the date hereof, Acquiror and its material subsidiaries have such policies of insurance as are listed in Schedule 4.1(jj) of the Acquiror Disclosure Letter. All insurance maintained by Acquiror or any of its material subsidiaries is in full force and effect and in good standing and neither Acquiror nor any of its subsidiaries is in default, whether as to payment of premium or otherwise, under the terms of any such insurance nor has Acquiror or any of its material subsidiaries failed to give any notice or present any material claim under any such insurance in a due and timely fashion or received notice or otherwise become aware of any intent of an insurer to either claim any default on the part of Acquiror or any of its material subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost, except where such failure or default or other event would not reasonably be expected to have a Material Adverse Effect on Acquiror.

(kk) United States Securities Laws.

(i) Acquiror is a "foreign private issuer" as defined in Rule 3b-4 under the *U.S. Exchange Act*; and

(ii) Acquiror is not registered or required to be registered as an "investment company" under the *United States Investment Company Act* of 1940, as amended.

(ll) Use of Short Form Prospectus. Acquiror meets the general eligibility requirements for use of a short form prospectus under National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators.

(mm) Arrangements with Shareholders. Other than the Company Voting Agreements and this Agreement, Acquiror does not have any agreement, arrangement or understanding (whether written or oral) with respect to the Company or any of its securities, businesses or operations with any shareholder of the Company, any interested party of the Company or any related party of any interested party of the Company, or any joint actor with any such persons (and for this purpose, the terms "interested party", "related party" and "joint actor" shall have the meaning ascribed to such terms in MI 61-101).

(nn) Bankruptcy and Insolvency. None of Acquiror or any of its subsidiaries has made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof nor has any petition for a receiving order been presented in respect of it. None of Acquiror or any of its subsidiaries has initiated any Legal Proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution and, to the knowledge of Acquiror, no such Legal Proceedings have been threatened by any other person. No receiver has been appointed in respect of Acquiror or any of its subsidiaries or any of their respective property or assets and no execution or distress has been levied upon any of their respective property or assets and, to the knowledge of Acquiror, no such Legal Proceedings have been threatened by any other person.

(oo) Investment Canada Act. Acquiror is not a "non Canadian" within the meaning of the *Investment Canada Act*.

4.2 Survival of Representations and Warranties

The representations and warranties of Acquiror contained in this Agreement shall not survive the completion of the Arrangement and shall 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.

ARTICLE 5
COVENANTS

5.1 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 as required or permitted by this Agreement, applicable Laws or any Governmental Entities or as consented to by Acquiror in writing, the Company shall, and shall cause each of its material subsidiaries to, conduct its business in the Ordinary Course. Without limiting the generality of the foregoing, 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 as required or permitted by this Agreement, or as set out in Schedule 5.1 of the Company Disclosure Letter, the Company shall not, nor shall it permit any of its material subsidiaries to, directly or indirectly, without the prior written consent of Acquiror (which consent shall not be unreasonably withheld or delayed):

(a) (i) amend its articles, charter or by-laws or other comparable organizational documents; (ii) split, combine or reclassify any shares in the capital of the Company or any of its material subsidiaries, or declare, set aside or pay any dividend or other distribution or payment (whether in cash, securities or property or any combination thereof) in respect of the Company Shares owned by any person or the securities of any subsidiary owned by a person other than Acquiror other than, in the case of any subsidiary wholly-owned by the Company, any dividends payable to the Company or any other wholly-owned subsidiary of the Company; (iii) issue, grant, deliver, sell or pledge, or agree to issue, grant, deliver, sell or pledge, any Company Shares, Company PSUs, Company DSUs or Company RSUs of the Company or its material subsidiaries, or any rights convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares or other securities of the Company or its material subsidiaries, other than: (A) the issuance of the Company Shares pursuant to the terms of the outstanding the Company Convertible Securities; and (B) as required under applicable Law or existing Material Contracts set forth in Schedule 3.1(u) of the Company Disclosure Letter; (iv) redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any outstanding securities of the Company or any of its subsidiaries, (v) amend the terms of any of its securities; (vi) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of the Company or any of its material subsidiaries; (vii) amend its accounting policies or adopt new accounting policies, in each case except as required in accordance with IFRS; or (viii) enter into any agreement with respect to any of the foregoing;

(b) except in the Ordinary Course: (i) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of or encumber or otherwise transfer, any assets, securities, properties, interests or businesses of the Company or any of its material subsidiaries for an amount greater than $0.5 million, in the aggregate; (ii) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets or otherwise), directly or indirectly, any assets, securities, properties, interests, businesses, corporation, partnership or other

business organization or division thereof, or make any investment either by the purchase of securities, contribution of capital, property transfer, or purchase of any other property or assets of any other person, for an amount greater than $0.5 million, in the aggregate; (iii) incur, create, assume or otherwise become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligations of any other person; (iv) pay, discharge or satisfy any material liabilities or obligations; (v) waive, release, grant or transfer any rights of material value; (vi) enter into new commitments of a capital expenditure nature in excess of $0.5 million, in the aggregate, except in accordance with current approved budgets that have been disclosed to Acquiror; or (vii) authorize or propose any of the foregoing, or enter into any agreement to do any of the foregoing;

(c) other than as is necessary to comply with applicable Laws or Contracts, or in accordance with the Company Benefit Plans: (i) grant to any officer, employee or director of the Company or any of its subsidiaries an increase in compensation in any form, or grant any general salary increase; (ii) make any loan to any officer, employee, or director of the Company or any of its subsidiaries; (iii) take any action with respect to the grant of any severance, change of control, bonus or termination pay to, or enter into any employment agreement, deferred compensation or other similar agreement (or amend any such existing agreement) with any officer, employee or director of the Company or any of its subsidiaries, other than the declaration and payment of cash bonuses in the Ordinary Course; (iv) increase any benefits payable under any existing severance or termination pay policies or employment agreements, or adopt or materially amend or make any contribution to any Company Benefit 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, officers or employees or former directors, officers, employees of the Company or any of its subsidiaries; (v) increase bonus levels or other benefits payable to any director, officer or employee of the Company or any of its subsidiaries; (vi) establish, adopt or amend (except as required by applicable Law) any collective bargaining agreement or similar agreement; or (vii) except as contemplated by this Agreement, provide for accelerated vesting, removal of restrictions on exercise of any stock based or stock related awards (including stock options, stock appreciation rights, deferred share units, performance units and restricted share awards) upon a change of control occurring on or prior to the Effective Time;

(d) settle, pay, discharge, satisfy, compromise, waive, assign or release, in an amount greater than $0.5 million, (i) any material action, claim or proceeding brought against the Company and/or any of its subsidiaries; or (ii) any action, claim or proceeding brought by any present, former or purported holder of its securities in connection with the transactions contemplated by this Agreement or the Plan of Arrangement;

(e) enter into any agreement or arrangement that limits or otherwise restricts in any material respect the Company or any of its material subsidiaries or any successor thereto, or that would, after the Effective Time, limit or restrict in any material respect the Company or any of its material subsidiaries from competing in any manner;

(f) waive, release or assign any material rights, claims or benefits of the Company or any of its material subsidiaries;

(g) other than in the Ordinary Course: (i) enter into any agreement that if entered into prior to the date hereof would be a Material Contract; or (ii) modify, amend in any material respect,

transfer or terminate any Material Contract, or waive, release or assign any material rights or claims thereto or thereunder;

(h) change any method of accounting or Tax accounting, make or change any Tax election, file any materially amended Return, settle or compromise any Tax liability in excess of $0.5 million, agree to an extension or waiver of the limitation period with respect to the assessment, reassessment or determination of Taxes, enter into any closing agreement with respect to any Tax or surrender any right to claim a material Tax refund;

(i) 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 Entity to institute proceedings for the suspension, revocation or limitation of rights under, any material Permits or any approvals of or from any Governmental Entity necessary to conduct its businesses as now conducted or as proposed to be conducted; or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities for approvals;

(j) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of the Company to consummate the Arrangement or the other transactions contemplated by this Agreement; or

(k) agree, resolve or commit to do any of the foregoing.

The Company shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by the Company or any of its subsidiaries, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect; provided that, subject to Section 7.6, none of the Company or any of its subsidiaries shall obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months.

The Company shall keep Acquiror fully informed as to all material decisions or actions required to be made with respect to the operations of the business of the Company; provided, however, that the failure to do so shall not constitute a breach of this Agreement that, in and of itself, may lead to termination of this Agreement.

The Company shall promptly notify Acquiror in writing of any circumstance or development that, to the knowledge of the Company, is or could reasonably be expected to constitute a Material Adverse Effect.

