

**PALISADES GOLDCORP LTD.**

**AND**

**RADIO FUELS ENERGY CORP.**

**ARRANGEMENT AGREEMENT**

**December 9, 2024**

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## ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated December 9, 2024,

BETWEEN:

**PALISADES GOLDCORP LTD.**, a corporation existing under the laws of the Province of British Columbia ("**Palisades**")

- and -

**RADIO FUELS ENERGY CORP.**, a corporation existing under the federal laws of Canada ("**Radio Fuels**")

### WHEREAS:

- A. The Radio Fuels Board has determined that the Transaction is in the best interests of Radio Fuels and that the Consideration Shares to be received by the Radio Fuels Shareholders pursuant to the Transaction is fair, from a financial point of view, to the Radio Fuels Shareholders.
- B. The Radio Fuels Board has approved the transactions contemplated by this Agreement and has determined to recommend approval of the Transaction to the Radio Fuels Shareholders.
- C. The Palisades Board has determined, following receipt and review of a unanimous recommendation from the Palisades Special Committee, that the Transaction is in the best interests of Palisades and has approved the transactions contemplated by this Agreement.
- D. Radio Fuels and Palisades intend that the Transaction be effected by way of Plan of Arrangement under the provisions of the *Canada Business Corporations Act*, and in furtherance of the Transaction, the Radio Fuels Board has agreed to submit the Arrangement Resolution to the Radio Fuels 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 covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement, unless the context otherwise requires:

**"Acquisition Proposal"** means, other than the transactions contemplated by this Agreement, any offer, proposal or inquiry or public announcement of an intention, from any person or group of persons acting jointly or in concert, whether or not in writing and whether or not delivered to the shareholders of Radio Fuels, after the date hereof relating to: (a) any acquisition or purchase, direct or indirect, of: (i) the assets of Radio Fuels and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of Radio Fuels and its subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of Radio Fuels and its

subsidiaries, taken as a whole (or any lease, long-term supply or off-take agreement, hedging arrangement or other transaction having the same economic effect as a sale of such assets) (in each case, determined based upon the most recently publicly available consolidated financial statements of Radio Fuels); or (ii) 20% or more of the issued and outstanding voting or equity securities of Radio Fuels or any one or more of its subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of Radio Fuels and its subsidiaries, taken as a whole (in each case, determined based upon the most recently publicly available consolidated financial statements of Radio Fuels); (b) any take-over bid, tender offer or exchange offer that, if consummated, would result in such person or group of persons beneficially owning 20% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of Radio Fuels; (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving Radio Fuels or any of its subsidiaries whose assets or revenues, individually or in the aggregate, constitute 20% or more of the consolidated assets or revenues, as applicable, of Radio Fuels and its subsidiaries, taken as a whole (in each case, determined based upon the most recently publicly available consolidated financial statements of Radio Fuels); or (d) any other similar transaction or series of transactions involving Radio Fuels or any of its subsidiaries, and, in all cases, whether in a single transaction or in a series of related transactions;

**“affiliate”** has the meaning given to it in the Securities Act;

**“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;

**“Alternative Transaction”** has the meaning ascribed to such term in Section 5.6;

**“Alternative Transaction Conditions”** has the meaning ascribed to such term in Section 5.6;

**“Arrangement”** means the arrangement under Section 192 of the CBCA 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 provided, however, that any such amendment or variation must be acceptable to Palisades and Radio Fuels, each acting reasonably;

**“Arrangement Resolution”** means the special resolution of the Radio Fuels Shareholders approving the Plan of Arrangement, which is to be considered and, if thought fit, passed at the Radio Fuels Meeting, substantially in the form and content of Schedule B hereto;

**“Articles of Arrangement”** means the articles of arrangement to be filed in connection with the Arrangement and required by subsection 192(6) of the CBCA, such articles to be filed with the Director after the Final Order has been granted, giving effect to the Arrangement, and which shall be in a form and content satisfactory to Palisades and Radio Fuels, each acting reasonably;

**“associate”** has the same meaning as ascribed to the term “associated entity” in MI 61-101;

**“BCSC”** means the British Columbia Securities Commission;

**“Business Day”** means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Vancouver, British Columbia are open for the conduct of business;

**“CBCA”** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended;

**“Certificate of Arrangement”** means the certificate of arrangement to be issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement;

**“Change in Recommendation”** has the meaning ascribed to such term in Section 7.2(b)(iv);

**“Collective Agreement”** means any collective agreement, collective bargaining agreement or related bargaining agent document that is binding on a Party or its subsidiary, including any arbitration decision, letter or memorandum of understanding or agreement with bargaining agents, letter of intent with bargaining agents or other written communication with bargaining agents, in each case, which covers or would pertain to the employment of any Employee of such Party or impose any obligations upon such Party in connection with the employment of any Employee;

**“Concession”** means any exploration concession, mineral claim or lease, licence, tenement, permit, tenure 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;

**“Confidential Information”** means all information concerning a Party that is furnished to the other Party or any of its subsidiaries or affiliates, whether in verbal, visual, written, electronic or other form, which is made available by the furnishing Party or any of its Representatives to the receiving Party or any of its Representatives, together, in each case, with all notes, memoranda, summaries, analyses, studies, compilations and other writings relating thereto or based thereon prepared by the receiving Party or any of its Representatives. Notwithstanding the foregoing, the term “Confidential Information” does not include information which the receiving Party can demonstrate (a) was rightfully in the possession of the receiving Party prior to disclosure by the furnishing Party; (b) was or is independently developed by the receiving Party without use of the Confidential Information; (c) is now, or hereafter becomes, available to the public other than as a result of disclosure prohibited by this Agreement; or (d) becomes available to the receiving Party or any of its Representatives on a non-confidential basis from a source other than the furnishing Party or any of its Representatives and such source is not, to the knowledge of the receiving Party following reasonable inquiry, under any obligation to the furnishing Party or any of its Representatives to keep such information confidential;

**“Consideration Shares”** means the Palisades Shares to be issued to the Radio Fuels Shareholders pursuant to the Plan of Arrangement;

**“Constating Documents”** means notice of articles, articles of incorporation, amalgamation, arrangement or continuation, as applicable, articles, by-laws, certificates of incorporation, certificates of change of company name (as applicable), constitutions or other constating documents and all amendments thereto;

**“Contract”** means any contract, agreement, license, lease, arrangement or other right or obligation to which Radio Fuels or Palisades or any of their respective subsidiaries is a party or by which Radio Fuels or Palisades 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;

**“CSE”** means the Canadian Securities Exchange;

**“Depository”** means any trust company, bank or financial institution agreed to in writing between the Parties for the purpose of, among other things, exchanging certificates representing Radio Fuels Shares for certificates representing Consideration Shares pursuant to the Arrangement;

**“Director”** means the Director appointed pursuant to Section 260 of the CBCA;

**“Dissent Rights”** means the rights of dissent exercisable by the registered Radio Fuels Shareholders as of the record date of the Radio Fuels Meeting in respect of the Arrangement described in Article 4 of the Plan of Arrangement;

**“Eco Ridge Project”** means Radio Fuels’ 100% owned Elliot Lake project, as more particularly described in the Eco Ridge Technical Report;

**“Eco Ridge Technical Report”** means the Technical Report on the Eco Ridge Project, Elliot Lake Area, Ontario, Canada, Report for NI 43-101 dated September 14, 2021;

**“Effective Date”** means the date upon which the Arrangement becomes effective, as shown on the Certificate of Arrangement;

**“Effective Time”** means the time on the Effective Date that the Arrangement becomes effective, as set out in the Plan of Arrangement;

**“Employees”** means all employees of a Party or its subsidiary, as the case may be, including part-time and full-time employees, in each case, whether active or inactive, unionized or non-unionized;

**“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;

**“Final Order”** means the final order of the Court in form and substance acceptable to Palisades and Radio Fuels, each acting reasonably, pursuant to Section 192 of the CBCA, approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court (with the consent of Palisades and Radio Fuels, each acting reasonably) 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 Palisades and Radio Fuels, each acting reasonably) on appeal;

**“Form 51-102F5”** means Form 51-102F5 as prescribed in National Instrument 51-102 – *Continuous Disclosure Obligations*;

**“Governmental Entity”** means: (a) any multinational, federal, provincial, 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 TSXV and CSE;

**“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 International Financial Reporting Standards, at the relevant time, prepared on a consistent basis;

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

**“Interim Order”** means the interim order of the Court made following the application to the Court pursuant to subsection 192 of the CBCA, in form and substance acceptable to Palisades and Radio Fuels, each acting reasonably, as contemplated by Section 2.2 of this Agreement, providing for, among other things, declarations and directions in respect of the notice to be given in respect of, and the calling and holding of the Radio Fuels Meeting, as the same may be amended, modified, supplemented or varied by the Court with the consent of both Radio Fuels and Palisades, each acting reasonably;

**“Investment Canada Act”** means the *Investment Canada Act*, as amended from time to time;

**“Iron Point Project”** means Radio Fuels’ 100% owned Iron Point project in north-central Nevada, as more particularly described in the Iron Point Technical Report;

**“Iron Point Technical Report”** means the Iron Point Project Exploration Technical Summary, Humbolt County, Nevada USA, dated March 22, 2023;



**“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) required from any Governmental Entity to proceed with the Transaction and the Plan of Arrangement, the failure of which to obtain would reasonably be expected to have a Material Adverse Effect on such Party, as set out in Schedule C hereto;

**“Key Third Party Consents”** means those consents and approvals required to be obtained by a Party from any third party under any of its Material Contracts in order to proceed with the Transaction and the Plan of Arrangement, the failure of which to obtain would reasonably be expected to have a Material Adverse Effect on such Party, as set out in the Palisades Disclosure Letter and Radio Fuels 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, and the term **“applicable”** with respect to such Laws and in a context that refers to one or more Parties, means such Laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities;

**“Liens”** means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, royalties, 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;

**“Matching Period”** has the meaning ascribed to such term in Section 7.3(a)(v);

**“Material Adverse Effect”** means, in respect of a Party any fact, change, event, occurrence, effect, state of facts, liability and/or circumstance that, individually or in the aggregate with other such facts, changes, events, occurrences, effects, states of facts, liabilities or circumstances is, or could reasonably be expected to be, material and adverse to the current or future business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (whether absolute, accrued, conditional or otherwise), capitalization, or operations or results of operations of such Party and its subsidiaries taken as a whole, other than:

- (i) any fact, change, event, occurrence, effect, state of facts, liability or circumstance generally affecting the industries in which the Party or its subsidiaries operate;
- (ii) any fact, change, event or occurrence in global, national or regional economic, political, or financial conditions, including changes in (i) financial markets, credit markets or capital markets, (ii) interest rates and credit ratings, (iii) inflation and (iv) currency exchange rates;
- (iii) any hurricane, flood, tornado, earthquake or other natural or man-made disaster or acts of God, epidemic, pandemic or disease outbreak or any

material worsening of such conditions existing as of the date of this Agreement;

- (iv) any act of terrorism or any outbreak of hostilities or declared or undeclared war, cyberterrorism, civil unrest, civil disobedience, sabotage, cybercrime, national or international calamity, military action, declaration of a state of emergency or any other similar event (including the current conflict between the Russian Federation and Ukraine and the conflict in the Middle East), or any change, escalation or worsening thereof;
- (v) any change in Law, IFRS or changes in regulatory accounting or Tax requirements, or in the interpretation, application or non-application of the foregoing by any Governmental Entity, after the date of this Agreement;
- (vi) any specific action taken (or omitted to be taken) by a Party to this Agreement that is expressly required to be taken (or, in the case of an omission, expressly prohibited to be taken) pursuant to this Agreement or with the express prior written consent or at the written direction of the other Party hereto;
- (vii) any change in the market price or trading volume of the Party's securities (it being understood that the causes underlying such change in market price or trading volume may, to the extent not otherwise excluded from the definition of Material Adverse Effect, be taken into account in determining whether a Material Adverse Effect has occurred);
- (viii) any fact, change, event, occurrence, effect, state of facts, liability and/or circumstance directly resulting from the announcement of this Agreement or the Arrangement or the implementation of the Arrangement, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of Radio Fuels or Palisades with any of their customers, employees, shareholders, vendors, distributors, partners or suppliers arising as a direct consequence of same,

provided, however, that the effect referred to in clauses (i), (ii), (iii), (iv) or (v) above do not primarily relate only to (or have the effect of primarily relating only to) such Party and its subsidiaries, taken as a whole, or disproportionately adversely affect such Party and its subsidiaries taken as a whole, compared to other companies of similar size operating in the industry in which it and its subsidiaries operate;

**“Material Contract”** means, in respect of any Party, any Contract:

- (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 Party;
- (ii) under which such Party 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 \$150,000 in the aggregate;
- (iii) relating to indebtedness for borrowed money, whether incurred, assumed, guaranteed or secured by any asset, with an outstanding principal amount in excess of \$150,000;

- (iv) providing for the establishment, organization or formation of any joint venture, royalty or stream interest 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 \$150,000 over the remaining term of the contract (excluding Contracts with its employees or consultants);
- (vi) that limits or restricts such Party or any of its subsidiaries from engaging in any line of business or any geographic area in any material respect;
- (vii) relating to any future offering or issuance of securities of such Party;
- (viii) that creates an exclusive dealing arrangement or right of first offer or refusal;
- (ix) that is a Collective Agreement;
- (x) with a Governmental Entity;
- (xi) providing for employment severance or change in control payments;
- (xii) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds \$150,000;
- (xiii) such Party has filed with the Securities Authorities as a material contract in accordance with applicable Securities Laws;
- (xiv) that is made out of the ordinary course of business; or
- (xv) that is otherwise material to such Party and its subsidiaries, considered as a whole;

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

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

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

**“Non-Canadian”** has the meaning ascribed to such term in Section 3 of the *Investment Canada Act*;

**“NV King”** means NV King Goldlands Inc.;

**“NV King Arrangement Agreement”** means the arrangement agreement among Radio Fuels and NV King dated August 26, 2024 and, for greater certainty, includes the disclosure letters referenced therein;

**“NV King Transaction”** means the acquisition of NV King by Radio Fuels pursuant to the NV King Arrangement Agreement;

**“ordinary course of business”**, **“ordinary course of business consistent with past practice”**, 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;

**“Outside Date”** means April 10, 2025, or such later date as may be agreed to in writing by the Parties;

**“Palisades”** has the meaning ascribed thereto in the recitals;

**“Palisades Benefit Plans”** has the meaning ascribed to such term in Section 4.1(u);

**“Palisades Board”** means the board of directors of Palisades as the same is constituted from time to time;

**“Palisades Disclosure Letter”** means the disclosure letter executed by Palisades and delivered to Radio Fuels in connection with the execution of this Agreement;

**“Palisades Financial Statements”** has the meaning ascribed to such term in Section 4.1(j);

**“Palisades Material Permits”** has the meaning ascribed to such term in Section 4.1(r);

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

**“Palisades Regulatory Authorities”** has the meaning ascribed to such term in Section 4.1(t);

**“Palisades Regulatory Authorizations”** has the meaning ascribed to such term in Section 4.1(t);

**“Palisades Shareholders”** means the holders of outstanding Palisades Shares;

**“Palisades Shares”** means the common shares in the capital of Palisades as constituted on the date hereof;

**“Palisades Special Committee”** means the independent committee of the Palisades Board established to consider and make a recommendation to the Palisades Board regarding the Transaction;