5.2 Covenants of Acquiror Regarding the Conduct of Business

Acquiror 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 as required or permitted by this Agreement, applicable Laws or any Governmental Entities or as consented to by the Company in writing, Acquiror shall, and shall cause each of its material subsidiaries to, conduct its business in the Ordinary Course. Without limiting the generality of the foregoing, 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 as required or permitted by this Agreement, or as set out in Schedule 5.2 of the Acquiror Disclosure Letter, Acquiror shall not, nor shall it permit any of its material subsidiaries to, directly or indirectly, without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed):

(a) (i) amend its articles, charter or by-laws or other comparable organizational documents; (ii) split, combine or reclassify any shares in the capital of Acquiror or any of its material subsidiaries, or declare, set aside or pay any dividend or other distribution or payment (whether in cash, securities or property or any combination thereof) in respect of the Acquiror Shares owned by any person or the securities of any subsidiary owned by a person other than Acquiror other than, in the case of any subsidiary wholly-owned by Acquiror, any dividends payable to Acquiror or any other wholly-owned subsidiary of Acquiror; (iii) amend the terms of any of its securities; (iv) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of the Company or any of its material subsidiaries; or (v) enter into any agreement with respect to any of the foregoing;

(b) take any action or fail to take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of Acquiror to consummate the Arrangement or the other transactions contemplated by this Agreement; or

(c) agree, resolve or commit to do any of the foregoing.

The Acquiror shall keep the Company fully informed as to all material decisions or actions required to be made with respect to the operations of the business of the Acquiror, subject to confidentiality obligations of the Acquiror, up to the Effective Time; provided, however, that the failure to do so shall not constitute a breach of this Agreement that, in and of itself, may lead to termination of this Agreement.

Acquiror shall promptly notify the Company in writing of any circumstance or development that, to the knowledge of Acquiror is or could reasonably be expected to constitute a Material Adverse Effect.

5.3 Covenants of the Company Relating to the Arrangement

The Company shall, and shall cause its subsidiaries to, perform all obligations required or desirable to be performed by the Company or any of its subsidiaries under this Agreement, co-operate with Acquiror in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and, without limiting the generality of the foregoing, the Company shall and, where applicable, shall cause its subsidiaries to:

(a) apply for and use its commercially reasonable efforts to obtain all Key Regulatory Approvals relating to the Company or any of its subsidiaries and the Company shall file as soon as reasonably practicable with all applicable Governmental Entities all notices, applications, submissions or other documents or information required and, without limiting the foregoing, the Company shall use its commercially reasonable efforts to satisfy, as soon as reasonably possible, any requests for information and documentation received from any Governmental Entity in connection with such approval; and, in doing so, keep Acquiror reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Acquiror with copies of all related applications and notifications, in draft form (except where such material is confidential in which case it will be provided (subject to applicable Laws) to Acquiror's outside counsel on an "external counsel" basis), in order for Acquiror to provide its comments thereon, which shall be given due and reasonable consideration;

(b) use its commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third-party consents, approvals and notices required under, and shall obtain all amendments reasonably requested by Acquiror in respect of, any Material

Contracts and all Key Third Party Consents, all as set out in the Company Disclosure Letter;

(c) defend all lawsuits or other legal, regulatory or other proceedings against the Company challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;

(d) except as permitted by this Agreement, not take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of the Company to consummate the Arrangement or the other transactions contemplated by this Agreement; and

(e) until the earlier of the Effective Time and termination of this Agreement, the Company shall, subject to applicable Law, make available and cause to be made available to Acquiror, and the agents and advisors thereto, information reasonably requested by Acquiror for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of Acquiror and the Company following the Effective Date and confirming the representations and warranties of the Company set out in this Agreement.

5.4 Covenants of Acquiror Relating to the Arrangement

Acquiror shall, and shall cause its subsidiaries to, perform all obligations required or desirable to be performed by Acquiror or any of its subsidiaries under this Agreement, co-operate with the Company in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and, without limiting the generality of the foregoing, Acquiror shall and, where appropriate, shall cause its subsidiaries to:

(a) apply for and use its commercially reasonable efforts to obtain all Key Regulatory Approvals relating to Acquiror or any of its subsidiaries and Acquiror shall file as soon as reasonably practicable with all applicable Governmental Entities all notices, applications, submissions or other documents or information required and, without limiting the foregoing, Acquiror shall use its commercially reasonable efforts to satisfy, as soon as reasonably possible, any requests for information and documentation received from any Governmental Entity in connection with such approval; and, in doing so, keep the Company reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing the Company with copies of all related applications and notifications in draft form (except where such material is confidential in which case it will be provided (subject to applicable Laws) to the Company's outside counsel on an "external counsel" basis), in order for the Company to provide its reasonable comments thereon, which shall be given due and reasonable consideration;

(b) subject to the terms and conditions of this Agreement and of the Plan of Arrangement and applicable Laws, issue to the Company Shareholders the Consideration Shares to be issued pursuant to the Arrangement at the time provided herein;

(c) do all things necessary to: (i) allot, set aside and reserve for issuance such number of Acquiror Shares as may be issuable following the Effective Time on any exercise, redemption or conversion of the Company Convertible Securities in accordance with their terms; (ii) assume all obligations in respect of the Company DSUs, Company RSUs and Company PSUs; and (iii) perform the obligations of Acquiror required prior to the Effective Time pursuant to: (A) the Company Convertible Securities upon the adjustment

of the Company Convertible Securities to become exercisable, redeemable or otherwise convertible for Acquiror Shares following the Effective Time pursuant to the underlying agreement, indenture, certificate, plan or other terms and conditions attaching thereto; and (B) the Company DSUs, Company RSUs and Company PSUs upon the assumption thereof;

(d) use its commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third-party consents, approvals and notices required under, and shall obtain all amendments reasonably requested by the Company in respect of, any Material Contracts and all Key Third Party Consents, all as set out in the Acquiror Disclosure Letter;

(e) defend all lawsuits or other legal, regulatory or other proceedings against Acquiror challenging or affecting this Agreement or the consummation of the transactions contemplated hereby; and

(f) except as permitted by this Agreement, not take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of Acquiror to consummate the Arrangement or the other transactions contemplated by this Agreement.

5.5 Mutual Covenants

Each of the Parties covenants and agrees that, except as contemplated in this Agreement, 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:

(a) it shall, and shall cause its subsidiaries to, use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder as set forth in Article 6 to the extent the same is within its control and to take, or cause to be taken, as promptly as practicable, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Plan of Arrangement, including using its commercially reasonable efforts to: (i) obtain all Key Regulatory Approvals required to be obtained by it; (ii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Plan of Arrangement; (iii) oppose, lift or rescind any injunction or restraining order against it or other order or action against it seeking to stop, or otherwise adversely affecting its ability to make and complete, the Plan of Arrangement; (iv) co-operate with the other Party in connection with the performance by it and its subsidiaries of their obligations hereunder, including giving the other Party a reasonable opportunity to review and comment on any filing or submission being made to a Governmental Entity in connection with the Key Regulatory Approvals, which comments the receiving Party shall give due consideration to, and providing the other Party with a final copy of any filing or submission made to a Governmental Entity (where a Party regards any information in a filing or submission to be both confidential and competitively sensitive, the supplying Party may restrict the supply of such information to the receiving Party's external legal counsel only and such receiving Party shall not request or receive such information from its external legal counsel without the supplying Party's written consent); (v) provide the other Party with any communications received from a Governmental Entity in connection with obtaining the Key Regulatory Approvals; (vi) neither Party shall attend any meeting with a Governmental Entity in connection with obtaining the Key Regulatory Approvals, whether such meeting will be by teleconference or in person, without affording the other Party a reasonable opportunity to attend such meeting (provided that the Governmental Entity does not object to the attendance of both Parties at any such meeting); in addition, subject to the terms and conditions of this

Agreement, none of the Parties shall knowingly take or cause to be taken any action which would reasonably be expected to prevent or materially delay the consummation of the transactions contemplated hereby; and (vii) the Parties shall exchange such information that a Party reasonably requests for the purposes of determining whether any filing or notices to a Governmental Entity under any competition or anti-trust laws outside of Canada must be submitted in connection with the transactions contemplated by this Agreement;

(b) it shall not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to significantly impede the making or completion of the Plan of Arrangement except as permitted by this Agreement;

(c) it shall use its commercially reasonable efforts to ensure that the Section 3(a)(10) Exemption is available for the issuance of Consideration Shares to the Company Shareholders pursuant to the Plan of Arrangement;

provided, however, that this Section 5.5 shall not require Acquiror to take any steps or actions that would, in its sole discretion, as applicable, affect Acquiror's or its subsidiaries' right to own, use or exploit its business, operations or assets or those of the Company or any of its subsidiaries including, for greater certainty, divesting or agreeing to divest of any assets of Acquiror, the Company or any of their respective subsidiaries, terminating any existing relationships, contractual rights or obligations of Acquiror, the Company or any of their respective subsidiaries or effecting any change or restructuring of Acquiror, the Company or any of their respective subsidiaries in order to obtain the Key Regulatory Approvals prior to the Outside Date.

5.6 Resignations

Prior to the Effective Time, the Company shall use commercially reasonable efforts to cause, and it shall cause any of its subsidiaries to use commercially reasonable efforts to cause, those directors and officers of the Company and its subsidiaries listed in Schedule 5.6 of the Company Disclosure Letter to provide resignations and mutual releases, in form and substance satisfactory to Acquiror, acting reasonably, effective as at the Effective Time and the Company shall, and shall cause its subsidiaries, to enter into such mutual releases, as applicable.

5.7 Pre-Acquisition Reorganization

The Company agrees that, upon request of Acquiror, the Company shall perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Acquiror may request, acting reasonably (each a "**Pre-Acquisition Reorganization**") provided, however, that the Pre-Acquisition Reorganization shall not:

(a) impede, delay or prevent completion of the Arrangement;

(b) in the opinion of the Company, acting reasonably, prejudice Company Shareholders or other securityholders of the Company;

(c) unreasonably interfere in any material operations of the Company or its subsidiaries prior to the Effective Time;

(d) require the Company to acquire the consent of any third parties, including under any applicable Contracts of the Company;

(e) require the Company or any of its subsidiaries to contravene any Laws, its organizational documents or any Contracts of the Company;

(f) result in any Taxes being imposed on, or any adverse Tax or other adverse consequences to, any (i) Company Shareholders or other securityholders of the Company or (ii) Acquiror Shareholders or other securityholders of Acquiror, as applicable, incrementally greater (unless *de minimis*) than the Taxes or other adverse consequences to such party in connection with the consummation of the Arrangement in the absence of any Pre-Acquisition Reorganization; or

(g) be effective prior to the Company Meeting.

In the event the Acquiror requests a Pre-Acquisition Reorganization, it must provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least 15 business days prior to the Effective Date. Upon receipt of such notice, the Parties 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, including any amendment to this Agreement or the Plan of Arrangement, and shall seek to have any such Pre-Acquisition Reorganization made effective prior to the Effective Date. Acquiror agrees to waive any breach of a representation, warranty or covenant of this Agreement by the Company where such breach is a direct result of an action taken by the Company in good faith pursuant to a request by the Company in accordance with this Section 5.7. Without limiting the foregoing and other than as set forth in this Section 5.7 above, the Company shall use commercially reasonable efforts to obtain all necessary consents, approvals or waivers from any persons required to effect each Pre-Acquisition Reorganization, and the Company shall cooperate with Acquiror in structuring, planning and implementing any such Pre-Acquisition Reorganization.

Acquiror agrees that it will be responsible for all costs and expenses (including any professional fees and expenses) associated with any Pre-Acquisition Reorganization to be carried out at its request and shall indemnify and save harmless the Company and its affiliates (and their officers, directors and employees (to the extent that such employees are assessed with statutory liability therefor)) for all direct and indirect costs or losses, including any adverse Tax consequences, out-of-pocket costs and expenses, including out-of-pocket legal fees and disbursements, incurred in connection with any Pre-Acquisition Reorganization.

5.8 Company Management Termination Payments

The Company shall make 50% of the Company Management Termination Payments, immediately prior to the Effective Time (and not earlier than the business day prior to the Effective Date), and make the remaining 50% of the Company Management Termination Payments twelve months following the Effective Date and the Acquiror hereby agrees to unconditionally and on an unsecured basis guarantee all obligations of the Company in connection with the remaining 50% of the Company Management Termination Payments**.**

5.9 Stock Exchange Matters

Subject to Laws, Acquiror and the Company shall use their commercially reasonable efforts to cause the Company Shares to be de-listed from the TSXV with effect promptly following the acquisition by Acquiror of the Company Shares pursuant to the Arrangement.

ARTICLE 6
CONDITIONS

6.1 Mutual Conditions Precedent

The obligations of the Parties to complete the transactions contemplated by this Agreement are subject to the fulfillment, on or before the Effective Time, of each of the following conditions precedent, each of which may only be waived with the mutual consent of the Parties:

(a) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to the Company or Acquiror, acting reasonably, on appeal or otherwise;

(b) the Court shall have determined that the terms and conditions of the issuance of the Consideration Shares to Company Shareholders pursuant to the Plan of Arrangement are procedurally and substantively fair to Company Shareholders and the Final Order shall have been granted in a form satisfactory to the Company and Acquiror, acting reasonably;

(c) the Company Shareholder Approval shall have been obtained at the Company Meeting in accordance with the Interim Order;

(d) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, against Acquiror or the Company which shall prevent the consummation of the Arrangement;

(e) the Key Regulatory Approvals and Key Third Party Consents shall have been obtained and shall remain in effect;

(f) this Agreement shall not have been terminated in accordance with its terms; and

(g) the distribution of the securities pursuant to the Arrangement shall be exempt from the prospectus requirements of applicable Securities Laws either by virtue of exemptive relief from the Securities Authorities or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale restrictions under applicable Securities Laws (other than as applicable to control persons or pursuant to section 2.6 of National Instrument 45-102 – *Resale of Securities* of the Canadian Securities Administrators).

6.2 Additional Conditions Precedent to the Obligations of Acquiror

The obligations of Acquiror to complete the transactions contemplated by this Agreement shall also be subject to the fulfillment of each of the following conditions precedent (each of which is for the exclusive benefit of Acquiror and may be waived by Acquiror):

(a) all covenants of the Company under this Agreement to be performed on or before the Effective Time which have not been waived by Acquiror shall have been duly performed by the Company in all material respects, and Acquiror shall have received a certificate of the Company addressed to Acquiror and dated the Effective Time, signed by two executive officers on behalf of the Company (on the Company's behalf and without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of the Company set forth in this Agreement that are qualified by the expression "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the Effective Time (except for representations and

warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by the Company in this Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date); and Acquiror shall have received a certificate of the Company addressed to Acquiror and dated the Effective Time, signed on behalf of the Company by two executive officers of the Company (on the Company's behalf and without personal liability), confirming the same as at the Effective Date;

(c) since the date of this Agreement, there shall not have occurred any event, occurrence, development or circumstance that, individually or in the aggregate has had or would reasonably be expected to have a Material Adverse Effect on the Company;

(d) the resignations and mutual releases contemplated by Section 5.6 shall have been executed and delivered;

(e) holders of no more than 5% of the Company Shares shall have exercised Dissent Rights;

(f) the first installment of the Company Management Termination Payments shall have been made by the Company; and

(g) the Company shall have a minimum of $250,000 in cash after payment in full of all outstanding accounts payable (including, legal fees, financial advisory fees and all other fees and costs associated with the completion of the transactions contemplated by this Agreement, including payment of the Cancelled Warrant Consideration).

The foregoing conditions will be for the sole benefit of Acquiror and may be waived by it in whole or in part at any time.

6.3 Additional Conditions Precedent to the Obligations of the Company

The obligations of the Company to complete the transactions contemplated by this Agreement, shall also be subject to the fulfillment of each of the following conditions precedent (each of which is for the exclusive benefit of the Company and may be waived by the Company):

(a) all covenants of Acquiror under this Agreement to be performed on or before the Effective Time which have not been waived by the Company shall have been duly performed by Acquiror in all material respects, and the Company shall have received a certificate of Acquiror, addressed to the Company and dated the Effective Time, signed on behalf of Acquiror by two executive officers of Acquiror (on Acquiror's behalf and without personal liability), confirming the same as of the Effective Date;

(b) all representations and warranties of Acquiror set forth in this Agreement that are qualified by the expression "Material Adverse Effect" shall be true and correct in all respects, as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Acquiror in this Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date); and the Company shall have received a certificate of Acquiror, addressed to the Company and

dated the Effective Time, signed on behalf of Acquiror by two executive officers of Acquiror (on Acquiror's behalf and without personal liability), confirming the same as at the Effective Date;

(c) since the date of this Agreement, there shall not have occurred any event, occurrence, development or circumstance that, individually or in the aggregate has had or would reasonably be expected to have a Material Adverse Effect on Acquiror;

(d) Acquiror shall have complied with its obligations under Section 2.7 and the Depositary shall have confirmed receipt of the Consideration Shares contemplated thereby; and

(e) the Acquiror shall have provided an unconditional and unsecured guarantee to each recipient of the remaining 50% of the Company Management Termination Payments, in a form satisfactory to each such recipient and their counsel**.**

The foregoing conditions will be for the sole benefit of the Company and may be waived by it in whole or in part at any time.

6.4 Satisfaction of Conditions

The conditions precedent set out in Sections 6.1, 6.2 and 6.3 shall be conclusively deemed to have been satisfied, waived or released at the Effective Time.