**“Party”** means either Radio Fuels or Palisades, as the case may be, and **“Parties”** means both of them, collectively;

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

**“Permitted Liens”** means, any one or more of the following:

- (i) Liens for Taxes which are not delinquent or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens

securing the same) and that have been adequately reserved in accordance with IFRS on the Party's financial statements;

- (ii) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of the construction, maintenance, repair or operation of the assets, provided that such Liens are related to obligations not due or delinquent, are not registered against title to any assets and in respect of which adequate holdbacks are being maintained as required by applicable Law;
- (iii) the right reserved to or vested in any Governmental Entity by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of a Party or any of its subsidiaries, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition of their continuance; and
- (iv) easements, rights of way, zoning ordinances, and other similar land use and environmental regulations which are not, individually or in the aggregate, material in amount or effect the business of Radio Fuels or Palisades, as applicable;

**"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-Closing Reorganization"** has the meaning ascribed to such term in Section 5.7(a);

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

**"Radio Fuels"** has the meaning ascribed thereto in the recitals;

**"Radio Fuels Benefit Plans"** has the meaning ascribed to such term in Section 3.1(x);

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

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

**"Radio Fuels Concessions"** has the meaning ascribed to such term in Section 3.1(r)(i);

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

**"Radio Fuels Fairness Opinion"** means the opinion of the Radio Fuels Financial Advisor as to the fairness of the Consideration Shares to be received by the Radio Fuels Shareholders from a financial point of view;

**“Radio Fuels Financial Advisor”** means Fort Capital Partners, financial advisor to Radio Fuels;

**“Radio Fuels Financial Statements”** has the meaning ascribed to such term in Section 3.1(j);

**“Radio Fuels Locked-up Shareholders”** means each of the officers and directors and certain significant shareholders of Radio Fuels;

**“Radio Fuels Material Permits”** has the meaning ascribed to such term in Section 3.1(u);

**“Radio Fuels Meeting”** means the special meeting of the Radio Fuels Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and any other matters as may be set out in the Radio Fuels Circular and agreed to in writing by Palisades, acting reasonably;

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

**“Radio Fuels Regulatory Authorities”** has the meaning ascribed to such term in Section 3.1(w)(i);

**“Radio Fuels Regulatory Authorizations”** has the meaning ascribed to such term in Section 3.1(w)(ii);

**“Radio Fuels Shareholder Approval”** has the meaning ascribed to such term in Section 2.2(c);

**“Radio Fuels Shareholders”** means the holders of the Radio Fuels Shares;

**“Radio Fuels Shares”** means the common shares of Radio Fuels, as constituted on the date hereof;

**“Radio Fuels Stock Option Plan”** means the stock option plan of Radio Fuels last approved by the Radio Fuels Shareholders on December 29, 2023;

**“Radio Fuels Voting and Lock-up Agreements”** means the voting agreements (including all amendments thereto) between Palisades and the Radio Fuels Locked-up Shareholders setting forth the terms and conditions upon which they agree to vote their Radio Fuels Shares in favour of the Arrangement Resolution;

**“Radio Fuels Warrant Indenture”** means the warrant indenture dated December 6, 2021 between Radio Fuels and Capital Transfer Agency, ULC;

**“Radio Fuels Warrants”** means the outstanding warrants to purchase Radio Fuels Shares issued under the Radio Fuels Warrant Indenture;

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

**“Representatives”** has the meaning ascribed to such term in Section 7.2(a);

**“Returns”** means all reports, forms, declarations, elections, notices, 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 with any applicable Governmental Entity 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 *Securities 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 and other securities regulatory authorities in each of the other provinces of Canada;

**“Securities Laws”** means the Securities Act, together with all other applicable provincial 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 Data Analysis and Retrieval described in National Instrument 13-103 – *System for Electronic Data Analysis and Retrieval* and available for public view at [www.sedarplus.ca](http://www.sedarplus.ca);

**“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 an unsolicited bona fide Acquisition Proposal made in writing by a third party or third parties acting jointly or in concert with one another, who deal at arm’s length to Radio Fuels after the date hereof to acquire all of the outstanding Radio Fuels Shares or all or substantially all of the assets of Radio Fuels and its subsidiaries on a consolidated basis that:

- (i) is reasonably capable of being completed in accordance with its terms without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal;
- (ii) is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available to the satisfaction of the Radio Fuels Board acting reasonably in good faith and after receipt of advice from its outside counsel and financial advisor;
- (iii) is not subject to a due diligence or access condition;
- (iv) did not result from a breach of Section 7.2 of this Agreement, by Radio Fuels or its Representatives;

- (v) complies with Securities Laws;
- (vi) in the case of a transaction that involves the acquisition of the Radio Fuels Shares, is made available to all Radio Fuels Shareholders on the same terms and conditions; and
- (vii) the Radio Fuels Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors, that (A) failure to recommend such Acquisition Proposal to the Radio Fuels Shareholders would be inconsistent with its fiduciary duties and (B) taking into account all of the terms and conditions of such Acquisition Proposal and the person making such proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), would result in a transaction more favourable to the Radio Fuels Shareholders from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by Palisades pursuant to Section 7.3(b) of this Agreement);

**“Superior Proposal Notice”** has the meaning ascribed to such term in Section 7.3(a)(iv);

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

**“Taxes”** means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, digital services taxes, windfall profits taxes, value added taxes, severance taxes, *ad valorem* taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, goods and services taxes, harmonized sales taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, carbon taxes, output-based pricing system charges, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, global minimum or “Pillar 2” taxes, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Entity, any requirement to pay or repay any amount to a Governmental Entity in respect of a tax credit, refund, rebate, governmental grant or subsidy, overpayment, or similar adjustment of Taxes, and any instalments in respect thereof, together with any tax indemnity obligation, interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not, and **“Tax”** means any one of such Taxes;

**“Termination Fee”** has the meaning ascribed to such term in Section 7.4(c)(i);

**“Termination Fee Event”** has the meaning ascribed to such term in Section 7.4(c)(ii);

**“Transaction”** means the transaction contemplated to be implemented hereunder by way of, among other things, the Arrangement;

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

**“TSXV”** means the TSX Venture Exchange;



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

**“U.S. Exchange Act”** means the United States Securities Exchange Act of 1934, as 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; and

**“U.S. Tax Code”** means the United States Internal Revenue Code of 1986, as amended.

## **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 Certain Phrases and References, etc.**

The words “including”, “includes” and “include” mean “including (or includes or include) without limitation,” and “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of.” Unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement.

## **1.5 Capitalized Terms**

All capitalized terms used in any Schedule or in either of the Radio Fuels Disclosure Letter or Palisades Disclosure Letter have the meanings ascribed to them in this Agreement.

## **1.6 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.

## **1.7 Time References**

References to time are to local time, Vancouver, British Columbia.

## **1.8 Currency**

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

## **1.9 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.

## **1.10 Knowledge**

In this Agreement, references to “the knowledge of Radio Fuels” means the actual knowledge of Philip O'Neill, the Chief Executive Officer and Natalia Samartseva, the Chief Financial Officer of Radio Fuels and references to “the knowledge of Palisades” means the actual knowledge of Collin Kettell, Chairman and CEO and Bassam Moubarak, the Chief Financial Officer of Palisades.

## **1.11 Consent**

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

## **1.12 Subsidiaries**

To the extent any covenants or agreements relate, directly or indirectly, to a subsidiary of Radio Fuels, each such provision shall be construed as a covenant by Radio Fuels to cause (to the fullest extent to which it is legally capable) such subsidiary to perform the required action.

## **1.13 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	–	Arrangement Resolution
Schedule C	–	Key Regulatory Approvals

## **ARTICLE 2 THE ARRANGEMENT**

### **2.1 Arrangement and Meetings**

Radio Fuels and Palisades 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 Interim Order**

As soon as reasonably practicable following the date of execution of this Agreement and in any event no later than December 20, 2024, Radio Fuels shall file, proceed with and diligently pursue an application to the Court for the Interim Order which shall provide, among other things:

- (a) for the class of persons to whom notice is to be provided in respect of the Arrangement and the Radio Fuels Meeting and the manner in which such notice is to be provided;
- (b) for confirmation of the record date for the Radio Fuels Meeting for the purpose of determining which Radio Fuels Shareholders are entitled to receive notice of, and

to vote at, the Radio Fuels Meeting, in accordance with the Interim Order (the “**Record Date**”);

- (c) that the requisite approval for the Arrangement Resolution (the “**Radio Fuels Shareholder Approval**”) shall be the affirmative vote of:
  - (i) two thirds of the votes cast on the Arrangement Resolution by the Radio Fuels Shareholders present in person or by proxy at the Radio Fuels Meeting; and
  - (ii) if, and to the extent required, a majority of the votes cast on such resolution by the Radio Fuels Shareholders present in person or by proxy at the Radio Fuels Meeting excluding for this purpose votes attached to Radio Fuels Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101;
- (d) that in all other respects, other than as ordered by the Court in the Interim Order, the terms, conditions and restrictions of Radio Fuels’ Constatting Documents, including quorum requirements and other matters, shall apply in respect of the Radio Fuels Meeting;
- (e) for the grant of Dissent Rights to registered Radio Fuels Shareholders who are holders of the Radio Fuels Shares as of the Record Date, as contemplated in the Plan of Arrangement;
- (f) that each Radio Fuels Shareholder and any other person shall have the right to appear before the Court at the hearing of the Court to approve the application for the Final Order, provided that they submit a response by the time stipulated in the Interim Order;
- (g) that the Radio Fuels Meeting may be adjourned or postponed from time to time by the management of Radio Fuels in accordance with the terms of this Agreement, or as otherwise agreed to by the Parties, without the need for additional approval of the Court;
- (h) that the Record Date will not change in respect of any adjournment(s) or postponement(s) of the Radio Fuels Meeting, unless required by Law;
- (i) 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 Radio Fuels Shareholders, with respect to the issuance of the Consideration Shares to the Radio Fuels Shareholders pursuant to the Arrangement;
- (j) that each Radio Fuels Shareholder 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 specified reasonable time;
- (k) that the Radio Fuels Meeting may be held in a virtual-only format;
- (l) that the deadline for the submission of proxies by Radio Fuels Shareholders for the Radio Fuels Meeting shall be 48 hours (excluding Saturdays, Sundays and statutory holidays in Vancouver, British Columbia) prior to the time of the Radio

Fuels Meeting, subject to waiver by Radio Fuels in accordance with the terms of this Agreement; and

- (m) for such other 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.

## **2.3 Radio Fuels Meeting**

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

- (a) Radio Fuels agrees to convene and conduct the Radio Fuels Meeting as soon as practicable following the date hereof, and in any event on or before February 21, 2025 in accordance with the Interim Order, Radio Fuels' Constatting Documents, this Section 2.3 and applicable Laws for the purpose of considering the Arrangement Resolution and for any other proper purpose as may be set out in the Radio Fuels Circular and agreed to by Palisades;
- (b) Radio Fuels agrees to consult with Palisades in fixing the date of the Radio Fuels Meeting, give notice to Palisades of the Radio Fuels Meeting and allow Palisades' Representatives and legal counsel to attend the Radio Fuels Meeting;
- (c) Radio Fuels will use its commercially reasonable efforts to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Radio Fuels Shareholder that is inconsistent with the Arrangement Resolution, and Radio Fuels may at its own expense, or will if so requested by Palisades and at Palisades' expense, retain and use the services of investment dealers and proxy solicitation services firms to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Radio Fuels Shareholder that is inconsistent with the Arrangement Resolution;
- (d) Radio Fuels will provide Palisades with copies of or access to information regarding the Radio Fuels Meeting generated by Radio Fuels' transfer agent or any proxy solicitation services firm, as requested from time to time by Palisades, and instruct any proxy solicitation services firm retained by Radio Fuels to report to Palisades concurrently with their reports to Radio Fuels;
- (e) Radio Fuels will advise Palisades as Palisades may reasonably request, and at least on a daily basis on each of the last five (5) Business Days prior to the date of the Radio Fuels Meeting, as to the tally of the aggregate proxies received (and for greater certainty, specifying votes "for" and votes "against" the Arrangement Resolution) by Radio Fuels in respect of the Arrangement Resolution;
- (f) Radio Fuels will not change the record date for Radio Fuels Shareholders entitled to vote at the Radio Fuels Meeting in connection with any adjournment or postponement of the Radio Fuels Meeting unless required by Law or the Interim Order, or with Palisades' prior written consent;
- (g) Except to comply with Section 7.1(d) or Section 7.3(e) hereof, Radio Fuels will not adjourn, postpone or cancel the Radio Fuels Meeting without the prior written consent of Palisades, except for quorum purposes (in which case the Radio Fuels Meeting shall be adjourned and not cancelled), if required by applicable Law or by

valid Radio Fuels Shareholder action (which action is not solicited or proposed by Radio Fuels or the board of directors of Radio Fuels);

- (h) Radio Fuels will not without the prior written consent of Palisades, not to be unreasonably withheld, waive the deadline for the submission of proxies by Radio Fuels Shareholders for the Radio Fuels Meeting;
- (i) Radio Fuels will promptly advise Palisades of any communication (written or oral) received from, or claims brought by (or, to the knowledge of Radio Fuels, threatened to be brought by), any person in opposition to the Arrangement and/or any purported exercise or withdrawal of Dissent Rights by Radio Fuels Shareholders and, subject to applicable Law, cooperate and provide Palisades with (a) an opportunity to review and comment upon in advance any written communications to be sent by or on behalf of Radio Fuels to any such person, (b) a copy of any such written communication and (c) the opportunity to participate with Radio Fuels in any discussions, negotiations or proceedings with or including any such persons;
- (j) Radio Fuels agrees to not settle, compromise or make any payment with respect to, or agree to settle, compromise or make any payment with respect to, any exercise or purported exercise of Dissent Rights without the prior written consent of Palisades;
- (k) Radio Fuels shall not waive any failure by any holder of Radio Fuels 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 Palisades; and
- (l) at the request of Palisades from time to time, provide Palisades with a list of (i) the registered Radio Fuels Shareholders, together with their addresses and respective holdings of Radio Fuels Shares, (ii) the names, addresses and holdings of all persons having rights issued by Radio Fuels to acquire Radio Fuels Shares including the holders of Radio Fuels Warrants, and (iii) participants and book-based nominee registrants such as CDS & Co., and CEDE & Co., and non-objecting beneficial owners of Radio Fuels Shares, together with their addresses and respective holdings of Radio Fuels Shares, all as can be reasonably obtained by Radio Fuels using the procedures set forth under Securities Laws. Radio Fuels shall from time to time require that its registrar and transfer agent furnish Palisades with such additional information, including updated or additional lists of Radio Fuels Shareholders, and lists of securities positions and other assistance as Palisades may reasonably request in order to be able to communicate with respect to the Arrangement with the Radio Fuels Shareholders and with such other persons as are entitled to vote on the Arrangement Resolution.