ARTICLE 7
ADDITIONAL AGREEMENTS

7.1 Notice and Cure Provisions

7.1.1 Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement and the Effective Time of any event or state of facts which occurrence or failure would, or would be likely to:

(a) cause any of the representations or warranties of any Party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Effective Time; or

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder prior to the Effective Time.

7.1.2 Acquiror may not exercise its rights to terminate this Agreement pursuant to Section 8.2.1(c)(iv) and the Company may not exercise its right to terminate this Agreement pursuant to Section 8.2.1(d)(iv) unless the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Agreement until the expiration of a period of ten business days from such notice, and then only if such matter has not been cured by such date. If such notice has been delivered prior to the making of the application for the Final Order, such application and such filing shall be postponed until the expiry of such period. For greater certainty, in the event that such matter is cured within the time period referred to herein without a Material Adverse Effect, this Agreement may not be terminated as a result of the cured breach.

7.2 Non-Solicitation

7.2.1 Neither Party shall, directly or indirectly, through any officer, director, employee, representative (including any financial or other advisor) or agent of such Party or any of its subsidiaries (collectively, the "**Representatives**"): (i) make, solicit, assist, initiate, promote, facilitate or knowingly encourage (including by way of furnishing information or entering into any form of agreement, arrangement or understanding) the initiation of any inquiries or proposals regarding an Acquisition Proposal; (ii) participate, directly or indirectly, in any discussions or negotiations with any person (other than the other Party or any of its affiliates) regarding, or furnish to any person any information or otherwise co-operate with, respond to, assist or participate in, an Acquisition Proposal; provided, however, a Party may communicate with any person making an Acquisition Proposal for the purpose of advising such person that the Acquisition Proposal could not reasonably be expected to result in a Superior Proposal; (iii) approve, accept, endorse or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal; (iv) accept or enter into or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, understanding, undertaking or arrangement or other contract in respect of an Acquisition Proposal, or requiring it 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 in relation to an Acquisition Proposal; (v) make a Change in Recommendation; or (vi) make any public announcement or take any other action inconsistent with the recommendation of the Acquiror Board to approve the Arrangement, in the case of Acquiror, or the Company Board, in the case of the Company.

7.2.2 Each Party shall, and shall cause its subsidiaries and Representatives to immediately cease and cause to be terminated any solicitation, encouragement, discussion or negotiation with any persons conducted heretofore by it, its subsidiaries or any Representatives with respect to any Acquisition Proposal, and, in connection therewith, such Party will discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) and shall as soon as possible request, to the extent that it is entitled to do so (and exercise all rights it has to require) the return or destruction of all confidential information regarding such Party and its subsidiaries previously provided to any such person or any other person and will request (and exercise all rights it has to require) the destruction of all material including or incorporating or otherwise reflecting any material confidential information regarding such Party and its subsidiaries. Each Party agrees that neither it nor any of its subsidiaries, shall terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to an Acquisition Proposal or any standstill agreement to which it or any of its subsidiaries is a party (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into and announcement of this Agreement, pursuant to the express terms of any such agreement, shall not be a violation of this Section 7.2.2) and each Party undertakes to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it or any of its subsidiaries have entered into prior to the date hereof.

7.2.3 Notwithstanding Sections 7.2.1 and 7.2.2 and any other provision of this Agreement or of any other agreement between Acquiror and the Company, if at any time following the date of this Agreement and prior to obtaining the Company Shareholder Approval, a Party receives a *bona fide*, written Acquisition Proposal that did not result from a breach of Section 7.2.1 or 7.2.2 and that the board of directors of such Party determines in good faith, after consultation with its financial advisors and outside counsel, constitutes or, if consummated in accordance with its terms (disregarding, for the purposes of any such determination, any term of such Acquisition Proposal that provides for a due diligence investigation), could reasonably be expected to lead to a Superior Proposal, then such Party may, in response to a request made by the party making such Acquisition Proposal provided it is in compliance with Section 7.2.4:

(a) furnish information with respect to such Party and its subsidiaries to the person making such Acquisition Proposal;

(b) enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist, the person making such Acquisition Proposal; and/or

(c) waive any standstill provision or agreement that would otherwise prohibit such person from making such Acquisition Proposal;

provided that such Party shall not, and shall not allow its Representatives to, disclose any non-public information to such person: (i) if such non-public information has not been previously provided to, or is not concurrently provided to the other Party hereto; and (ii) without entering into an agreement with such person, in the form of the Confidentiality Agreement, containing terms that are no less favourable to such person than those found in the Confidentiality Agreement; provided, however, that any such agreement shall not preclude such person from making a Superior Proposal.

7.2.4 Each Party shall promptly notify the other Party, at first orally and then in writing within 24 hours of receipt of the Acquisition Proposal, of the material terms and conditions thereof, and the identity of the person or persons making the Acquisition Proposal, and shall provide the other Party with a copy of any such proposal, inquiry, offer or request, a copy of any agreement entered into in accordance with Section 7.3 hereof and a copy of any other agreements which relate to the Acquisition Proposal to which it has access, or any amendment to any of the foregoing. The Party receiving the Acquisition Proposal shall thereafter also provide such other details of such proposal, inquiry, offer or request, or any amendment to any of the foregoing, as the other Party may reasonably request and shall keep the other Party fully informed as to the status, including any changes to the material terms, of such proposal, inquiry, offer or request, or any amendment to any of the foregoing, and shall respond promptly to all inquiries from the other Party with respect thereto.

7.2.5 Subject to Section 7.3: (i) at any time following the date of this Agreement and prior to obtaining the Company Shareholder Approval, if the Company receives an Acquisition Proposal that did not result from a breach of this Section 7.2 and which the Company Board concludes in good faith constitutes a Superior Proposal, it may, subject to compliance with the procedures set forth in Sections 7.3, 7.4 and 8.2, terminate this Agreement to enter into a definitive agreement with respect to such Superior Proposal; and (ii) at any time following the date of this Agreement, if Acquiror receives an Acquisition Proposal that did not result from a breach of this Section 7.2 and which the Acquiror Board concludes in good faith constitutes a Superior Proposal, it may, subject to compliance with the procedures set forth in Sections 7.3, 7.4 and 8.2, terminate this Agreement to enter into a definitive agreement with respect to such Superior Proposal.

7.2.6 Nothing contained in this Agreement shall prohibit either Party from taking any action or making a Change in Recommendation or from making any disclosure to any of its securityholders prior to the Effective Time including, for greater certainty, disclosure of a Change in Recommendation in respect of an Acquisition Proposal, if, in the good faith judgment of such Party, after consultation with outside legal counsel, failure to take such action or make such disclosure would be inconsistent with such board of directors' exercise of its fiduciary duties or such action or disclosure is otherwise required under applicable Law (including by responding to an Acquisition Proposal under a directors' circular or otherwise as required under Securities Laws).

7.2.7 Each Party shall ensure that its officers, directors and employees and its subsidiaries and their officers, directors, employees and any financial advisors or other advisors or representatives retained by it are aware of the provisions of this Section 7.2, and it shall be responsible for any breach of this Section 7.2 by such officers, directors, employees and any financial advisors or other advisors or representatives.

7.3 Right to Match

7.3.1 Each Party covenants that it will not accept, approve, endorse or recommend or enter into any agreement, understanding or arrangement in respect of a Superior Proposal (other than, for clarity, a

confidentiality and standstill agreement permitted by Section 7.2.3) or make a Change in Recommendation as a result thereof unless:

(a) the Party receiving such proposal (the "**Receiving Party**") has complied with its obligations under Section 7.2 and has provided the other Party (the "**Responding Party**") with a copy of the Superior Proposal and all related documentation described in Section 7.2.4; and

(b) a period (the "**Response Period**") of four business days has elapsed from the date that is the later of: (x) the date on which the Responding Party receives written notice from the Receiving Party that it has determined, subject only to compliance with this Section 7.3, to accept, approve, endorse, recommend or enter into a binding agreement to proceed with such Superior Proposal; and (y) the date the Responding Party receives a copy of the Superior Proposal and all related documents described in Section 7.2.4.

7.3.2 During the Response Period, the Responding Party will have the right, but not the obligation, to offer to amend this Agreement and the Plan of Arrangement, including modification of the consideration. The Receiving Party shall review any such offer by the Responding Party to amend this Agreement and the Plan of Arrangement to determine whether the Acquisition Proposal to which the Responding Party is responding would continue to be a Superior Proposal when assessed against the Arrangement as it is proposed in writing by the Responding Party to be amended. If the Receiving Party determines that the Acquisition Proposal no longer constitutes a Superior Proposal, when assessed against this Agreement and the Plan of Arrangement as they are proposed to be amended by the Responding Party, the Receiving Party will cause it to enter into an amendment to this Agreement with the Responding Party incorporating the amendments to the Agreement and Plan of Arrangement as set out in the written offer to amend, and will promptly reaffirm its recommendation of the Arrangement by the prompt issuance of a press release to that effect. If the Receiving Party determines that the Acquisition Proposal continues to be a Superior Proposal, it may recommend that holders of its securities accept such Superior Proposal provided that before doing so it terminates this Agreement and pays the Termination Fee pursuant to Section 8.2.1(c)(ii) or Section 8.2.1(d)(ii), as applicable, in order to accept or enter into an agreement, understanding or arrangement to proceed with the Superior Proposal.

7.3.3 Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the holders of the Receiving Party's securities shall constitute a new Acquisition Proposal for the purposes of this Section 7.3 and the Responding Party shall be afforded a new Response Period and the rights afforded in Section 7.3.2 in respect of each such Acquisition Proposal.

7.3.4 Where at any time within ten days before the Company Meeting, the Receiving Party has provided the Responding Party with a notice under Section 7.3.1(a) hereof, an Acquisition Proposal has been publicly disclosed or announced, and the Response Period has not elapsed, then, subject to applicable Laws, at the Acquiror's request, the Company will postpone or adjourn the Company Meeting, to a date acceptable to the Acquiror, acting reasonably, which shall not be later than ten days after the scheduled date of the Company Meeting, and shall, in the event that the Parties amend the terms of this Agreement pursuant to Section 7.3.2, ensure that the details of such amended Agreement are communicated to the Company Shareholders prior to the postponed meeting or resumption of the adjourned meeting, as the case may be.

7.4 Expenses and Termination Fees

7.4.1 All fees, costs and expenses incurred in connection with this Agreement and the Plan of Arrangement shall be paid by the Party incurring such fees, costs or expenses.

7.4.2 If a Company Termination Fee Event occurs, the Company shall pay Acquiror (by wire transfer of immediately available funds) the Termination Fee.

7.4.3 If an Acquiror Termination Fee Event occurs, Acquiror shall pay the Company (by wire transfer of immediately available funds) the Termination Fee.

7.4.4 For the purposes of this Agreement, "**Termination Fee**" means $1,100,000.

7.4.5 For the purposes of this Agreement, "**Company Termination Fee Event**" means the termination of this Agreement:

(a) by Acquiror pursuant to Section 8.2.1(c)(i) *[Change in Recommendation],* except where the Change in Recommendation which has led to the termination pursuant to Section 8.2.1(c)(i) was made solely because of the occurrence of a Material Adverse Effect on Acquiror;

(b) by Acquiror pursuant to Section 8.2.1(c)(v) *[Breach of Non-Solicitation];*

(c) by Acquiror pursuant to Section 8.2.1(c)(vi)*[Superior Proposal];*

(d) by the Company pursuant to Section 8.2.1(d)(ii) *[Superior Proposal];* or

(e) by either Party pursuant to Section 8.2.1(b)(iii) *[Company Shareholder Approval]* if, in either case, prior to the earlier of the termination of this Agreement or the holding of the Company Meeting, a *bona fide* Acquisition Proposal, or the intention to make an Acquisition Proposal, with respect to the Company shall have been made to the Company or publicly announced by any person (other than Acquiror or any of its affiliates) and not withdrawn prior to the Company Meeting and within 12 months following the date of such termination:

(i) the Acquisition Proposal referred to in Section 7.4.5(a) is consummated by the Company; or

(ii) the Company and/or one or more of its subsidiaries enters into a definitive agreement in respect of, or the Company Board approves or recommends, the Acquisition Proposal referred to in Section 7.4.5(a) which is subsequently consummated at any time thereafter;

provided that, for the purposes of this Section 7.4.5(e) all references to "20%" in the definition of "Acquisition Proposal" shall be deemed to be references to "50%".

7.4.6 For the purposes of this Agreement, "**Acquiror Termination Fee Event**" means the termination of this Agreement:

(a) by the Company pursuant to Section 8.2.1(d)(i) *[Change in Recommendation]*, except where the Change in Recommendation which has led to the termination pursuant to Section 8.2.1(d)(i) was made solely because of the occurrence of a Material Adverse Effect on Company;

(b) by the Company pursuant to Section 8.2.1(d)(v) *[Breach of Non-Solicitation]*;

(c) by the Company pursuant to Section 8.2.1(d)(vi) *[Superior Proposal]*; or

(d) by Acquiror pursuant to Section 8.2.1(c)(ii) *[Superior Proposal]*.

7.4.7 If a Company Termination Fee Event described in any of Sections 7.4.5(a), (b), or (c) occurs, the Termination Fee shall be payable by the Company to Acquiror within three business days of the occurrence of such Company Termination Fee Event. If a Company Termination Fee Event described in Section 7.4.5(d) occurs, the Termination Fee shall be payable by the Company to Acquiror simultaneously with the occurrence of such Company Termination Fee Event. If a Company Termination Fee Event described in Section 7.4.5(e) occurs, the Termination Fee shall be payable by the Company to Acquiror concurrently with the closing of the applicable transaction referred to therein.

7.4.8 If an Acquiror Termination Fee Event described in any of Sections 7.4.6(a), (b), or (c) occurs, the Termination Fee shall be payable by Acquiror to the Company within three business days of the occurrence of such Acquiror Termination Fee Event. If an Acquiror Termination Fee Event described in Section 7.4.6(d) occurs, the Termination Fee shall be payable by Acquiror to the Company simultaneously with the occurrence of such Acquiror Termination Fee Event.

7.4.9 In the event that this Agreement is terminated by the Company pursuant to Section 8.2.1(b)(i) [*Outside Date]* due to the failure by Acquiror to perform any of its obligations hereunder*,* an amount equal to $300,000 shall be paid by Acquiror to the Company.

7.4.10 In the event that this Agreement is terminated by Acquiror pursuant to Section 8.2.1(b)(i) [*Outside Date*] due to the failure by the Company to perform any of its obligations hereunder or pursuant to Section 8.2.1(b)(iii) [*Company Shareholder Approval*], an amount equal to $300,000 shall be paid by the Company to the Acquiror.

7.4.11 Each of the Parties acknowledges that the agreements contained in this Section 7.4 are an integral part of the transactions contemplated in this Agreement and that, without those agreements, the Parties would not enter into this Agreement. Each Party acknowledges that all of the payment amounts set out in this Section 7.4 are payments of liquidated damages which are a genuine pre-estimate of the damages, which the Party entitled to such damages 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. The Company irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, each Party agrees that, upon any termination of this Agreement under circumstances where a Party is entitled to the Termination Fee and such Termination Fee is paid in full, such Party shall be precluded from any other remedy against the other Party at law or in equity or otherwise (including, without limitation, an order for specific performance), and shall not seek to obtain any recovery, judgment, or damages of any kind, including consequential, indirect, or punitive damages, against the other Party or any of its subsidiaries or any of their respective directors, officers, employees, partners, managers, members, shareholders or affiliates in connection with this Agreement or the transactions contemplated hereby.

7.4.12 Nothing in this Section 7.4 shall relieve or have the effect of relieving any Party in any way from liability for damages incurred or suffered by a Party as a result of an intentional or wilful breach of this Agreement or fraud.

7.4.13 Nothing in this Section 7.4 shall preclude a Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements set forth in this Agreement or the Non-Disclosure Agreement or otherwise to obtain specific performance of any such covenants or agreements, without the necessity of posting bond or security in connection therewith.

7.4.14 In no event shall a Party be obligated to pay to the other Party an amount in respect of the termination of this Agreement that is, in aggregate, in excess of the Termination Fee and the Termination Fee shall, in any case, only be paid once by a Party.

7.5 Access to Information; Confidentiality

7.5.1 From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to compliance with applicable Law and the terms of any existing Contracts, the Company shall, and shall cause its subsidiaries and their respective officers, directors, employees, independent auditors, accounting advisers and agents to, afford to Acquiror and to the officers, employees, agents and Representatives of Acquiror such access as Acquiror may reasonably require at all reasonable times, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and Contracts, and shall furnish Acquiror with all data and information as Acquiror may reasonably request.

7.5.2 From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to compliance with applicable Law and the terms of any existing Contracts, Acquiror shall, and shall cause its subsidiaries and their respective officers, directors, employees, independent auditors, accounting advisers and agents to, afford to the Company and to the officers, employees, agents and Representatives of the Company such access as the Company may reasonably require at all reasonable times, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and Contracts, and shall furnish the Company with all data and information as the Company may reasonably request.

7.5.3 Acquiror and the Company acknowledge and agree that information furnished pursuant to this Section 7.5 shall be subject to the terms and conditions of the Non-Disclosure Agreement.