## **2.4 Radio Fuels Circular**

- (a) Radio Fuels shall prepare the Radio Fuels Circular in compliance with applicable Securities Laws and file the Radio Fuels Circular as soon as practicable, and in any event on or before December 31, 2024, 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) Radio Fuels shall ensure that the Radio Fuels Circular complies in all material respects with all applicable Laws, and, without limiting the generality of the foregoing, that the Radio Fuels Circular provides Radio Fuels Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be placed before them at the Radio Fuels Meeting. Subject to Section 7.3, the Radio Fuels Circular will include a copy of the Radio Fuels Fairness Opinion, the unanimous recommendation of the Radio Fuels Board that the Radio Fuels Shareholders vote in favour of the Arrangement Resolution, and a statement that each director of Radio Fuels intends to vote all of such director's Radio Fuels Shares (including any Radio Fuels Shares issued upon the exercise of Radio Fuels Warrants) in favour of the Arrangement Resolution, subject to the other terms of this Agreement and the Radio Fuels Voting and Lock-up Agreements.
- (c) Palisades shall furnish in writing to Radio Fuels all such information regarding Palisades, its affiliates and the Consideration Shares, as may be reasonably required by Radio Fuels (including, pro forma financial statements and other information required by Section 14.2 of Form 51-102F5 for inclusion in the Radio Fuels Circular, if applicable) in the preparation of the Radio Fuels Circular and other documents related thereto. Palisades shall also use commercially reasonable efforts to obtain any necessary consents from its auditors to the use of any financial information required to be included in the Radio Fuels Circular. Palisades 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 Radio Fuels Circular in order to make any information so furnished or any information concerning Palisades not misleading in light of the circumstances in which it is disclosed and shall constitute full, true and plain disclosure of such information concerning Palisades.
- (d) Radio Fuels shall give Palisades and its outside legal counsel a reasonable opportunity to review and comment on the Radio Fuels Circular, prior to the Radio Fuels Circular being printed and mailed to the Radio Fuels Shareholders and filed with the Securities Authorities, and reasonable consideration shall be given to any comments made by Palisades and its counsel, provided that all information relating solely to Palisades included in the Radio Fuels Circular and all information describing the terms of the Arrangement and/or Plan of Arrangement must be in form and content satisfactory to Palisades, acting reasonably. Radio Fuels shall provide Palisades with a final copy of the Radio Fuels Circular prior to mailing to the Radio Fuels Shareholders.
- (e) Radio Fuels and Palisades shall each promptly notify the other if at any time before the Effective Date it becomes aware (in the case of Radio Fuels only with respect to information regarding Radio Fuels and in the case of Palisades only with respect to information regarding Palisades) that the Radio Fuels 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 Radio Fuels Circular, and the Parties shall co-operate in the preparation of any amendment or supplement to the Radio Fuels Circular, as required or appropriate, and Radio Fuels shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Radio Fuels Circular to the Radio Fuels Shareholders and, if required by the Court or applicable Laws, file the same with the Securities Authorities and as otherwise required.

- (f) Radio Fuels shall use its commercially reasonable efforts to obtain any necessary consents from Qualified Persons, auditors, and any of its advisors to the use of any expert information required to be included in the Radio Fuels Circular and to the identification in the Radio Fuels Circular of each such expert and advisor.
- (g) Radio Fuels shall promptly notify Palisades upon the receipt of any correspondence with respect to the Radio Fuels Circular or the Arrangement, whether written or oral, from any Securities Authority or the staff of a Securities Authority with respect to the Radio Fuels Circular or the Arrangement or any request from any Securities Authority or the staff of a Securities Authority for information related to the Radio Fuels Circular or the Arrangement or amendments or supplements to the Radio Fuels Circular, and shall promptly provide Palisades with copies of all correspondence between Radio Fuels and its Representatives, on the one hand, and the Securities Authority or the staff of the Securities Authority, on the other hand. Radio Fuels shall use its commercially reasonable efforts to respond promptly to any correspondence with respect to the Radio Fuels Circular or the Arrangement from any Securities Authority or the staff of a Securities Authority with respect to the Radio Fuels Circular or the Arrangement, and Radio Fuels shall consult with and give reasonable consideration to recommendations provided by Palisades and its outside legal counsel prior to submitting to the Securities Authority or the staff of the Securities Authority any response to any such correspondence. In connection with the filing of the Radio Fuels Circular or the dissemination thereof to the Radio Fuels Shareholders, or submitting to any Securities Authority or the staff of a Securities Authority any response to any correspondence of any Securities Authority or the staff of the Securities Authority with respect thereto, Radio Fuels shall provide Palisades and its outside legal counsel a reasonable opportunity to review and comment on such document, responses and/or proposed disclosures and Radio Fuels shall give reasonable and due consideration to any reasonable comments of Palisades and/or its outside legal counsel prior to such filing, dissemination or submission.

## **2.5 Final Order**

If: (i) the Interim Order is obtained; and (ii) the Arrangement Resolution is passed at the Radio Fuels Meeting by the Radio Fuels Shareholders in accordance with the Interim Order and as required by applicable Law, Radio Fuels shall as soon as reasonably practicable thereafter and in any event within five (5) Business Days thereafter, take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for and take all necessary steps to obtain the Final Order pursuant to Section 192 of the CBCA, which shall be in form and substance satisfactory to Radio Fuels and Palisades, each acting reasonably.

## **2.6 Court Proceedings**

In connection with all proceedings relating to obtaining the Interim Order and the Final Order, Radio Fuels shall, subject to the terms of this Agreement:

- (a) provide Palisades and its outside legal counsel with a reasonable opportunity to review and comment upon drafts of all material to be filed with, or submitted to, the Court or any Governmental Entity in connection with the Arrangement, including drafts of the motion for Interim Order and Final Order, affidavits, Interim Order and Final Order, and give reasonable and due consideration to all such comments of Palisades and its outside legal counsel, provided that all information relating to

Palisades included in such materials shall be in a form and substance satisfactory to Palisades, acting reasonably;

- (b) provide to Palisades and its outside legal counsel, on a timely basis, copies of any notice of appearance, evidence or other documents served on Radio Fuels or its outside legal counsel in respect of the application for the Interim Order or the Final Order or any appeal from them, and any notice, written or oral, indicating the intention of any person to appeal, or oppose the granting of, the Interim Order or the Final Order;
- (c) ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement;
- (d) not file any material with the Court in connection with the Arrangement or serve any such material, or agree to modify or amend any material so filed or served, except as contemplated by this Agreement or with Palisades' prior written consent, such consent not to be unreasonably withheld, conditioned or delayed, provided that Palisades is not required to agree or consent to any increase in or variation in the form of the consideration or other modification or amendment to such filed or served materials that expands or increases Palisades' obligations, or diminishes or limits Palisades' rights, set forth in any such filed or served materials or under this Agreement, the Arrangement, or the Radio Fuels Voting and Lock-up Agreements;
- (e) oppose any proposal from any person that the Final Order contain any provision inconsistent with this Agreement and consult with Palisades with respect to the defense or settlement of any Radio Fuels Shareholder or derivative proceeding and shall not settle in respect of any such proceeding without Palisades' prior written consent;
- (f) not unreasonably object to outside legal counsel to Palisades making such submissions on the application for the Interim Order and the application for the Final Order as such counsel considers appropriate, acting reasonably, provided that such submissions are consistent with this Agreement and the Plan of Arrangement, and further provided that Palisades' outside legal counsel advises Radio Fuels' outside legal counsel of the nature of such submissions at least the day before the hearing; and
- (g) if Radio Fuels is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, only do so after notice to, and in consultation and cooperation with, Palisades.

## **2.7 Payment of Consideration**

Palisades will, following receipt of the Final Order and prior to or concurrently with the filing of the Articles of Arrangement with the Director, ensure that the Depositary has been provided with sufficient Consideration Shares in escrow to pay to the Radio Fuels Shareholders pursuant to the Arrangement.

## **2.8 Preparation of Filings**

Palisades and Radio Fuels 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 (3<sup>rd</sup>) 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 Section 5.9, unless another time or date is agreed to in writing by the Parties, the Effective Date shall occur and Radio Fuels shall file with the Director the Articles of Arrangement. From and after the Effective Time, the Plan of Arrangement will have all of the effects provided by applicable Law, including the CBCA. The closing of the Arrangement will take place by the exchange of documents by PDF or other electronic means or at such other place as may be agreed to by the Parties, in each case at such time as agreed to by the Parties.

## **2.10 Withholding Taxes**

Palisades, Radio Fuels, the Depositary and their respective agents, as applicable (in this Section 2.10, each a “**payor**”), shall each be entitled to deduct and withhold from any consideration payable (whether in cash or in kind) or otherwise deliverable to any person hereunder (including any payment to Radio Fuels Shareholders who have validly exercised their Dissent Rights and from all dividends or other distributions otherwise payable to any former Radio Fuels Shareholders) such amounts as the relevant payor is required to deduct or withhold therefrom under any applicable Law in respect of Taxes. For the purposes hereof and the Plan of Arrangement, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity when required by Law by, or on behalf of, the payor. Each payor is hereby authorized, subject to having received Palisades’ prior written consent, to sell or otherwise dispose of, on behalf of such person in respect of which a deduction or withholding was made, such portion of any Consideration Shares or other security deliverable to such person as is necessary to provide sufficient funds (after deducting commissions payable, fees and other reasonable costs and expenses) to the payor to enable it to comply with such deduction or withholding requirement and the payor shall notify such person thereof and remit the applicable portion of the net proceeds of such sale to the appropriate Governmental Entity and, if applicable, any portion of such net proceeds that is not required to be so remitted shall be paid to such person. Any such sale will be made in accordance with applicable Laws and at prevailing market prices, and no payor shall be under any obligation to obtain a particular price, or indemnify any person, in respect of a particular price, for the portion of the Consideration Shares or other securities, as applicable, so sold. No payor will be liable for any loss arising out of any sale arising under this Section 2.10.

## **2.11 U.S. Securities Law Matters**

The Parties intend that the Arrangement shall be carried out such that the issuance of the Consideration Shares to Radio Fuels Shareholders in exchange for Radio Fuels Shares upon completion of the Arrangement will qualify for the Section 3(a)(10) Exemption. 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 2.11. 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 have to determine, prior to approval of the Arrangement, the substantive and procedural fairness of the Arrangement to the Radio Fuels Shareholders;
- (d) the Court will hold a hearing before approving the procedural and substantive fairness of the terms and conditions of the Arrangement;
- (e) the Final Order will expressly state that the Arrangement is approved by the Court as being substantively and procedurally fair to the Radio Fuels Shareholders to whom Consideration Shares will be issued;
- (f) the Parties will ensure that the Radio Fuels Circular is sent to Radio Fuels Shareholders, and will provide them with (i) 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) advice 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 and delivered to Radio Fuels Shareholders in reliance on the Section 3(a)(10) Exemption, and that certain restrictions on resale under the securities laws of the United States, including Rule 144 under the U.S. Securities Act, may be applicable with respect to securities issued to affiliates of Palisades;
- (g) the Interim Order will specify that each Radio Fuels Shareholder entitled to receive Consideration Shares on completion of the Arrangement will have the right to appear before the Court at the Court hearing on the Final Order in accordance with the requirements of the Section 3(a)(10) Exemption, so long as such person enters an appearance within a reasonable time in accordance with the procedures set out in the Interim Order;
- (h) each Radio Fuels Shareholder will be advised that the Consideration Shares issued pursuant to the Arrangement have not been registered under the U.S. Securities Act and will be issued and delivered to Radio Fuels Shareholders in reliance on the Section 3(a)(10) Exemption; and
- (i) the Final Order will include a statement to substantially the following effect: "This Order will serve as a basis of a claim to an exemption, pursuant to Section 3(a)(10) of the United States Securities Act of 1933, as amended, from the registration requirements otherwise imposed by that act, regarding the distribution of securities of Palisades, pursuant to the Plan of Arrangement."

## 2.12 U.S. Tax Matters

The Arrangement is intended to qualify as a reorganization within the meaning of Section 368(a) of the U.S. Tax Code (a "**Reorganization**") and this Agreement is intended to be a "plan of reorganization" within the meaning of the U.S. Treasury Regulations promulgated under Section 368 of the U.S. Tax Code. Each of the Parties agrees to treat the Arrangement as a Reorganization for all U.S. federal income Tax purposes, and agrees to treat this Agreement as a "plan of reorganization" within the meaning of the U.S. Treasury Regulations promulgated under

Section 368 of the U.S. Tax Code, and to not take any position on any Tax Return or otherwise take any Tax reporting position inconsistent with such treatment, unless otherwise required by applicable Law or pursuant to a “determination” within the meaning of Section 1313 of the U.S. Tax Code. Except as otherwise provided in this Agreement and the Plan of Arrangement, each of the Parties agrees to act in a manner that is consistent with the Parties’ intention that the Arrangement be treated as a Reorganization for all U.S. federal income Tax purposes. Notwithstanding the foregoing, none of Radio Fuels or Palisades makes any representation, warranty or covenant to any other party or to any Radio Fuels Shareholder or other holder of Radio Fuels securities (including, without limitation, Radio Fuels Shares, Radio Fuels Warrants, stock options, debt instruments or other similar rights or instruments) regarding the U.S. Tax treatment of the Arrangement, including, but not limited to, whether the Arrangement will qualify as a Reorganization or as a Tax-deferred transaction for purposes of any United States federal, state or local income Tax Law. Palisades will, within forty-five days of the Effective Date of the Arrangement, file or post on a publicly-available portion of its website a properly completed and duly executed IRS Form 8937 describing the Arrangement as a Reorganization for U.S. federal income Tax purposes.

### **2.13 Adjustment to Consideration**

If, on or after the date of this Agreement, other than pursuant to the Plan of Arrangement, the issued and outstanding Palisades Shares shall have been changed into a different number of shares by reason of any split, consolidation or stock dividend of the issued and outstanding Palisades Shares then the Palisades Shares to be paid per Radio Fuels Share shall be appropriately adjusted to provide to Radio Fuels Shareholders the same economic effect as contemplated by this Agreement and the Plan of Arrangement prior to such action and as so adjusted shall, from and after the date of such event, be the consideration to be paid for each Radio Fuels Share.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF RADIO FUELS**

### **3.1 Representations and Warranties**

Radio Fuels hereby represents and warrants to and in favour of Palisades as follows, except as qualified by the Radio Fuels Disclosure Letter, and acknowledges that Palisades is relying upon such representations and warranties in entering into this Agreement:

- (a) Board Approval. As of the date hereof, the Radio Fuels Board: (A) has received the Radio Fuels Fairness Opinion; and (B) after consultation with its legal advisors, has determined that the Transaction is in the best interests of Radio Fuels and that the Consideration Shares to be received by the Radio Fuels Shareholders is fair, from a financial point of view, and has resolved unanimously to recommend to the Radio Fuels Shareholders that they vote in favour of the Arrangement Resolution. The Radio Fuels Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement.
- (b) Organization and Qualification. Radio Fuels 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. Radio Fuels and each of its subsidiaries: (A) has all material Permits necessary to conduct its business as now conducted; 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 Radio Fuels.