7.6 Insurance and Indemnification

7.6.1 Acquiror will, or will cause the Company and its subsidiaries to, maintain in effect without any reduction in scope or coverage for six years from the Effective Date customary policies of directors' and officers' liability insurance providing protection no less favourable to the protection provided by the policies maintained by the Company and its 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; provided, however, that Acquiror acknowledges and agrees that prior to the Effective Date the Company may, in the alternative, purchase run off directors' and officers' liability insurance for a period of up to six years from the Effective Date with the prior written consent of Acquiror.

7.6.2 Acquiror agrees that it shall directly honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of the Company and its subsidiaries and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect.

7.6.3 The provisions of this Section 7.6 are intended for the benefit of, and shall be enforceable by, each insured or indemnified person, their heirs and their legal representatives and, for such purpose, the Parties, as applicable, hereby confirm that they are acting as agent and trustee on their behalf.

ARTICLE 8
TERM, TERMINATION, AMENDMENT AND WAIVER

8.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

8.2 Termination

8.2.1 This Agreement, other than Section 7.4 hereof, may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding any approval of this Agreement or the Company Arrangement Resolution by the Company Shareholders or the approval of the Arrangement by the Court):

(a) by mutual written agreement of the Company and Acquiror; or

(b) by either the Company or Acquiror, if:

(i) the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 8.2.1(b)(i) shall not be available to any Party whose failure to fulfill any of its obligations or whose breach of any of its representations and warranties under this Agreement has been the cause of, or directly resulted in, the failure of the Effective Time to occur by such Outside Date;

(ii) after the date hereof, there shall be enacted or made any applicable Law that makes consummation of the Arrangement illegal or otherwise prohibited or enjoins the Company or Acquiror from consummating the Arrangement and such applicable Law (if applicable) or enjoinment shall have become final and non-appealable; or

(iii) the Company Arrangement Resolution shall have failed to obtain the Company Shareholder Approval at the Company Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order.

(c) by Acquiror, if:

(i) the Company Board makes a Change in Recommendation;

(ii) Acquiror enters into a legally binding agreement with respect to a Superior Proposal, provided that concurrently with such termination, Acquiror pays the Termination Fee payable pursuant to Section 7.4;

(iii) any of the conditions set forth in Section 6.1 or Section 6.2 is not satisfied, and such condition is incapable of being satisfied by the Outside Date;

(iv) subject to Section 7.1, a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company set forth in this Agreement (other than as set forth in Section 7.2) shall have occurred that would cause the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that Acquiror is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied;

(v) the Company is in breach or in default of any of its obligations or covenants set forth in Section 7.2 other than an immaterial breach of the Company's obligations under Section 7.2 to provide notice of an Acquisition Proposal to Acquiror within a prescribed period; or

(vi) the Company enters into a legally binding agreement relating to a Superior Proposal;

(d) by the Company, if:

(i) the Acquiror Board makes a Change in Recommendation;

(ii) the Company enters into a legally binding agreement with respect to a Superior Proposal; provided that concurrently with such termination, the Company pays the Termination Fee payable pursuant to Section 7.4;

(iii) any of the conditions set forth in Section 6.1 or Section 6.3 is not satisfied, and such condition is incapable of being satisfied by the Outside Date;

(iv) subject to Section 7.1, a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Acquiror set forth in this Agreement (other than as set forth in Section 7.2) shall have occurred that would cause the conditions set forth in Section 6.1 or Section 6.3 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that Company is not then in breach of this Agreement so as to cause any of the conditions set forth in Section 6.1 or Section 6.2 not to be satisfied;

(v) Acquiror is in breach or in default of any of its obligations or covenants set forth in Section 7.2, other than an immaterial breach of Acquiror's obligations under Section 7.2 to provide notice of an Acquisition Proposal to the Company within a prescribed period; or

(vi) Acquiror enters into a binding agreement relating to a Superior Proposal.

8.2.2 The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section 8.2.1(a)) shall give prompt written notice of such termination to the other Party.

8.2.3 If this Agreement is terminated pursuant to this Section 8.2, this Agreement shall become void and of no effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or representative of such Party) to the other Party hereto, except as otherwise expressly contemplated hereby, and provided that the provisions of this Section 8.2.3 and 7.4, 7.5.3, 9.1, 9.3, 9.6 and 9.7 and the provisions of the Non-Disclosure Agreement shall survive any termination hereof pursuant to Section 8.2.1; provided further that neither the termination of this Agreement nor anything contained in this Section 8.2 shall relieve a Party from any liability arising prior to such termination.

8.3 Amendment

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 mutual written agreement of the Parties, and any such amendment may, subject to the Interim Order and the Final Order and applicable Law, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; and/or

(d) waive compliance with or modify any mutual conditions precedent herein contained.

8.4 Waiver

Any Party may: (i) extend the time for the performance of any of the obligations or acts of the other Party; (ii) waive compliance, except as provided herein, with any of the other Party's agreements or the fulfilment of any conditions to its own obligations contained herein; or (iii) waive inaccuracies in any of the other Party's representations or warranties contained herein or in any document delivered by the other Party; *provided, however,* that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

ARTICLE 9
GENERAL PROVISIONS

9.1 Privacy

Each Party shall comply with applicable privacy Laws in the course of collecting, using and disclosing personal information about an identifiable individual (the "**Transaction Personal Information**"). Neither Party shall disclose Transaction Personal Information to any person other than to its advisors who are evaluating and advising on the transactions contemplated by this Agreement. If the Arrangement is consummated, neither Party shall, following the Effective Date, without the consent of the individuals to whom such Transaction Personal Information relates or as permitted or required by applicable Law, use or disclose Transaction Personal Information:

(a) for purposes other than those for which such Transaction Personal Information was collected prior to the Effective Date; and

(b) which does not relate directly to the carrying on the business of such Party or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

Each Party shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure. Each Party shall cause its advisors to observe the terms of this Section 9.1 and to protect and safeguard Transaction Personal Information in their possession. If this Agreement shall be terminated, each Party shall promptly deliver to the other Party all Transaction Personal Information in its possession or in the possession of any of its advisors, including all copies, reproductions, summaries or extracts thereof.

9.2 Notices

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered or sent if delivered personally or e-mail transmission, or as of the following business day if sent by prepaid overnight courier, to the Parties at the following addresses (or at such other addresses as shall be specified by any Party by notice to the other given in accordance with these provisions):

(a) if to Acquiror:

Steppe Gold Ltd.
333 Bay Street, Suite 2400
Toronto, CA, ON, M5H 2T6

Attention: Jeremy South
Email: [redacted]

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

Fasken Martineau DuMoulin LLP
350 7th Avenue SW, Suite 3400
Calgary, AB T2P 3N9

Attention: Sarah Gingrich
Email: sgingrich@fasken.com

(b) if to the Company:

Anacortes Mining Corp.
1090-510 Burrard Street,
Vancouver, BC V6C 3B9

Attention: Horng Dih Lee
Email: [redacted]

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

Clark Wilson LLP
900-885 West Georgia Street
Vancouver, BC V6C 3H1

Attention: Craig Hoskins
Email: CHoskins@cwilson.com

9.3 Governing Law; Waiver of Jury Trial

This Agreement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia 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 British Columbia in respect of all matters arising under and in relation to this Agreement and waives any defences to the maintenance of an action in the Courts of the Province of British Columbia. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE ACTIONS OF THE PARTIES IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT.

9.4 Injunctive Relief

Subject to Section 7.4, the Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions 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.

9.5 Time of Essence

Time shall be of the essence in this Agreement.

9.6 Entire Agreement, Binding Effect and Assignment

This Agreement shall be binding on and shall enure to the benefit of the Parties and their respective successors and permitted assigns.

This Agreement (including the exhibits and schedules hereto, the Company Disclosure Letter and the Acquiror Disclosure Letter) and the Non-Disclosure Agreement constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, between the Parties, or any of them, with respect to the subject matter hereof and thereof and, except as expressly provided herein, this Agreement is not intended to and shall not confer upon any person other than the Parties any rights or remedies hereunder. Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by either of the Parties without the prior written consent of the other Party.

9.7 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. 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.

9.8 Counterparts, Execution

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

9.9 Language

The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

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

STEPPE GOLD LTD.

By: (signed) "*Bataa Tumur-Ochir*"

Name: Bataa Tumur-Ochir
Title: President, Chief Executive Officer & Director

ANACORTES MINING CORP.

By: (signed) "*James A. Currie*"

Name: James A Currie
Title: President, Chief Executive Officer & Director

SCHEDULE A
TO THE ARRANGEMENT AGREEMENT

PLAN OF ARRANGEMENT
UNDER SECTION 288 OF THE
***BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

(see attached)

PLAN OF ARRANGEMENT
UNDER SECTION 288 OF THE
***BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)**

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined have the meanings ascribed thereto in the Arrangement Agreement and the following terms have the following meanings (and grammatical variations of such terms have corresponding meanings):

(a) "**Arrangement Agreement**" means the arrangement agreement dated as of May 5, 2023 between Acquiror and Company, as amended, amended and restated or supplemented in accordance with its terms prior to the Effective Date;

(b) "**Book-Entry Shares**" shall mean non-certificated shares represented by book-entry;

(c) "**Company Dissenting Shareholder**" means a registered holder of Company Shares who dissents in respect of the Arrangement in strict compliance with the Dissent Rights and who is ultimately entitled to be paid fair value for their Company Shares, but only in respect of Company Shares in respect of which Dissent Rights are validly exercised and not withdrawn or deemed to have been withdrawn by such holder;

(d) "**Consideration**" means 0.4532 of an Acquiror Share for each Company Share;

(e) "**Dissent Rights**" has the meaning ascribed thereto in Section 4.1;

(f) "**Dissenting Shareholder**" means a registered Company Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Company Shares in respect of which Dissent Rights are validly exercised by such registered Company Shareholder;

(g) "**final proscription date**" has the meaning ascribed thereto in Section 5.5;

(h) "**Former Company Shareholders**" means the persons which held Company Shares immediately prior to the Effective Time (including persons to whom Company Shares are issued upon the deemed exercise of In-the-Money Options pursuant to Section 3.1(b)), other than any Company Dissenting Shareholder properly exercising Dissent Rights, the Acquiror, and any other affiliate of Acquiror;

(i) "**In-the-Money Option**" means each Company Option in respect of which the number of Option Shares is a positive number;

(j) "**Liability**" means, in respect of any person, any debt, liability or obligation of any kind or nature whatsoever, including: (i) any right against such person to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; (ii) any right against such person to an equitable remedy for breach of performance, whether or not such right to any equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured; and (iii) any obligation of such person for the performance of any covenant or agreement (whether for the payment of money or otherwise);

(k) "**Option Shares**" means, in respect of each unexercised Company Option, that number of Company Shares equal to the quotient obtained by dividing [(A-B) (C)] by (A), where: (A) = $0.48; (B) = the exercise price of the applicable Company Option; and (C) = the number of Company Shares that would be issuable upon exercise of the vested portion of the applicable option in accordance with the terms of the applicable option if such exercise were by means of a cash exercise of the applicable option;

(l) "**Out-of-the-Money Option**" means each Company Option in respect of which the number of Option Shares is a negative number; and

(m) "**U.S. Tax Code**" means the *United States Internal Revenue Code of 1986*, as amended.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 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.

1.3 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 any gender shall include all 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.

1.4 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. Time shall be of the essence in every matter or action contemplated under this Plan of Arrangement.

1.5 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.

1.6 Currency

All references to dollars or to $ are references to Canadian dollars. In the event that that any amounts are required to be converted from a foreign currency to Canadian dollars or vice versa, such amounts shall be converted using the most recent closing exchange rate of The Bank of Canada available before the relevant calculation date.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement.

2.2 Binding Effect

The Arrangement shall, without any further act of formality required on the part of any person, become effective at and after the Effective Time and shall be binding at or after the times referred to in Section 3.1 upon: (a) Company; (b) Acquiror; (c) the Company Shareholders (including Company Dissenting Shareholders); (d) the holders of the Company Options; (e) the Cancelled Warrant Holders; (f) any transfer agent of the Company; (g) the Depositary; and (h) all other persons, and in each case their respective agents, heirs, executors, administrators and other legal representatives, successors and assigns.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

At the Effective Time, the following shall occur and shall be deemed to occur sequentially in the order set out below without any further authorization, act or formality:

(a) each Company Share held by a Company Dissenting Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to the Acquiror, and the Company shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 hereof, and: (i) the name of such holder shall be removed from the central securities register maintained by or on behalf of Company as a holder of Company Shares and the Acquiror shall be recorded as the registered holder of the Company Shares so transferred and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens; and (ii) such Company Dissenting Shareholders will cease to have any rights as Company Shareholders other than the right to be paid the fair value for their Company Shares by the Company;

(b) each In-the-Money Option that is outstanding immediately prior to the Effective Time, shall: (i) in respect of the vested portion of such option, without any further action on behalf of any holder of such In-the-Money Option and without any payment by such holder be deemed to have been fully exercised (but only with respect to the vested portion of the option) and the Company shall be deemed to have issued the Option Shares relating to such In-the-Money Option as fully-paid and non-assessable Company Shares and the holder of such In-the-Money Option shall become the holder of the Company Shares comprising such Company Shares and the central securities register of the Company shall be revised accordingly, but such holder shall not be entitled to receive a share certificate or other document representing such Company Shares, and (ii) in respect of any unvested portion of such option, the option shall be cancelled without payment to the holder thereof and neither the Company nor the Acquiror shall have any Liability with respect to such unvested portion of the applicable option;

(c) each Out-of-the-Money Option that is outstanding immediately prior to the Effective Time (whether vested or unvested), shall, without any further action on behalf of any holder of such Out-of-the-Money Option, be cancelled without payment to any holder thereof and neither the

Company nor the Acquiror shall have any Liability with respect to such Out-of-the-Money Option;

(d) each Cancelled Warrant outstanding immediately prior to the Effective Time shall, without any further action by or on behalf of the Cancelled Warrant Holder, be deemed to be cancelled in exchange for the applicable Cancelled Warrant Consideration; and

(e) each Company Share outstanding immediately prior to the Effective Time (other than Company Shares held by Dissenting Shareholders) and each Company Share issued under Section 3.1(b) shall be transferred by the holders thereof to the Acquiror in exchange for the Consideration and the name of such holder shall be removed from the register of holders of Company Shares and added to the register of holders of Acquiror Shares and the Acquiror shall be recorded as the registered holder of the Company Shares so exchanged and shall be deemed to be the legal and beneficial owner thereof, free and clear of any Liens.

The exchanges and cancellations provided for in this Section 3.1 will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Date.

3.2 Post-Effective Time Procedures

(a) On the Effective Date, Acquiror shall deliver or arrange to be delivered to the Depositary certificates or their electronic equivalent representing the Acquiror Shares required to be issued to Former Company Shareholders in accordance with the provisions of Section 3.1 hereof, which certificates shall be held by the Depositary as agent and nominee for such Former Company Shareholders for distribution to such Former Company Shareholders in accordance with the provisions of Article 5 hereof.

3.3 No Fractional Acquiror Shares and Rounding of Cash Consideration

(a) No fractional Acquiror Shares shall be issued to Former Company Shareholders. The number of Acquiror Shares to be issued to Former Company Shareholders shall be rounded down to the nearest whole number of Acquiror Shares in accordance with the BCBCA (with no compensation in lieu of such fractional share) in the event that a Former Company Shareholder is entitled to a fractional share.

(b) If the aggregate cash amount which a Cancelled Warrant Holder is entitled to receive pursuant to Section 3.1(d) would otherwise include a fraction of $0.01, then the aggregate cash amount to which such Cancelled Warrant Holder shall be entitled to receive shall be rounded up to the nearest whole $0.01.

3.4 U.S. Securities Laws

The Arrangement shall be structured such that, assuming the Final Order is obtained, the issuance of securities under the Arrangement is expected to not require registration under the U.S. Securities Act, and the rules and regulations promulgated thereunder, in reliance on the Section 3(a)(10) Exemption.

ARTICLE 4
DISSENT RIGHTS

4.1 Dissent Rights

(a) Registered holders of Company Shares may exercise rights of dissent under Division 2 of Part 8 of the BCBCA, as modified by this Article 4, the Interim Order and the Final Order ("**Dissent Rights**"), with respect to Company Shares in connection with the Arrangement, provided that the written notice of dissent to the Arrangement Resolution contemplated by section 242 of the BCBCA must be received by the Company not later than 5:00 p.m. (Vancouver time) two business days immediately preceding the date of the Company Meeting or any date to which the Company Meeting may be postponed or adjourned.

(b) Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Company Shares held by them to the Acquiror as provided in Section 3.1(a), and if they

(i) are ultimately entitled to be paid fair value for such Company Shares, shall be entitled to be paid the fair value of such Company Shares by the Company, which fair value, notwithstanding anything to the contrary in section 242 of the BCBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Shares; or

(ii) are ultimately not entitled, for any reason, to be paid the fair value for such Company Shares, shall be deemed to have participated in the Arrangement on the same basis as Company Shareholders who have not exercised Dissent Rights in respect of such Company Shares and shall be entitled to receive the Consideration to which Company Shareholders who have not exercised Dissent Rights are entitled under Section .

4.2 Recognition of Dissenting Shareholders

(a) In addition to any other restrictions set forth in the BCBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Company Option Holders; (ii) Company Warrant Holders; and (iii) Company Shareholders who vote, or have instructed a proxyholder to vote, their Company Shares in favour of the Arrangement Resolution.