- (c) Authority Relative to this Agreement. Radio Fuels has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. Except for the Radio Fuels Shareholder Approval, no other corporate proceedings on the part of Radio Fuels are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by Radio Fuels and constitutes a legal, valid and binding obligation of Radio Fuels, enforceable against Radio Fuels 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. Neither the authorization, execution and delivery of this Agreement by Radio Fuels nor the completion of the transactions contemplated by this Agreement or the Arrangement, nor the performance of its obligations thereunder, nor compliance by Radio Fuels with any of the provisions of this Agreement will:
  - (i) 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 any Key Third Party Consents or Key Regulatory Approvals that are the obligation of Radio Fuels to obtain, 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 Radio Fuels 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 Radio Fuels 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 Radio Fuels 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 Radio Fuels or any of its subsidiaries is bound;
  - (ii) 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 Radio Fuels 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 Radio Fuels or any of its subsidiaries,

(except, in the case of each of clauses (A) and (B) 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 Radio Fuels);

- (iii) 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
  - (iv) result in any payment (including severance, unemployment compensation, “golden parachute”, bonus or otherwise) becoming due to any director, officer or employee of Radio Fuels or any subsidiary of Radio Fuels or increase any benefits otherwise payable under any Radio Fuels Benefit Plan or result in the acceleration of the time of payment or vesting of any such benefits;
  - (v) the Key Third Party Consents and Key Regulatory Approvals are the only consents and approvals required from any third party under any Material Contract of Radio Fuels or any of its subsidiaries or from any Governmental Entity in order for Radio Fuels 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. The authorized share capital of Radio Fuels consists of an unlimited number of Radio Fuels Shares without par value. As of the close of business on December 9, 2024, 249,882,911 Radio Fuels Shares were issued and outstanding and an aggregate of up to 31,903,511 Radio Fuels Shares were issuable upon the exercise of Radio Fuels Warrants. 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 Radio Fuels of any securities of Radio Fuels (including Radio Fuels 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 Radio Fuels (including Radio Fuels Shares) or any subsidiary of Radio Fuels. For greater certainty, there are no outstanding options to purchase Radio Fuels Shares issued under the Radio Fuels Stock Option Plan. All outstanding Radio Fuels Shares have been duly authorized and validly issued, are fully paid and non-assessable, and all Radio Fuels Shares issuable upon the exercise of the Radio Fuels Warrants 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. All securities of Radio Fuels (including the Radio Fuels Shares and Radio Fuels Warrants) have been issued in compliance with all applicable Laws. There are no securities of Radio Fuels 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 Radio Fuels Shareholders on any matter. There are no outstanding contractual or other obligations of Radio Fuels or any subsidiary to

repurchase, redeem or otherwise acquire any of Radio Fuels' securities or with respect to the voting or disposition of any outstanding securities of any of its subsidiaries. There are no outstanding bonds, debentures or other evidences of indebtedness of Radio Fuels or any of its subsidiaries having the right to vote with the holders of the outstanding Radio Fuels Shares on any matters.

- (f) Reporting Status and Securities Laws Matters. Radio Fuels is a "reporting issuer" and not on the list of reporting issuers in default under applicable Securities Laws in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. No delisting, suspension of trading in or cease trading order with respect to any securities of Radio Fuels and, to the knowledge of Radio Fuels, no inquiry or investigation (formal or informal) of any Securities Authority or the CSE, is in effect or ongoing or, to the knowledge of Radio Fuels, expected to be implemented or undertaken with respect to the foregoing.

- (g) Ownership of Subsidiaries.

- (i) Other than its subsidiaries listed in Section 3.1(g) of the Radio Fuels Disclosure Letter, Radio Fuels has no direct or indirect subsidiaries. All of the issued and outstanding shares of capital stock and other ownership interests of each of the subsidiaries of Radio Fuels are legally and beneficially owned by Radio Fuels, 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 Radio Fuels 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 Radio Fuels. There are no contracts, commitments, agreements, understandings, arrangements or restrictions which require any subsidiaries of Radio Fuels 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 Radio Fuels. All ownership interests of Radio Fuels and its subsidiaries are owned free and clear of all Liens of any kind or nature whatsoever held by third parties.

- (ii) Radio Fuels is the registered and beneficial owner of that number, type, class (as applicable) and, to the knowledge of Radio Fuels, percentage of securities or other equity interests of other Persons as is set out in Section 3.1(g)(ii) of the Radio Fuels Disclosure Letter, free and clear of any Liens (other than Permitted Liens). All such securities and other equity interests so owned by Radio Fuels have, to the knowledge of Radio Fuels, been validly issued and are fully paid and non-assessable and to the knowledge of Radio Fuels no such securities or other equity interests have been issued in violation of any pre-emptive or similar rights, or Law. Except as set forth in Section 3.1(g)(ii) of the Radio Fuels Disclosure Letter, Radio Fuels does not otherwise own, directly or indirectly, any share capital or

capital stock or other equity securities of any Person or have any direct or indirect equity or ownership interest in any business.

- (h) **Owned Property.** Radio Fuels owns (with good title) all of the properties and assets (whether real, personal or mixed and whether tangible or intangible) that it purports to own including all the properties and assets reflected as being owned by Radio Fuels in the Radio Fuels Financial Statements as modified by in Section 3.1(g)(ii) of the Radio Fuels Disclosure Letter (if applicable). Radio Fuels has legal and beneficial ownership of such assets free and clear of all Liens, except for Permitted Liens.
- (i) **Public Filings.** Radio Fuels has filed or furnished, as applicable, all documents required to be filed or furnished by it in accordance with applicable Securities Law with the Securities Authorities or the CSE. To the knowledge of Radio Fuels, all such documents and information comprising the Radio Fuels 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 Radio Fuels Public Disclosure Record required to be made have been filed on a timely basis with the Securities Authorities or the CSE. Radio Fuels 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 Radio Fuels Public Disclosure Record, except for changes in material facts or material changes that are reflected in a subsequently filed document included in the Radio Fuels Public Disclosure Record.
- (j) **Radio Fuels Financial Statements.** Radio Fuels' audited consolidated financial statements as at and for the fiscal years ended November 30, 2023 and 2022 (including the notes thereto) and Radio Fuels' unaudited financial statements for the interim period ended August 30, 2024, in each case including, the related management's discussion and analysis (collectively, the "**Radio Fuels Financial Statements**") were prepared in accordance with IFRS consistently applied (except: (A) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of Radio Fuels' independent auditors; or (B) in the case of unaudited interim statements, are subject to normal period end adjustments and may omit notes which are not required by applicable Laws in the unaudited statements) and fairly present in all material respects the consolidated financial position, results of operations and cash flows of Radio Fuels 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 Radio Fuels and its subsidiaries on a consolidated basis. There has been no material change in Radio Fuels' accounting policies, except as described in the notes to the Radio Fuels' Financial Statements, since November 30, 2023.
- (k) **Internal Controls and Financial Reporting.** Radio Fuels has designed disclosure controls and procedures to provide reasonable assurance that Radio Fuels discloses all information required to be disclosed in its annual filings, interim filings

or other reports filed or submitted under securities legislation. Radio Fuels maintains systems of “internal control over financial reporting” to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Since November 30, 2023, Radio Fuels’ auditors and the audit committee of the Radio Fuels 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 Radio Fuels’ internal control over financial reporting.

- (l) Off-Balance Sheet Arrangements. There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of Radio Fuels or its subsidiaries with unconsolidated entities or other persons.
- (m) Books and Records. The financial books, records and accounts of Radio Fuels and its 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 Radio Fuels and its subsidiaries and accurately and fairly reflect the basis for the Radio Fuels Financial Statements. The corporate records and minute books of Radio Fuels and each of its subsidiaries have, in all material respects, been maintained in accordance with all applicable Law and prudent business practice and are complete and accurate in all material respects except for minutes which are in draft form.
- (n) No Undisclosed Liabilities. Except as disclosed in the Radio Fuels Disclosure Letter, Radio Fuels and its subsidiaries on a consolidated basis have no material outstanding indebtedness or liabilities (including Environmental Liabilities, unfunded pension or similar Radio Fuels Benefit Plan liabilities or liabilities for Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same)) 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, other than those specifically identified in the Radio Fuels Financial Statements, or incurred in the ordinary course of business since the date of the most recent Radio Fuels Financial Statements.
- (o) No Material Change. Except as disclosed in the Radio Fuels Public Disclosure Record or as described in Schedule 3.1(o) to the Radio Fuels Disclosure Letter, since November 30, 2023 (i) there has been no material change in respect of Radio Fuels and its subsidiaries, taken as a whole, and the debt, business and material property of Radio Fuels and its subsidiaries conform in all material respects to the description thereof contained in the Radio Fuels Public Disclosure Record; (ii) there has been no dividend or distribution of any kind declared, paid or made by Radio Fuels on any Radio Fuels 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



Radio Fuels and its subsidiaries taken as a whole; and (iv) Radio Fuels and its 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 Radio Fuels, threatened affecting Radio Fuels 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 Radio Fuels nor any of its subsidiaries nor their respective assets or properties is subject to any outstanding judgment, order, writ, injunction or decree.
- (q) Taxes. Except as provided for in the Radio Fuels Financial Statements,
- (i) Radio Fuels and each of its subsidiaries has duly and timely filed all Returns required to be filed by it with the appropriate Governmental Entity prior to the date hereof and all such Returns are true, complete and correct in all material respects. No extension of time in which to file any such Returns is in effect.
  - (ii) Radio Fuels and each of its subsidiaries has paid on a timely basis all Taxes which are due and payable, excluding Taxes that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same), including instalments on account of Taxes for their current taxation year, that are due and payable by it whether or not assessed by the applicable Governmental Entity.
  - (iii) Radio Fuels and each of its subsidiaries has established reserves on its books and records, in the case of Radio Fuels in accordance with IFRS, and in the case of its subsidiaries in accordance with generally accepted accounting principles of their respective governing jurisdictions, adequate for the payment of any Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same) and will continue to establish such applicable reserves until the Effective Date.
  - (iv) Radio Fuels and each of its subsidiaries has maintained and continues to maintain, in the place and manner prescribed by applicable Law, all records and books of account required to be maintained under applicable Laws with respect to Taxes.
  - (v) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of Radio Fuels or any of its subsidiaries, and neither Radio Fuels nor any of its 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 Radio Fuels, threatened against Radio Fuels or any of its subsidiaries or any of their respective assets.

- (vi) No claim has been made by any Governmental Entity in a jurisdiction where Radio Fuels and any of its subsidiaries does not file Returns that Radio Fuels or any of its subsidiaries is or may be subject to Tax by that jurisdiction.
- (vii) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same)) upon any of the assets of Radio Fuels or any of its subsidiaries.
- (viii) Radio Fuels and each of its subsidiaries has duly and timely withheld all Taxes and other amounts required by Law to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the account or benefit of any person, including employees, officers or directors and any person who is a non-resident of Canada for purposes of the Tax Act) and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts required by Law to be remitted by it.
- (ix) Radio Fuels and each of its subsidiaries has duly and timely collected all amounts on account of any sales or use taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Law to be collected by it and has duly and timely remitted to the appropriate Governmental Entity any such amounts required by Law to be remitted by it.
- (x) 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 Radio Fuels or any of its subsidiaries for any taxable period and no request for any such waiver or extension is currently pending.
- (xi) Radio Fuels and each of its subsidiaries, if legally required to do so, is duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) with respect to the goods and services tax and harmonized sales tax.
- (xii) Neither Radio Fuels nor any subsidiary has applied for any Canadian Emergency Wage Subsidy or Canada Emergency Rent Subsidy, in each case as provided for under section 125.7 of the Tax Act.
- (xiii) Neither Radio Fuels nor any of its subsidiaries has acquired property from a non-arm's length person, within the meaning of the Tax Act, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which could subject it to a liability under section 160 of the Tax Act.
- (xiv) Each of Radio Fuels and its subsidiaries has complied with the transfer pricing provisions of each applicable Canadian Law relating to Taxes, including (if applicable) the contemporaneous documents and disclosure requirements thereunder.

- (xv) There are no circumstances existing which could result in the application of section 17, section 78, section 79 or sections 80 to 80.04 of the Tax Act (or any equivalent provision of the taxation legislation of any province or any other jurisdiction) to Radio Fuels or any of its subsidiaries.
- (xvi) The Radio Fuels Shares are “excluded property” as defined in subsection 116(6) of the Tax Act.
- (xvii) Radio Fuels is a “taxable Canadian corporation” as defined in the Tax Act.
- (xviii) Radio Fuels is not treated as a “surrogate foreign corporation” within the meaning of Section 7874 of the U.S. Tax Code and is not classified as a U.S. domestic corporation for U.S. federal (and applicable state and local) income Tax purposes.
- (xix) None of Radio Fuels or any of its subsidiaries has any liability under U.S. Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law), or liability as a successor or transferee, by contract or otherwise, for Taxes of any Person other than Radio Fuels or its subsidiaries, excluding any agreement or arrangement where the inclusion of a Tax indemnification or allocation provision is customary or incidental to an agreement the primary nature of which is not Tax sharing or indemnification.
- (xx) None of Radio Fuels or any of its subsidiaries has participated in a “listed transaction” within the meaning of U.S. Treasury Regulation Section 1.6011-4(b)(2).
- (xxi) None of Radio Fuels or any of its subsidiaries is or has been a party to any “reportable transaction” as defined in Section 6707A(c)(1) of the U.S. Tax Code.
- (xxii) None of Radio Fuels or any of its subsidiaries has made an election pursuant to Section 897(i) of the U.S. Tax Code.
- (xxiii) Radio Fuels is not classified as a “United States real property holding corporation” within the meaning of Section 897(c)(2) of the U.S. Tax Code.
- (xxiv) To the knowledge of Radio Fuels, Radio Fuels is not currently a “controlled foreign corporation” within the meaning of Section 957(a) of the U.S. Tax Code.
- (xxv) To the knowledge of Radio Fuels, Radio Fuels was a “passive foreign investment company” within the meaning of Section 1297 of the U.S. Tax Code for its most recently completed Tax year.

(r) Property.

- (i) Other than as set out in the Radio Fuels Disclosure Record, each Concession in which Radio Fuels or its subsidiaries holds an interest (collectively, the “**Radio Fuels Concessions**”) is in full force and effect and in good standing in all material respects and the interests of Radio Fuels or its subsidiaries in the Radio Fuels Concessions is held free and clear of all Liens other than Permitted Liens.