(b) In no case shall the Acquiror, the Company, the Depositary, the registrar and transfer agent in respect of the Company Shares or any other person be required to recognize Company Shareholders who purport to exercise Dissent Rights as holders of Company Shares after the time that is immediately prior to the Effective Time, and the names of such Company Shareholders who exercise Dissent Rights shall be deleted from the central securities register as holders Company Shares at the Effective Time.

(c) In no case shall the Acquiror, the Company or any other person be required to recognize a person exercising Dissent Rights, unless such person was, as applicable, the registered holder of those Company Shares on the record date for the Company Meeting in respect of which such Dissent Rights are sought to be exercised.

ARTICLE 5
DELIVERY OF ACQUIROR SHARES

5.1 Delivery of Acquiror Shares

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Company Shares that were exchanged for Acquiror Shares in accordance with Section 3.1 hereof, together with such other documents and instruments as would have been required to effect the transfer of such Company Shares formerly represented by such certificate under the BCBCA and the articles 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 following the Effective Time, a certificate representing the Acquiror Shares that such holder is entitled to receive in accordance with Section 3.1 hereof. Upon receipt of a customary "agent's message" by the Depositary with respect to Book-Entry Shares that were exchanged for Acquiror Shares in accordance with Section 3.1, together with such other documents and instruments as would have been required to effect the transfer of such Company Shares formerly represented by such certificate under the BCBCA and the articles of Company and such additional documents and instruments as the Depositary may reasonably require, and the Depositary shall deliver to such holder following the Effective Time, the Acquiror Shares that such holder is entitled to receive in accordance with Section 3.1 hereof.

(b) The Company shall deposit or cause to be deposited with the Company's Depositary, for the benefit of and to be held on behalf of the Cancelled Warrant Holders, the aggregate cash amount required for the payments in respect of the Cancelled Warrants pursuant to Section 3.1(d).

(c) Upon surrender to the Company's Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Cancelled Warrants, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Company's Depositary may reasonably require, the Company's Depositary shall deliver to the applicable Cancelled Warrant Holder, as soon as practicable (in each case, less any amounts withheld pursuant to Section 5.4) a cheque (or other form of immediately available funds) representing the cash amount that such Cancelled Warrant Holder is entitled to receive under the Arrangement.

(d) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.1(a) hereof, each certificate that immediately prior to the Effective Time represented one or more Company Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the Acquiror Shares in accordance with Section 3.1 hereof.

5.2 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 Acquiror Shares in accordance with Section 3.1 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, a certificate representing the Acquiror Shares that such holder is entitled to receive in accordance with Section 3.1 hereof. When authorizing such delivery of a certificate representing the Acquiror Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, such holder shall, as a condition precedent to the delivery of such Acquiror Shares, give a bond satisfactory to Acquiror and the Depositary in such amount as Acquiror and the Depositary may direct, or otherwise indemnify Acquiror and the Depositary in a manner satisfactory to Acquiror and the Depositary, against any claim that may be made against

Acquiror 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 articles of Company.

5.3 Distributions with Respect to Certificates not Surrendered

No dividend or other distribution declared or made after the Effective Time with respect to Acquiror Shares with a record date after the Effective Time shall be delivered to the holder of any certificate that has not been surrendered by the holder thereof and 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 5.1 or Section 5.2 hereof. Subject to applicable Law and to Section 5.4 hereof, at the time of such compliance, there shall, in addition to the delivery of a certificate representing the Acquiror Shares 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 Acquiror Shares.

5.4 Withholding Rights

Company, Acquiror and the Depositary, as applicable, shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any person hereunder and from all dividends or other distributions otherwise payable to any Former Company Shareholders under this Plan of Arrangement (including any payment to Company Dissenting Shareholders) such amounts as Company, Acquiror or the Depositary may be required or permitted to deduct and withhold therefrom under any provision of applicable Laws in respect of Tax, including under the Tax Act, the U.S. Tax Code, and the rules and regulations promulgated thereunder, or any provision of any provincial, state, local or foreign tax law as counsel may advise is required to be so deducted and withheld by Company, Acquiror or the Depositary, as the case may be. For the purposes hereof, to the extent that such amounts are so deducted and withheld, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction and withholding was made on account of the obligation to make payment to such person to whom such amounts would otherwise have been paid hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity by or on behalf of Company, Acquiror or the Depositary, as the case may be. To the extent necessary, such deductions and withholdings may be effected by selling any Acquiror Shares to which any such person may otherwise be entitled under this Plan of Arrangement on behalf of such person to satisfy such person's tax liability, and any amount remaining following the sale, deduction and remittance shall be paid to the person entitled thereto as soon as reasonably practicable.

5.5 Limitation and Proscription

To the extent that a Former Company Shareholder shall not have complied with the provisions of Section 5.1 or Section 5.2 hereof on or before the date that is six years after the Effective Date (the "**final proscription date**"), then the Acquiror Shares that such Former Company Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the certificates representing such Acquiror Shares shall be delivered to Acquiror by the Depositary and the share certificates shall be cancelled by Acquiror, and the interest of the Former Company Shareholder in such Acquiror Shares to which it was entitled shall be terminated as of such final proscription date. Any payment made by way of cheque pursuant to this Plan of Arrangement that remains unclaimed on or before the final proscription date and any right or claim to payment under this Plan of Arrangement that remains outstanding on the final proscription date shall cease to represent a right or claim of any kind or nature and the right of any affected security holder to receive the consideration for any affected securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Acquiror (or the Company, as applicable) for no consideration.

5.6 No Additional Consideration

No Former Company Shareholder shall be entitled to receive any consideration or entitlement with respect to any Company Shares, other than any consideration or entitlement to which such holder is entitled to receive in accordance with Section 3.1 and the other terms of this Plan of Arrangement and, for greater certainty, no such holder with be entitled to receive any interest, dividends, premium or other payment in connection therewith.

5.7 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to Company Shares, Company Options and Company Warrants issued and outstanding immediately prior to the Effective Time; (b) the rights and obligations of Company, Acquiror, the Company Shareholders (including Company Dissenting Shareholders), the holders of any Company Convertible Securities, any transfer agent therefor, and the 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 shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) Company and Acquiror 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 Company and Acquiror; (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and; (iv) communicated to holders or former holders of Company Shares, Company Options and Company Warrants if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Company at any time prior to the Company Meeting provided that Acquiror 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), as applicable, 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 Company and Acquiror; and (ii) if required by the Court, it is consented to by Company Shareholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by Acquiror provided that it concerns a matter which, in the reasonable opinion of Acquiror, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to any Cancelled Warrant Holder or Former Company Shareholder.

6.2 Further Assurances

Notwithstanding that the transactions and events set out herein 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 Parties 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 further document or evidence any of the transactions or events set out herein.

SCHEDULE B
TO THE ARRANGEMENT AGREEMENT

COMPANY ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

(1) the arrangement (the "**Arrangement**") under section 288 of the *Business Corporations Act* (British Columbia) involving Steppe Gold Ltd. ("**Acquiror**"), Anacortes Mining Corp. (the "**Company**") and securityholders of the Company, all as more particularly described and set forth in the management information circular (the "**Circular**") of the Company accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), and all transactions contemplated thereby, is hereby authorized, approved and adopted;

(2) the arrangement agreement (the "**Arrangement Agreement**") between the Acquiror and the Company dated May 5, 2023 and all the transactions contemplated therein, the full text of which is attached as a schedule to the Circular, the actions of the directors of the Company in approving the Arrangement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved;

(3) the plan of arrangement (the "**Plan of Arrangement**") of the Company implementing the Arrangement, the full text of which is set out in Schedule "A" to the Arrangement Agreement (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted;

(4) the Company is authorized and directed to apply for a final order from the Supreme Court of British Columbia (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement;

(5) notwithstanding that this resolution has been passed (and the Arrangement approved) by the securityholders 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, the shareholders of the Company to:

   a. amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   b. subject to the terms of the Arrangement Agreement, not proceed with the Arrangement and/or any related transaction;

(6) any director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute, whether under corporate seal of the Company or otherwise, and to deliver such other documents as are necessary or desirable in accordance with the Arrangement Agreement for filing; and

(7) any one or more directors or officers of the Company is hereby authorized, for and on behalf and in the name of the Company, to execute and deliver, whether under corporate seal of the Company or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments, and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving

effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

a. all actions required to be taken by or on behalf of the Company, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

b. the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by the Company;

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE C
TO THE ARRANGEMENT AGREEMENT

KEY REGULATORY APPROVALS

Approval of the listing and posting for trading on the TSX, subject only to satisfaction of the standard listing conditions, of the Consideration Shares and any Acquiror Shares underlying the Company Convertible Securities, at the Effective Time.

Acceptance of the Arrangement from the TSXV with respect to the Company in accordance with Section 8 of Policy 5.3 of the TSXV Policies.