- (ii) The Radio Fuels Concessions comprising the Iron Point Project and Eco Ridge Project are accurately described in the Radio Fuels Public Disclosure Record. Except as set forth in the Radio Fuels Public Disclosure Record, Radio Fuels is the sole legal and beneficial owner of all right, title and interest in and to the Radio Fuels Concessions. Other than the Radio Fuels Concessions, neither Radio Fuels nor any of its subsidiaries owns or has any interest in any Concessions.
- (iii) Other than as set out in the Radio Fuels Disclosure Record:
  - (A) each Radio Fuels Concession comprises a valid and subsisting interest, and Radio Fuels or its subsidiaries enjoys legally enforceable access to each Radio Fuels Concession as may be required to conduct the activities of Radio Fuels or its subsidiaries as currently conducted;
  - (B) any and all assessment work required to be performed and filed in respect of the Radio Fuels Concessions has been performed and filed in all material respects;
  - (C) any and all Taxes and other payments required to be paid in respect of the Radio Fuels Concessions and all rental or royalty payments required to be paid in respect of the Radio Fuels Concessions have been paid;
  - (D) any and all material filings required to be filed in respect of the Radio Fuels Concessions have been filed;
  - (E) Radio Fuels or its subsidiaries have the exclusive right to deal with the Radio Fuels Concessions;
  - (F) no other person has any material interest in the Radio Fuels Concessions or any right to acquire any such interest and to the knowledge of Radio Fuels, there is no claim against or challenge to the title to or ownership of any of the Radio Fuels Concessions;
  - (G) there are no back-in rights, earn-in rights, rights of first refusal, royalty rights or similar provisions which would materially affect Radio Fuels' or any of its subsidiaries' interests in the Radio Fuels Concessions; and
  - (H) neither Radio Fuels nor any of its 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 Radio Fuels' or any of its subsidiaries' interests in the Radio Fuels Concessions.
- (iv) All work and activities carried out on the Radio Fuels Concessions by Radio Fuels or its subsidiaries or, to the knowledge of Radio Fuels, by any other person appointed by Radio Fuels or any of its subsidiaries have been carried out in all material respects in compliance with all applicable Laws, and neither Radio Fuels nor any of its subsidiaries, nor, to the knowledge of Radio Fuels, any other person, has received any notice of any material breach of any such applicable Laws.

- (s) NI 43-101:
- (i) The Eco Ridge Project and the Iron Point Project are the only material properties of Radio Fuels for the purposes of NI 43-101.
  - (ii) The Eco Ridge Technical Report complies in all material respects with the requirements of NI 43-101 and as of the date hereof remains current. Radio Fuels does not have knowledge of any change to the facts or assumptions underlying the mineral resource estimates in the Eco Ridge Technical Report, or any other information, that would reasonably be expected to result in a material change in the mineral resources or other material information in the Eco Ridge Technical Report.
  - (iii) The Iron Point Technical Report complies in all material respects with the requirements of NI 43-101 and as of the date hereof remains current. Radio Fuels does not have knowledge of any change to the facts or assumptions underlying the mineral resource estimates in the Iron Point Technical Report, or any other information, that would reasonably be expected to result in a material change in the mineral resources or other material information in the Iron Point Technical Report.
  - (iv) The scientific and technical information set forth in the Radio Fuels Public Disclosure Record has been prepared by Radio Fuels and its consultants in accordance with methods generally applied in the mining industry and conforms, in all material respects, to the requirements of NI 43-101 and Securities Laws.
  - (v) Radio Fuels is in compliance in all material respects with the provisions of NI 43-101, has filed all technical reports required thereby, and there has been no change of which Radio Fuels is aware that would require the filing by Radio Fuels of any new or additional technical report under NI 43-101.
- (t) Contracts. Schedule 3.1(t) of the Radio Fuels Disclosure Letter lists all Material Contracts of Radio Fuels and its subsidiaries. To the knowledge of Radio Fuels, all Material Contracts of Radio Fuels and its subsidiaries are in full force and effect, and Radio Fuels or its subsidiaries are entitled to all rights and benefits thereunder in accordance with the terms thereof. All of the Material Contracts of Radio Fuels and its subsidiaries are valid and binding obligations of Radio Fuels or a subsidiary of Radio Fuels 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. Radio Fuels and its subsidiaries have complied in all material respects with all terms of their 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 Radio Fuels or any of its subsidiaries or, to the knowledge of Radio Fuels, 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 Material Contracts of Radio Fuels. As at the date hereof, neither Radio Fuels nor any of its subsidiaries has received written notice that any party to a Material Contract of Radio Fuels intends to cancel, terminate or otherwise modify or not renew such Material Contract, and to the knowledge of

Radio Fuels, no such action has been threatened. Neither Radio Fuels nor any of its subsidiaries is a party to any Material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of Radio Fuels or any of its subsidiaries.

- (u) Permits. Radio Fuels and each of its 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 (the “**Radio Fuels Material Permits**”). To the knowledge of Radio Fuels, 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 Radio Fuels Material Permits as are necessary to conduct its business as it is currently being conducted.
- (v) Environmental Matters. Each of Radio Fuels and its subsidiaries and their respective businesses and operations:
  - (i) is in compliance with all Environmental Laws and all terms and conditions of all Environmental Permits in all material respects;
  - (ii) has not received any order, request or notice from any person alleging a material violation of any Environmental Law;
  - (iii) (A) 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 (B) 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 of business and does not know of any facts, circumstances or conditions, including any Release of Hazardous Substance, that would reasonably be expected to result in any Environmental Liabilities.
- (w) Regulatory.
  - (i) Radio Fuels and its subsidiaries have operated and are currently operating in full compliance with all applicable Laws (including all applicable anti-corruption Laws and all applicable Environmental Laws) and all applicable published rules, regulations, guidelines and policies of any regulatory or governmental agency having jurisdiction over Radio Fuels or its subsidiaries or their respective activities (collectively, the “**Radio Fuels Regulatory Authorities**”) in all material respects; and

- (ii) Radio Fuels and its subsidiaries have operated and are currently operating their respective businesses in compliance with all licenses, Permits, authorizations, approvals registrations and consents of the Radio Fuels Regulatory Authorities (the “**Radio Fuels Regulatory Authorizations**”) in all material respects and have made all requisite material declarations and filings with the Radio Fuels Regulatory Authorities. Radio Fuels and its subsidiaries have not received any written notices or other correspondence from the Radio Fuels 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 Radio Fuels Regulatory Authorization relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of Radio Fuels or any of its subsidiaries to operate their respective businesses.

(x) Employee Benefits.

- (i) Radio Fuels and each of its subsidiaries has complied, in all material respects, with the terms of 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, Radio Fuels or any such subsidiary or in respect of which Radio Fuels or any of its subsidiaries has any actual or potential liability (collectively, the “**Radio Fuels Benefit Plans**”) and with all applicable Laws and any collective bargaining agreements relating thereto.
- (ii) Radio Fuels has furnished to Palisades true, correct, up-to-date and complete copies of all Radio Fuels Benefit Plans as amended as of the date hereof together with all related documentation, including trust agreements, insurance contracts or other funding arrangements, the most recent financial statements, any material correspondence with a Governmental Entity, any filings, plan summaries, employee booklets and personnel manuals. For greater certainty, Radio Fuels and each of its subsidiaries have no pension or retirement plans. The plan summaries, employee booklets and personnel manuals prepared for, and circulated to the employees and the former employees of Radio Fuels and their beneficiaries concerning such Radio Fuels Benefit Plans, accurately describe the benefits provided under each such Radio Fuels Benefit Plan referred to therein.

(y) Labour and Employment.

- (i) No employee of Radio Fuels or its 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 employees of Radio Fuels or its subsidiaries has indicated an intention to resign their employment. All current assessments under applicable workers’

compensation legislation in relation to the employees of Radio Fuels and its subsidiaries have been paid or accrued by Radio Fuels and its subsidiaries, as applicable, and Radio Fuels and its subsidiaries are not subject to any special or penalty assessment under such legislation which has not been paid.

- (ii) Radio Fuels has no Contracts or arrangements for the employment or services of: (A) any senior officer, director or consultant; or (B) any employee of Radio Fuels or any of its subsidiaries that is party to a change of control, “golden parachute” or similar agreement or provision.
- (iii) There are no outstanding or, to the knowledge of Radio Fuels, pending or threatened 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 Radio Fuels or any of its subsidiaries. To the knowledge of Radio Fuels, there are no threatened or apparent organizing activities by a trade union or employee association involving employees of Radio Fuels or any of its subsidiaries. Radio Fuels and its 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).
- (iv) The Radio Fuels 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.
- (z) Related Party Transactions. Except as disclosed in Schedule 3.1(z) of the Radio Fuels Disclosure Letter, there are no Contracts or other transactions currently in place between Radio Fuels or any of its subsidiaries, on the one hand, and: (i) to the knowledge of Radio Fuels, any officer or director of Radio Fuels or any of its subsidiaries other than employment, consulting or similar Contracts under which such persons provide services to Radio Fuels or any of its subsidiaries; (ii) to the knowledge of Radio Fuels, any holder of record or, to the knowledge of Radio Fuels, beneficial owner of 10% or more of the Radio Fuels Shares; and (iii) to the knowledge of Radio Fuels, any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.
- (aa) Registration Rights. No Radio Fuels Shareholder has any right to compel Radio Fuels to register or otherwise qualify the Radio Fuels Shares (or any of them) for public sale or distribution.
- (bb) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon Radio Fuels or any of its 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 in any material respect.



- (cc) Brokers. No 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 Radio Fuels.
- (dd) Insurance. All insurance maintained by Radio Fuels or any of its subsidiaries is in full force and effect and in good standing and neither Radio Fuels 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 Radio Fuels or any of its 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 Radio Fuels or any of its subsidiaries or not to renew any policy of insurance on its expiry or to increase any deductible or cost.
- (ee) Arrangements with Shareholders. Other than this Agreement, Radio Fuels does not have any agreement, arrangement or understanding (whether written or oral) with respect to Palisades or any of its securities, businesses or operations with any shareholder of Palisades, any interested party of Palisades or any related party of any interested party of Palisades, 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).
- (ff) NV King Transaction. Radio Fuels is not aware, based on its due diligence of NV King and the Iron Point Project, including financial, legal and technical due diligence, of any fact or circumstance which would be likely to have a Material Adverse Effect on NV King, Radio Fuels or Palisades. The NV King Transaction was completed on November 20, 2024 pursuant to the terms of the NV King Arrangement Agreement. To the knowledge of Radio Fuels, the representations and warranties of NV King in the NV King Arrangement Agreement were true and correct as of the date of the NV King Arrangement Agreement and the closing of the NV King Transaction and there was no breach or default by NV King of any provisions of the NV King Arrangement Agreement.

### **3.2 Survival of Representations and Warranties**

The representations and warranties of Radio Fuels 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 PALISADES**

### **4.1 Representations and Warranties**

Palisades hereby represents and warrants to and in favour of Radio Fuels as follows, except as disclosed in the Palisades Public Disclosure Record or as qualified by the Palisades Disclosure Letter, and acknowledges that Radio Fuels is relying upon such representations and warranties in entering into this Agreement:

- (a) Board Approval. As of the date hereof: (A) the Palisades Special Committee, after consultation with its legal advisors, unanimously determined that this Agreement and the Arrangement are in the best interests of Palisades and unanimously

determined to recommend approval of this Agreement and the Arrangement to the Palisades Board; and (B) the Palisades Board, after receiving the recommendation of the Palisades Special Committee and after consultation with its legal advisors, has determined that the Transaction is in the best interests of Palisades. The Palisades Board has approved the Arrangement pursuant to the Plan of Arrangement and the execution and performance of this Agreement.

- (b) Organization and Qualification. Palisades is a corporation duly incorporated and validly existing under the applicable Laws of its jurisdiction of incorporation 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. Palisades: (A) has all material Permits necessary to conduct its business substantially as now conducted; and (B) is duly registered or otherwise authorized and qualified to do business and 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 Palisades.
- (c) Authority Relative to this Agreement. Palisades has the requisite corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. No corporate proceedings on the part of Palisades are necessary to authorize this Agreement or the Arrangement. This Agreement has been duly executed and delivered by Palisades and constitutes a legal, valid and binding obligation of Palisades enforceable against Palisades 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. Neither the authorization, execution and delivery of this Agreement by Palisades nor the completion of the transactions contemplated by this Agreement or the Arrangement, nor the performance of its obligations thereunder, nor compliance by Palisades with any of the provisions of this Agreement will:
  - (i) 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 any Key Third Party Consents or Key Regulatory Approvals that are the obligation of Palisades to obtain, 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 Palisades, 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 Palisades, under any of the terms, conditions or provisions of:
    - (A) its articles, charters or by-laws or other comparable organizational documents; or
    - (B) any Permit or Material Contract to which Palisades is a party or to which it, or any of its properties or assets, may be subject or by which Palisades is bound;

- (ii) 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 Palisades or any of its properties or assets; or
  - (B) cause the suspension or revocation of any Permit currently in effect relating to Palisades,

(except, in the case of each of clauses (A) and (B) 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 Palisades);
- (iii) 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
- (iv) result in any payment (including severance, unemployment compensation, “golden parachute”, bonus or otherwise) becoming due to any director, officer or employee of Palisades or increase any benefits otherwise payable under any Palisades Benefit Plan or result in the acceleration of the time of payment or vesting of any such benefits;
- (v) the Key Third Party Consents and Key Regulatory Approvals are the only consents and approvals required from any third party under any Material Contracts of Palisades or from any Governmental Entity in order for Palisades 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. The authorized share capital of Palisades consists of an unlimited number of Palisades Shares without par value. As of the close of business on December 9, 2024, 47,903,977 Palisades Shares were issued and outstanding, 4,201,000 Palisades Shares were issuable upon the exercise of outstanding stock options to purchase Palisades Shares. 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 Palisades of any securities of Palisades (including Palisades 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 Palisades (including Palisades Shares). All outstanding Palisades Shares have been duly authorized and validly issued, are fully paid and non- assessable, and all Palisades Shares issuable upon the exercise of stock options and warrants to purchase Palisades Shares 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. All securities of Palisades (including the Palisades Shares and

the outstanding stock options and warrants to purchase Palisades Shares) have been issued in compliance with all applicable Laws. There are no securities of Palisades outstanding which have the right to vote generally (or are convertible into or exchangeable for securities having the right to vote generally) with the Palisades Shareholders on any matter. There are no outstanding contractual or other obligations of Palisades to repurchase, redeem or otherwise acquire any of Palisades' securities. There are no outstanding bonds, debentures or other evidences of indebtedness of Palisades having the right to vote with the holders of the outstanding Palisades Shares on any matters.

- (f) Reporting Status and Securities Laws Matters. Palisades is a "reporting issuer" and not on the list of reporting issuers in default under applicable Securities Laws in British Columbia and Alberta. No delisting, suspension of trading in or cease trading order with respect to any securities of Palisades and, to the knowledge of Palisades, no inquiry or investigation (formal or informal) of any Securities Authority or the TSXV, is in effect or ongoing or, to the knowledge of Palisades, expected to be implemented or undertaken with respect to the foregoing.
- (g) Ownership of Subsidiaries.
  - (i) Palisades has no direct or indirect subsidiaries.
  - (ii) Palisades is the registered and beneficial owner of that number, type, class (as applicable) and, to the knowledge of Palisades, percentage of securities or other equity interests of other Persons as is set out in Section 4.1(g)(ii) of the Palisades Disclosure Letter, free and clear of any Liens (other than Permitted Liens). All such securities and other equity interests so owned by Palisades have, to the knowledge of Palisades, been validly issued and are fully paid and non-assessable and to the knowledge of Palisades no such securities or other equity interests have been issued in violation of any pre-emptive or similar rights, or Law. Except as set forth in Section 4.1(g)(ii) of the Palisades Disclosure Letter, Palisades does not otherwise own, directly or indirectly, any share capital or capital stock or other equity securities of any Person or have any direct or indirect equity or ownership interest in any business.
- (h) Owned Property. Palisades owns (with good title) all of the properties and assets (whether real, personal or mixed and whether tangible or intangible) that it purports to own including all the properties and assets reflected as being owned by Palisades in the Palisades Financial Statements as modified by in Section 4.1(g)(ii) of the Palisades Disclosure Letter (if applicable). Palisades has legal and beneficial ownership of such assets free and clear of all Liens, except for Permitted Liens.
- (i) Public Filings. Palisades has filed or furnished, as applicable, all documents required to be filed or furnished by it in accordance with applicable Securities Law with the Securities Authorities or the TSXV. To the knowledge of Palisades, all such documents and information comprising the Palisades 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 Palisades Public Disclosure Record required

to be made have been filed on a timely basis with the Securities Authorities or the TSXV. Palisades 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 Palisades Public Disclosure Record except for changes in material facts or material changes that are reflected in a subsequently filed document included in the Palisades Public Disclosure Record.

- (j) Palisades Financial Statements. Palisades' audited consolidated financial statements as at and for the fiscal years ended December 31, 2023 and 2022 (including the notes thereto), and Palisades' unaudited financial statements for the interim period ended June 30, 2024 in each case including, the related management's discussion and analysis (collectively, the "**Palisades Financial Statements**") were prepared in accordance with IFRS consistently applied (except: (A) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in the related report of Palisades' independent auditors; or (B) in the case of unaudited interim statements, are subject to normal period end adjustments and may omit notes which are not required by applicable Laws in the unaudited statements) and fairly present in all material respects the financial position, results of operations and cash flows of Palisades 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 Palisades. There has been no material change in Palisades' accounting policies, except as described in the notes to the Palisades' Financial Statements, since December 31, 2023.
- (k) Internal Controls and Financial Reporting. Palisades has designed disclosure controls and procedures to provide reasonable assurance that Palisades discloses all information required to be disclosed in its annual filings, interim filings or other reports filed or submitted under securities legislation. Palisades maintains systems of "internal control over financial reporting" to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Since December 31, 2023, Palisades' auditors and the audit committee of the Palisades 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 Palisades' internal control over financial reporting.
- (l) Books and Records. The financial books, records and accounts of Palisades 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 Palisades and accurately and fairly reflect the basis for the Palisades Financial Statements. The corporate records and minute books of Palisades have, in all material respects, been maintained in accordance with all applicable Law and prudent business practice and are complete and accurate in all material respects except for minutes which are in draft form.
- (m) No Undisclosed Liabilities. Palisades has no material outstanding indebtedness or liabilities (including Environmental Liabilities, unfunded pension or similar

Palisades Benefit Plan liabilities or liabilities for Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same)) and is 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 Palisades other than those specifically identified in the Palisades Financial Statements or incurred in the ordinary course of business since the date of the most recent Palisades Financial Statements.

- (n) No Material Change. Except as disclosed in the Palisades Public Disclosure Record, since December 31, 2023 (i) there has been no material change in respect of Palisades, and the debt and business of Palisades conform in all material respects to the description thereof contained in the Palisades Public Disclosure Record; (ii) there has been no dividend or distribution of any kind declared, paid or made by Palisades on any Palisades 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 Palisades; and (iv) Palisades has carried on business in the ordinary course.
- (o) Litigation. There are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of Palisades, threatened affecting Palisades or affecting its property or assets at law or in equity before or by any Governmental Entity, including matters arising under Environmental Laws. Neither Palisades nor any of its assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree.
- (p) Taxes. Except as provided for in the Palisades Financial Statements and as disclosed in the Palisades Disclosure Letter,
  - (i) Palisades has duly and timely filed all Returns required to be filed by it with the appropriate Governmental Entity 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) Palisades has paid on a timely basis all Taxes which are due and payable, other than Taxes that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same), including instalments on account of Taxes for its current taxation year, that are due and payable by it whether or not assessed by the applicable Governmental Entity.
  - (iii) Palisades has established reserves on its books and records in accordance with generally accepted accounting principles of its governing jurisdictions, adequate for the payment of any Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same) and will continue to establish such applicable reserves until the Effective Date.

- (iv) Palisades has maintained and continues to maintain, in the place and manner prescribed by applicable Law, all records and books of account required to be maintained under applicable Laws with respect to Taxes.
- (v) Other than as disclosed in the Palisades Disclosure Letter, no material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted with respect to Taxes of Palisades, and, Palisades is not 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 Palisades, threatened against Palisades or assets.
- (vi) No claim has been made by any Governmental Entity in a jurisdiction where Palisades does not file Returns that Palisades is or may be subject to Tax by that jurisdiction.
- (vii) There are no Liens for unpaid Taxes (other than in respect of Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings (to the extent that such proceedings effectively prevent the applicable Governmental Entities from taking collection action in respect of such disputed Taxes or enforcing any Liens securing the same)) upon any of the assets of Palisades.
- (viii) Palisades has duly and timely withheld all Taxes and other amounts required by Law to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the account or benefit of any person, including employees, officers or directors and any person who is a non-resident of Canada for purposes of the Tax Act) and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts required by Law to be remitted by it.
- (ix) Palisades has duly and timely collected all amounts on account of any sales or use taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Law to be collected by it and has duly and timely remitted to the appropriate Governmental Entity any such amounts required by Law to be remitted by it.
- (x) 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 Palisades for any taxable period and no request for any such waiver or extension is currently pending.
- (xi) 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 Palisades for any taxable period and no request for any such waiver or extension is currently pending.
- (xii) Palisades, if legally required to do so, is duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) with respect to the goods and services tax and harmonized sales tax.

- (xiii) Palisades has not applied for any Canadian Emergency Wage Subsidy or Canada Emergency Rent Subsidy, in each case as provided for under section 125.7 of the Tax Act.
- (xiv) Palisades has not acquired property from a non-arm's length person, within the meaning of the Tax Act, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which could subject it to a liability under section 160 of the Tax Act.
- (xv) Palisades has complied with the transfer pricing provisions of each applicable Canadian Law relating to Taxes, including (if applicable) the contemporaneous documents and disclosure requirements thereunder.
- (xvi) There are no circumstances existing which could result in the application of section 17, section 78, section 79 or sections 80 to 80.04 of the Tax Act (or any equivalent provision of the taxation legislation of any province or any other jurisdiction) to Palisades.
- (xvii) The Palisades Shares are listed on a "designated stock exchange", as that term is defined in Section 248(1) of the Tax Act.
- (xviii) Palisades is a "Taxable Canadian corporation" as defined in the Tax Act.
- (xix) Palisades is not treated as a "surrogate foreign corporation" within the meaning of Section 7874 of the U.S. Tax Code and is not classified as a U.S. domestic corporation for U.S. federal (and applicable state and local) income Tax purposes.
- (xx) None of Palisades or any of its subsidiaries has any liability under U.S. Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Law), or liability as a successor or transferee, by contract or otherwise, for Taxes of any Person other than Palisades or its subsidiaries, excluding any agreement or arrangement where the inclusion of a Tax indemnification or allocation provision is customary or incidental to an agreement the primary nature of which is not Tax sharing or indemnification.
- (xxi) None of Palisades or any of its subsidiaries has participated in a "listed transaction" within the meaning of U.S. Treasury Regulation Section 1.6011-4(b)(2).
- (xxii) None of Palisades or any of its subsidiaries is or has been a party to any "reportable transaction" as defined in Section 6707A(c)(1) of the U.S. Tax Code.
- (xxiii) None of Palisades or any of its subsidiaries has made an election pursuant to Section 897(i) of the U.S. Tax Code.
- (xxiv) Palisades is not classified as a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the U.S. Tax Code.
- (xxv) To the knowledge of Palisades, Palisades is not currently a "controlled foreign corporation" within the meaning of Section 957(a) of the U.S. Tax Code.



- (xxvi) To the knowledge of Palisades, Palisades was a “passive foreign investment company” within the meaning of Section 1297 of the U.S. Tax Code for its most recently completed Tax year and, based upon current business plans and financial expectations, Palisades expects to be a “passive foreign investment company” for its current Tax year.
- (q) Contracts. Schedule 4.1(q) of the Palisades Disclosure Letter lists all Material Contracts of Palisades. To the knowledge of Palisades, all Material Contracts of Palisades are in full force and effect, and Palisades entitled to all rights and benefits thereunder in accordance with the terms thereof. All of the Material Contracts of Palisades are valid and binding obligations of Palisades, 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. Palisades has complied in all material respects with all terms of its Material Contracts, has paid all amounts due thereunder, as and when due, has not waived any rights thereunder and no material default or breach exists in respect thereof on the part of Palisades or, to the knowledge of Palisades, 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 Material Contracts of Palisades. As at the date hereof, Palisades has not received written notice that any party to a Material Contract of Palisades intends to cancel, terminate or otherwise modify or not renew such Material Contract, and to the knowledge of Palisades, no such action has been threatened. Palisades is not a party to any Material Contract that contains any non-competition obligation or otherwise restricts in any material way the business of Palisades.
- (r) Permits. Palisades 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 (the “**Palisades Material Permits**”). To the knowledge of Palisades, 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 Palisades Material Permits as are necessary to conduct its business as it is currently being conducted.
- (s) Environmental Matters. Palisades:
- (i) is in compliance with all Environmental Laws and all terms and conditions of all Environmental Permits in all material respects;
  - (ii) has not received any order, request or notice from any person alleging a material violation of any Environmental Law;
  - (iii) (A) 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 (B) 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 of business and does not know of any facts, circumstances or conditions, including any Release of Hazardous Substance, that would reasonably be expected to result in any Environmental Liabilities.

(t) Regulatory.

- (i) Palisades has operated and is currently operating in full compliance with all applicable Laws (including all applicable anti-corruption Laws and all applicable Environmental Laws) and all applicable published rules, regulations, guidelines and policies of any regulatory or governmental agency having jurisdiction over Palisades or its activities (collectively, the **"Palisades Regulatory Authorities"**) in all material respects; and
- (ii) Palisades has operated and is currently operating its business in compliance with all licenses, Permits, authorizations, approvals registrations and consents of the Palisades Regulatory Authorities (the **"Palisades Regulatory Authorizations"**) in all material respects and have made all requisite material declarations and filings with the Palisades Regulatory Authorities. Palisades has not received any written notices or other correspondence from the Palisades 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 Palisades Regulatory Authorization relating to its activities which would reasonably be expected to restrict, curtail, limit or adversely affect the ability of Palisades to operate its business.

(u) Employee Benefits.

- (i) Palisades has complied, in all material respects, with the terms of 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, Palisades or in respect of which Palisades has any actual or potential liability (collectively, the **"Palisades Benefit Plans"**) and with all applicable Laws and any collective bargaining agreements relating thereto.
- (ii) Palisades has furnished to Radio Fuels true, correct, up-to-date and complete copies of all Palisades Benefit Plans as amended as of the date hereof together with all related documentation, including trust agreements, insurance contracts or other funding arrangements, the most recent

financial statements, any material correspondence with a Governmental Entity, any filings, plan summaries, employee booklets and personnel manuals. The plan summaries, employee booklets and personnel manuals prepared for, and circulated to the employees and the former employees of Palisades and their beneficiaries concerning such Palisades Benefit Plans, accurately describe the benefits provided under each such Palisades Benefit Plan referred to therein.

- (v) Issuance of Consideration Shares. The Consideration Shares to be issued by Palisades pursuant to the Arrangement (i) have been duly authorized, and, upon issuance, will be validly issued, fully paid and non-assessable, (ii) will not be issued in violation of the certificate of incorporation, charter, by laws or other constating documents of Palisades or any agreement, contract, covenant, undertaking, or commitment to which Palisades is a party or bound, and (iii) are not subject to any pre-emptive rights, rights of first refusal or other similar rights. The Radio Fuels Shares are listed for trading on the TSXV.
- (w) Labour and Employment.
  - (i) No employee of Palisades 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 employees of Palisades has indicated an intention to resign their employment. All current assessments under applicable workers' compensation legislation in relation to the employees of Palisades have been paid or accrued by Palisades and Palisades is not subject to any special or penalty assessment under such legislation which has not been paid.
  - (ii) Palisades has no Contracts or arrangements for the employment or services of: (A) any senior officer, director or consultant; or (B) any employee of Palisades that is party to a change of control, "golden parachute" or similar agreement or provision.
  - (iii) There are no outstanding or, to the knowledge of Palisades, pending or threatened 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 Palisades. To the knowledge of Palisades, there are no threatened or apparent organizing activities by a trade union or employee association involving employees of Palisades. Palisades is 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.)
  - (iv) The Palisades 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.

- (x) Related Party Transactions. Except as disclosed in Schedule 4.1(x) of the Palisades Disclosure Letter, there are no Contracts or other transactions currently in place between Palisades, on the one hand, and: (i) to the knowledge of Palisades, any officer or director of Palisades other than employment, consulting or similar Contracts under which such persons provide services to Palisades; (ii) to the knowledge of Palisades, any holder of record or, to the knowledge of Palisades, beneficial owner of 10% or more of the Palisades Shares; and (iii) to the knowledge of Palisades, any affiliate or associate of any such, officer, director, holder of record or beneficial owner, on the other hand.
- (y) Registration Rights. No Palisades Shareholder has any right to compel Palisades to register or otherwise qualify the Palisades Shares (or any of them) for public sale or distribution.
- (z) Restrictions on Business Activities. There is no arbitral award, judgment, injunction, constitutional ruling, order or decree binding upon Palisades that has or could reasonably be expected to have the effect of prohibiting, restricting, or impairing any business practice of it, any acquisition or disposition of property by it, or the conduct of the business by it as currently conducted in any material respect.
- (aa) Brokers. No 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 Palisades.
- (bb) Insurance. All insurance maintained by Palisades is in full force and effect and in good standing and Palisades is not in default, whether as to payment of premium or otherwise, under the terms of any such insurance nor has Palisades 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 Palisades or not to renew any policy of insurance on its expiry or to increase any deductible or cost.
- (cc) United States Securities Laws. Palisades is a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act.
- (dd) Arrangements with Shareholders. Other than the Radio Fuels Voting and Lock-up Agreements and this Agreement, Palisades does not have any agreement, arrangement or understanding (whether written or oral) with respect to Radio Fuels or any of its securities, businesses or operations with any shareholder of Radio Fuels, any interested party of Radio Fuels or any related party of any interested party of Radio Fuels, 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).
- (ee) Investment Canada Act. Palisades is not a Non-Canadian.

## **4.2 Survival of Representations and Warranties**

The representations and warranties of Palisades 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 Radio Fuels Regarding the Conduct of Business**

- (a) Radio Fuels 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 or the Plan of Arrangement, required by applicable Laws or any Governmental Entities or as consented to by Palisades in writing (such consent not to be unreasonably withheld or delayed), Radio Fuels shall, and shall cause each of its subsidiaries to:
  - (i) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the ordinary course of business consistent with past practice;
  - (ii) use commercially reasonable efforts to preserve intact its present business organization, assets (including intellectual property) and goodwill, maintain its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;
  - (iii) comply in all material respects with all applicable Laws, including Securities Laws and Tax Laws;
  - (iv) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated by this Agreement; and
  - (v) keep Palisades fully informed as to material decisions or actions made or required to be made with respect to, and material developments relating to, the operation of its businesses and consult with Palisades, as Palisades may reasonably request, to allow Palisades to monitor and provide input with respect to the direction and control of, any such material decisions or actions or developments.
- (b) 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 the Plan of Arrangement, or as set out in Schedule 5.1 of the Radio Fuels Disclosure Letter, Radio Fuels shall not, nor shall it permit any of its subsidiaries to, directly or indirectly, without the prior written consent of Palisades (which consent shall not be unreasonably withheld or delayed):
  - (i) amend, restate, rescind, alter, enact or adopt all or any portion of any of the Radio Fuels Constating Documents or any of its subsidiaries;
  - (ii) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any common shares of its capital or any securities convertible into Radio Fuels Shares (other than in connection with the exercise, in accordance with their respective terms, of

outstanding Radio Fuels Warrants) or except as provided for in this Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any of its outstanding warrants or any other convertible securities; amend or propose to amend its articles or by-laws or other constating documents; or, except as contemplated by this Agreement, split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of its shares or undertake or propose to undertake any other capital reorganization or change in its common shares, any other of its securities or its share capital;

- (iii) reduce the stated capital of any securities;
- (iv) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) on, or purchase, redeem, repurchase or otherwise acquire, any securities of Radio Fuels or any of its subsidiaries;
- (v) create any subsidiary;
- (vi) adopt a plan of complete or partial liquidation, arrangement, dissolution, amalgamation, merger, consolidation, restructuring, recapitalization, winding-up or other reorganization of Radio Fuels or any subsidiary of Radio Fuels (other than pursuant to this Agreement and the transactions contemplated by this Agreement), or file a petition in bankruptcy under any applicable Law on behalf of Radio Fuels or any subsidiary of Radio Fuels, or consent to the filing of any bankruptcy petition against Radio Fuels or any subsidiary of Radio Fuels under any applicable Law;
- (vii) sell, sell and lease back, pledge, licence, lease, sublease, alienate, dispose, swap, transfer or voluntarily lose the right to use, in whole or in part, or otherwise dispose of, or subject to any Lien (other than Permitted Liens), any asset or any interest in any asset, or waive, cancel, release or assign to any person (other than Radio Fuels or any of its subsidiaries) any material right or claim (including indebtedness owed to Radio Fuels or any of its subsidiaries), in either case having a value greater than \$500,000, except for (A) assets sold, leased, disposed of or otherwise transferred in the ordinary course and that are not, individually or in the aggregate, material to Radio Fuels or any of its subsidiaries, (B) obsolete, damaged or destroyed assets in the ordinary course, (C) returns of leased assets at the end of the lease term, (D) transfers of assets between Radio Fuels and a subsidiary of Radio Fuels, and (E) as required pursuant to the terms of any Material Contract in effect on the date of this Agreement;
- (viii) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization;

- (ix) except as contemplated by this Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;
- (x) amend or terminate any Material Contract, enter into any Material Contract, or enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;
- (xi) make any capital expenditure or commitment in excess of \$500,000 in the aggregate;
- (xii) fail to pay or cause to be paid all accounts when due or invoices promptly upon receipt, in any way related to the business, operations and assets of Radio Fuels or any of its subsidiaries, in each case in the ordinary course of business, consistent with past practice;
- (xiii) pay, discharge or satisfy any material claims, liabilities or obligations other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in Radio Fuels' financial statements provided to Palisades or incurred in the ordinary course of business consistent with past practice;
- (xiv) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing material licence, lease, permit, material contract or other material document, without first advising Palisades and obtaining Palisades' consent and direction, acting reasonably, as to any action to be taken in that regard, and forthwith taking any action directed by Palisades, acting reasonably;
- (xv) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice (none of which actions shall be unreasonable or unusual) with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of this Agreement provided, however, that Radio Fuels will abide by the terms and conditions of any employment agreements and consulting agreements in respect of any person who will no longer be employed or retained by Palisades or Radio Fuels, as the case may be, after the Arrangement, including with respect to the payments of any severance amounts or change of control payments, if applicable;
- (xvi) (A) incur, create, assume or otherwise become liable for any indebtedness, other than: (1) indebtedness under credit cards incurred in the ordinary course and lines of credit and factoring agreements incurred in the ordinary course which for the purpose of this provision shall include any such debt which funds operations of the business, or any bridge loans not in excess of \$500,000 in connection with financing the transactions contemplated by this Agreement; or (2) any other loans or, advances guarantees or other obligations, individually or in the aggregate, in an amount not to exceed

\$500,000 or (B) incur, create, assume or otherwise become liable for any other material liability or obligation, other than in the ordinary course or (C) issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other person; or make any loans or advances to any other person, other than loans or advances made by Radio Fuels to a subsidiary of Radio Fuels, or by a subsidiary to Radio Fuels, or pursuant to transactions contemplated in this Agreement;

- (xvii) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts, off-take, royalty or similar financial instruments including any streaming transactions;
- (xviii) enter into or adopt any shareholder rights plan or similar agreement or arrangement;
- (xix) engage in any transaction with any senior management employee, vice-president, director or any of their immediate family members (including spouses) or any related party (within the meaning of MI 61-101), other than (A) expense reimbursements and advances in the ordinary course, (B) employment Contracts with employees hired in accordance with Section 5.1(b)(xv), or (iii) transactions between Radio Fuels and a subsidiary of Radio Fuels;
- (xx) amend any existing material Permit of Radio Fuels or any of its subsidiaries, or abandon or fail to diligently pursue any application for or renewal of any required material Permit, or take or omit to take any action that would reasonably be expected to lead to the termination of, or imposition of conditions on, any such material Permit of Radio Fuels or any of its subsidiaries;
- (xxi) take any action inconsistent with past practice relating to the filing of any Return or the withholding, collecting, remitting and payment of any Tax;
- (xxii) amend any Return or change any of its methods of reporting income, deductions or accounting for Tax purposes, except as may be required by applicable Laws (as determined in good faith consultation with Palisades);
- (xxiii) make, change or revoke any material election relating to Taxes;
- (xxiv) enter into any Tax sharing, Tax allocation, Tax related waiver or Tax indemnification agreement;
- (xxv) settle (or offer to settle) any Tax claim, audit, proceeding or reassessment;
- (xxvi) make a request for a Tax ruling to any Governmental Entity;
- (xxvii) make any "investment" (as defined for purposes of section 212.3 of the Tax Act) in any corporation that is a "foreign affiliate" of Radio Fuels and/or any of its subsidiaries (including, for greater certainty, an indirect investment described in paragraph 212.3(10)(f) of the Tax Act); or
- (xxviii) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the Transaction or the transactions contemplated in this Agreement.



- (c) Radio Fuels shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by Radio Fuels 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 5.9, none of Radio Fuels or any of its subsidiaries shall obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months.
- (d) Radio Fuels shall promptly notify Palisades in writing of any circumstance or development that, to the knowledge of Radio Fuels, is or could reasonably be expected to constitute a Material Adverse Effect.

## **5.2 Covenants of Palisades Regarding the Conduct of Business**

- (a) Palisades 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 or the Plan of Arrangement, required by applicable Laws or any Governmental Entities or as consented to by Radio Fuels in writing (such consent not to be unreasonably withheld or delayed), Palisades shall:
  - (i) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the ordinary course of business consistent with past practice;
  - (ii) use commercially reasonable efforts to preserve intact its present business organization, assets (including intellectual property) and goodwill, maintain its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;
  - (iii) comply in all material respects with all applicable Laws, including Securities Laws and Tax Laws; and
  - (iv) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated by this Agreement.
- (b) 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 the Plan of Arrangement, or as set out in Schedule 5.2 of the Palisades Disclosure Letter, Palisades shall not, directly or indirectly, without the prior written consent of Radio Fuels (which consent shall not be unreasonably withheld or delayed):
  - (i) amend, restate, rescind, alter, enact or adopt all or any portion of any of the Palisades Constating Documents;

- (ii) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any common shares of its capital or any securities convertible into Palisades Shares (other than in connection with the exercise, in accordance with their respective terms, of outstanding Palisades convertible securities) or except as provided for in this Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any of its outstanding warrants or any other convertible securities; amend or propose to amend its articles or by-laws or other constating documents; or, except as contemplated by this Agreement, split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of its shares or undertake or propose to undertake any other capital reorganization or similar change in its common shares, any other of its securities or its share capital;
  - (iii) reduce the stated capital of any securities;
  - (iv) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) on, or purchase, redeem, repurchase or otherwise acquire, any securities of Palisades;
  - (v) adopt a plan of complete or partial liquidation, dissolution or winding-up of Palisades, or file a petition in bankruptcy under any applicable Law on behalf of Palisades, or consent to the filing of any bankruptcy petition against Palisades under any applicable Law; or
  - (vi) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the Transaction or the transactions contemplated in this Agreement.
- (c) Palisades shall use commercially reasonable efforts to maintain listing of the Palisades Shares on the TSXV.
  - (d) Palisades shall promptly notify Radio Fuels in writing of any circumstance or development that, to the knowledge of Palisades is or could reasonably be expected to constitute a Material Adverse Effect.

### **5.3 Covenants of Radio Fuels Relating to the Arrangement**

Radio Fuels shall, and shall cause its subsidiaries to, perform all obligations required to be performed by Radio Fuels or any of its subsidiaries under this Agreement, co-operate with Palisades 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, Radio Fuels shall and, where applicable, shall cause its subsidiaries to:

- (a) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law applicable to it or its subsidiaries with respect to this Agreement or the Arrangement;
- (b) apply for and use its commercially reasonable efforts to obtain all Key Regulatory Approvals relating to Radio Fuels or any of its subsidiaries and Radio Fuels 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, Radio Fuels 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 Palisades reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Palisades 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 Palisades' outside counsel on an "external counsel" basis), in order for Palisades to provide its reasonable comments thereon, which shall be given due and reasonable consideration;

- (c) 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 Palisades in respect of, any Material Contracts and all Key Third Party Consents;
- (d) take all action required under the Radio Fuels Warrant Indenture in connection with the Arrangement, following approval by Palisades of such action, and keep Palisades informed as to all matters related to the Radio Fuels Warrant Indenture; and
- (e) defend all lawsuits or other legal, regulatory or other proceedings against Radio Fuels challenging or affecting this Agreement or the consummation of the transactions contemplated hereby.

#### **5.4 Covenants of Palisades Relating to the Arrangement**

Palisades shall perform all obligations required to be performed by Palisades under this Agreement, co-operate with Radio Fuels 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, Palisades shall:

- (a) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law applicable to it with respect to this Agreement or the Arrangement;
- (b) apply for and use its commercially reasonable efforts to obtain all Key Regulatory Approvals relating to Palisades and 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, Palisades 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 Radio Fuels reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Radio Fuels 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 Radio Fuels' outside counsel on an "external counsel" basis), in order for Radio Fuels to provide its reasonable comments thereon, which shall be given due and reasonable consideration;

- (c) 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 any of the Material Contracts, and all Key Third Party Consents;
- (d) apply for and use its commercially reasonable efforts to obtain, as soon as practicable following execution of this Agreement, TSXV conditional approval for the listing of the Radio Fuels Warrants at the Effective Time and, in doing so, keep Radio Fuels reasonably informed as to the status of the proceedings related to obtaining such approval;
- (e) subject to the terms and conditions of this Agreement and of the Plan of Arrangement and applicable Laws, issue the Consideration Shares to be issued pursuant to the Arrangement at the time provided herein; and
- (f) defend all lawsuits or other legal, regulatory or other proceedings against Palisades challenging or affecting this Agreement or the consummation of the transactions contemplated hereby.

## 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 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) 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; (ii) 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); (iii) provide the other Party with any communications received from a Governmental Entity in connection with obtaining the Key Regulatory Approvals; (iv) 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); (v) subject to the terms and conditions of this Agreement, neither 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 (vi) 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; and
- (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 Radio Fuels Shareholders in exchange for their Radio Fuels Shares pursuant to the Plan of Arrangement,

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

## **5.6 Alternative Transaction**

If Palisades concludes that it is necessary or desirable to proceed with another form of transaction (such as a formal take-over bid or amalgamation) or amend the Arrangement (an “**Alternative Transaction**”) whereby Palisades or its affiliates would continue to effectively acquire all of the Radio Fuels Shares within approximately the same time periods and on economic terms and other terms and conditions (including Tax treatment to Radio Fuels and the Radio Fuels Shareholders) that are no less favourable than those contemplated by this Agreement (an “**Alternative Transaction Conditions**”), Radio Fuels shall consider such Alternative Transaction in good faith and if Radio Fuels determines, acting reasonably, that the Alternative Transaction Conditions are satisfied, it will support the completion of such Alternative Transaction in the same manner as the Arrangement and shall otherwise fulfill its covenants contained in this Agreement in respect of such Alternative Transaction. In the event of any proposed Alternative Transaction, any reference in this Agreement to the Arrangement shall refer to the Alternative Transaction to the extent applicable, all terms, covenants, representations and warranties of this Agreement shall be and shall be deemed to have been made in the context of the Alternative Transaction and all references to time periods regarding the Arrangement, including the Effective Time, herein shall refer to the date of closing of the transactions contemplated by the Alternative Transaction (as such date may be extended from time to time). Without limiting the generality of or delaying the observance of the foregoing, if Radio Fuels determines that the Alternative Transaction Conditions are satisfied and it will support the completion of such Alternative Transaction, the Parties shall act in good faith to enter into a new agreement or amend this Agreement and the Plan of Arrangement to reflect the terms of the Alternative Transaction as would enable the Parties to proceed with the Alternative Transaction on such alternative terms.

## 5.7 Pre-Closing Reorganization

- (a) Subject to Section 5.7(b), Radio Fuels agrees that, upon request of Palisades, Radio Fuels shall (i) perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Palisades may request, acting reasonably (each a “**Pre-Closing Reorganization**”), and (ii) cooperate with Palisades and its advisors to determine the nature of the Pre-Closing Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken; and (iii) cooperate with Palisades and its advisors to seek to obtain any consents, approvals, waivers or similar authorizations which are reasonably required by Palisades (based on the terms of any Contract or Authorization) in connection with the Pre-Closing Reorganizations, if any.
- (b) Radio Fuels will not be obligated to participate in any Pre-Closing Reorganization under Section 5.7(a) unless such Pre-Closing Reorganization:
  - (i) can be completed as close as reasonably practicable prior to the Effective Date, and can be unwound in the event the Arrangement is not consummated without adversely affecting Radio Fuels or any of its subsidiaries in any material manner;
  - (ii) is not prejudicial to Radio Fuels, any of its subsidiaries or the Radio Fuels Shareholders in any material respect (including any Taxes being imposed or adverse Tax consequences); or
  - (iii) does not impair the ability of Radio Fuels to consummate, and will not materially delay the consummation of, the Arrangement.
- (c) Palisades must provide written notice to Radio Fuels of any proposed Pre-Closing Reorganization at least five (5) Business Days prior to the Effective Date. Upon receipt of such notice, Radio Fuels and Palisades shall work cooperatively and use their 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-Closing Reorganization, including any amendment to this Agreement or the Plan of Arrangement and shall seek to have any such Pre-Closing Reorganization made effective as of the last moment of the Business Day ending immediately prior to the Effective Date (but after Palisades has waived or confirmed that all of the conditions set out in Section 6.1 and Section 6.2 have been satisfied).
- (d) Palisades agrees that it will be responsible for all costs and expenses associated with any Pre-Closing Reorganization to be carried out at its request and shall indemnify and save harmless Radio Fuels and its affiliates and Representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Closing Reorganization (including in respect of any reversal, modification or termination of a Pre-Closing Reorganization) and that any Pre-Closing Reorganization will not be considered in determining whether a representation or warranty of Radio Fuels under this Agreement has been breached (including where any such Pre-Closing Reorganization requires the consent of any third party under a Contract).

## **5.8 Public Communications**

- (a) Palisades and Radio Fuels agree to publicly announce the transactions contemplated hereby promptly following the execution of this Agreement, the text and timing of such announcement to be approved by Radio Fuels and Palisades in advance, each acting reasonably.
- (b) Palisades and Radio Fuels agree to co-operate in the preparation of presentations, if any, to the Radio Fuels Shareholders regarding the Plan of Arrangement.
- (c) Except as required by applicable Law, no Party shall issue any news release, make any filing with any Governmental Entity or stock exchange, or make any other public statement or disclosure with respect to this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed); provided that, any Party that, in the opinion of outside legal counsel, is required to make disclosure by applicable Law shall use commercially reasonable efforts to give the other Party prior oral or written notice and a reasonable opportunity to review or comment on such disclosure (other than with respect to confidential information contained in such disclosure) and if such prior notice is not permitted by applicable Law, shall give such notice immediately following the making of such disclosure. The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel. For the avoidance of doubt, none of the foregoing shall prevent Radio Fuels or Palisades from making (i) internal announcements to Employees and having discussions with shareholders, financial analysts and other stakeholders, or (ii) public announcements in the ordinary course that do not relate specifically to this Agreement or the Arrangement, in each case so long as such announcements and discussions are consistent in all material respects with the most recent press releases, public disclosures or public statements made by such person. The Parties acknowledge that the Parties shall file this Agreement (with such redactions as may be mutually agreed upon between Radio Fuels and Palisades, acting reasonably) and a material change report relating thereto on SEDAR+.

## **5.9 Insurance and Indemnification**

- (a) From and after the Effective Time, Palisades shall honour all rights to indemnification or exculpation existing as of the date hereof in favour of present and former Employees, officers and directors of Radio Fuels and the subsidiaries of Radio Fuels under applicable Law, Contracts that are disclosed in Section 5.9(a) of the Radio Fuels Disclosure Letter or set forth in Radio Fuels' Constating Documents and acknowledges that such rights, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six (6) years after the Effective Date.
- (b) If Palisades, Radio Fuels or its subsidiaries or any of their respective successors or assigns (i) consolidates or amalgamates with, or merges or liquidates into, any other person and is not a continuing or surviving corporation or entity of such consolidation, amalgamation, merger, amalgamation or liquidation, or (ii) transfers all or substantially all of its properties and assets to any person, Palisades shall ensure that any such successor or assign (including, as applicable, any acquirer of substantially all of the properties and assets of Radio Fuels or its subsidiaries) assumes all of the obligations set forth in this Section 5.9.

- (c) Prior to the Effective Time, Radio Fuels may purchase customary “tail” policies of directors’ and officers’ liability, products and completed operations liability and employment practices liability insurance from a reputable and financially sound insurance carrier and containing terms and conditions no less favourable in the aggregate to the protection provided by the policies maintained by Radio Fuels 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 Time and Radio Fuels will, and will cause its subsidiaries to, maintain such tail policies in effect without any reduction in scope or coverage for six years from the Effective Time; provided, that Radio Fuels and its subsidiaries shall not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 300% of Radio Fuels’ current annual aggregate premium for policies currently maintained by Radio Fuels or its subsidiaries.

## **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, in form and substance satisfactory to each of Radio Fuels and Palisades, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to Radio Fuels or Palisades, acting reasonably, on appeal or otherwise;
- (b) the Radio Fuels Shareholder Approval shall have been obtained at the Radio Fuels Meeting in accordance with the Interim Order;
- (c) 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 Palisades or Radio Fuels which prevents the consummation of the Arrangement;
- (d) this Agreement shall not have been terminated in accordance with its terms;
- (e) the distribution of the securities pursuant to the Arrangement shall be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces and territories of Canada 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*); and
- (f) the distribution of the Consideration Shares pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to the Section 3(a)(10) Exemption.



## **6.2 Additional Conditions Precedent to the Obligations of Palisades**

The obligations of Palisades 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 Palisades and may be waived by Palisades):

- (a) all covenants of Radio Fuels under this Agreement to be performed on or before the Effective Time which have not been waived by Palisades shall have been duly performed by Radio Fuels in all material respects, and Palisades shall have received a certificate of Radio Fuels addressed to Palisades and dated the Effective Time, signed by two executive officers on behalf of Radio Fuels (on Radio Fuels' behalf and without personal liability), confirming the same as at the Effective Date;
- (b) all representations and warranties of Radio Fuels set forth in this Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers 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 Radio Fuels 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 Palisades shall have received a certificate of Radio Fuels addressed to Palisades and dated the Effective Time, signed on behalf of Radio Fuels by two executive officers of Radio Fuels (on Radio Fuels' 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 a Material Adverse Effect on Radio Fuels, and Palisades shall have received a certificate of Radio Fuels addressed to Palisades and dated the Effective Time, signed by two executive officers on behalf of Radio Fuels (on Radio Fuels' behalf and without personal liability), confirming the same as at the Effective Date;
- (d) there shall be no action or proceeding pending by a Governmental Entity that is reasonably likely to enjoin or prohibit Palisades' ability to acquire, hold, or exercise full rights of ownership over, any Radio Fuels Shares or if the Arrangement is completed, have a Material Adverse Effect on Palisades;
- (e) the Key Regulatory Approvals and Key Third Party Consents required to be obtained by Radio Fuels shall have been obtained;
- (f) holders of no more than 5% of the Radio Fuels Shares shall have exercised Dissent Rights; and
- (g) Radio Fuels has received effective resignations and mutual releases (in a form satisfactory to Palisades, acting reasonably) of each member of the Radio Fuels Board and each member of the board of directors of its subsidiaries, effective as of the Effective Date.

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

### **6.3 Additional Conditions Precedent to the Obligations of Radio Fuels**

The obligations of Radio Fuels 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 Radio Fuels and may be waived by Radio Fuels):

- (a) all covenants of Palisades under this Agreement to be performed on or before the Effective Time which have not been waived by Radio Fuels shall have been duly performed by Palisades in all material respects, and Radio Fuels shall have received a certificate of Palisades, addressed to Radio Fuels and dated the Effective Time, signed on behalf of Palisades by two executive officers of Palisades (on Palisades' behalf and without personal liability), confirming the same as at the Effective Date;
- (b) all representations and warranties of Palisades set forth in this Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers 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 Palisades 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 Radio Fuels shall have received a certificate of Palisades, addressed to Radio Fuels and dated the Effective Time, signed on behalf of Palisades by two executive officers of Palisades (on Palisades' 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 a Material Adverse Effect on Palisades, and Radio Fuels shall have received a certificate of Palisades, addressed to Radio Fuels and dated the Effective Time, signed on behalf of Palisades by two executive officers of Palisades (on Palisades' behalf and without personal liability), confirming the same as at the Effective Date;
- (d) there shall be no action or proceeding pending by a Governmental Entity that is reasonably likely to enjoin or prohibit Radio Fuels' ability to consummate the Arrangement;
- (e) the Key Regulatory Approvals and Key Third Party Consents required to be obtained by Palisades shall have been obtained;
- (f) Palisades shall have delivered evidence satisfactory to Radio Fuels of the approval of the listing and posting for trading on the TSXV, subject only to satisfaction of the standard listing conditions, of the Consideration Shares at the Effective Time; and
- (g) Palisades shall have complied with its obligations under Section 2.7 and the Depositary shall have confirmed receipt of the Consideration Shares contemplated thereby.

The foregoing conditions will be for the sole benefit of Radio Fuels 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**

- (a) 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 reasonably likely to:
  - (i) 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
  - (ii) 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.
- (b) Notification provided under Section 7.1(a) will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.
- (c) Palisades may not exercise its rights to terminate this Agreement pursuant to Section 8.2(b)(ii) and Radio Fuels may not exercise its right to terminate this Agreement pursuant to Section 8.2(c)(ii) 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 (10) 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.
- (d) If a written notice is delivered to a Party pursuant to Section 7.1(c) prior to the date of the Radio Fuels Meeting or the making of the application for the Final Order, unless the Parties agree otherwise, the Parties shall delay the Radio Fuels Meeting or the making the Final Order application until the earlier of (i) five (5) Business Days prior to the Outside Date, and (ii) the date that is ten (10) Business Days after delivery of such notice.

- (e) 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

- (a) Radio Fuels shall, and shall direct and cause its officers, directors, employees, representatives, advisors and agents and its subsidiaries and their representatives, advisors, agents, officers, directors and employees (collectively, the “**Representatives**”) to immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation with any parties that may be ongoing with respect to an Acquisition Proposal whether or not initiated by Radio Fuels, and Radio Fuels shall immediately discontinue access to, and disclosure of, all information regarding Radio Fuels and its subsidiaries and promptly, and in any event within two (2) Business Days, request the return or destruction of information regarding Radio Fuels and its subsidiaries previously provided to such parties and shall request the destruction of all materials including or incorporating any confidential information regarding Radio Fuels and its subsidiaries. Radio Fuels agrees not to release any third party from any confidentiality agreement relating to a potential Acquisition Proposal to which such third party is a party. Radio Fuels further represents and warrants that it has not waived any confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant to which it or a subsidiary is a party and covenants, agrees and confirms that (i) it shall use commercial best efforts to enforce each confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant to which it or a subsidiary is a party, and (ii) neither it, nor its subsidiary nor any of their respective Representatives have released or shall, without the prior written consent of Palisades (which may be withheld or delayed at Palisades’ sole and absolute discretion), release any person from, or waive, amend, suspend or otherwise modify, such person’s obligations under any confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant to which it or its subsidiary is a party (it being acknowledged that the automatic termination or release of any such agreement, restriction or covenant, including as a result of entering into this Agreement shall not be a violation of this Section 7.2(a)).
- (b) Subject to Section 7.2(c) of this Agreement or unless permitted pursuant to this Section 7.2, Radio Fuels agrees that it shall not, and shall not authorize or permit any of its Representatives or its subsidiaries, directly or indirectly, to:
  - (i) make, solicit, initiate, entertain, encourage, promote or facilitate, including by way of furnishing information, permitting any visit to its facilities or properties or entering into any form of agreement, arrangement or understanding, any inquiries or the making of any proposals regarding an Acquisition Proposal or that may reasonably be expected to lead to an Acquisition Proposal;
  - (ii) participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to any person any information or otherwise co-operate with, respond to, assist or participate in any Acquisition Proposal or potential Acquisition Proposal provided however that Radio Fuels may communicate and participate in discussions with a third party for the purpose of (A) clarifying the terms of any proposal in order to determine if

it may reasonably be expected to lead to a Superior Proposal; and (B) advising such third party that an Acquisition Proposal does not constitute a Superior Proposal and cannot reasonably be expected to lead to a Superior Proposal;

- (iii) remain neutral with respect to, or agree to, approve or recommend any Acquisition Proposal or potential Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly disclosed Acquisition Proposal until five (5) Business Days following formal announcement of such Acquisition Proposal shall not be considered to be a violation of this Section 7.2(b)(iii));
  - (iv) withdraw, modify, qualify or change in a manner adverse to Palisades, or publicly propose to or publicly state that it intends to withdraw, modify, qualify or change in a manner adverse to Palisades the approval, recommendation or declaration of advisability of its board of directors of the Transaction (a “**Change in Recommendation**”) (it being understood that failing to affirm the approval or recommendation of its board of directors of the Transaction within five (5) Business Days after an Acquisition Proposal relating to Radio Fuels has been publicly announced shall be considered an adverse modification);
  - (v) enter into any agreement, arrangement or understanding related to any Acquisition Proposal or requiring it to abandon, terminate or fail to consummate the Transaction or providing for the payment of any break, termination or other fees or expenses to any person in the event that the Transaction is completed or in the event that it completes any other transaction with Palisades or with an affiliate of Palisades that is agreed to prior to any termination of this Agreement; or
  - (vi) make any public announcement to do any of the foregoing.
- (c) Notwithstanding the foregoing part of this Section 7.2 and any other provisions of this Agreement:
- (i) the board of directors of Radio Fuels may consider, participate in any discussions or negotiations with and provide information to, any person who has delivered a written Acquisition Proposal which was not solicited or encouraged by Radio Fuels after the date of this Agreement, if and only if,
    - (A) the board of directors of Radio Fuels first determines in good faith, after consultation with its financial advisor and outside legal counsel, such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal;
    - (B) such person making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant contained in any Contract entered into with Radio Fuels;
    - (C) Radio Fuels has been and continues to be in compliance in all material respects with its obligations under this Section 7.2;

- (D) if Radio Fuels provides confidential non-public information to such person, Radio Fuels obtains a confidentiality and standstill agreement from the person making such Acquisition Proposal that is substantively the same as the confidentiality agreement between the Parties hereto, and otherwise on terms no more favourable to such person than such confidentiality agreement, including a standstill provision at least as stringent as contained in such confidentiality agreement, provided, however, that such agreement shall not preclude such person from making an Acquisition Proposal or related communications to Radio Fuels and such agreement shall not restrict or prohibit Radio Fuels from disclosing to Palisades any details concerning the Acquisition Proposal or any Superior Proposal made by such person; and
  - (E) prior to engaging in or participating in discussions or negotiations with such person regarding such Acquisition Proposal (excluding, for certainty, negotiations regarding the confidentiality agreement that do not relate to the terms and conditions of the Acquisition Proposal) or providing any such copies, access or disclosure, Radio Fuels provides Palisades with:
    - (1) written notice stating Radio Fuels' intention to participate in such discussions or negotiations and to provide such copies, access or disclosure and that the board of directors of Radio Fuels has determined that failure to take such action would be inconsistent with its fiduciary duties;
    - (2) promptly, a copy of any such confidentiality agreement referred to in this Section 7.2(c)(i)(D) upon its execution; and
    - (3) a list of the information provided to such person and is immediately provided with access to similar information to which such person was provided.
- (d) Nothing contained in this Section 7.2 shall prohibit the Radio Fuels Board from:
  - (i) responding through a directors' circular or otherwise making disclosure to Radio Fuels Shareholders as required by Law to an Acquisition Proposal, provided that to the extent practicable Radio Fuels shall provide Palisades and its outside legal counsel with a reasonable opportunity to review the form and content of such circular or other disclosure and shall consider all reasonable amendments as requested by Palisades and its counsel; or
  - (ii) calling and/or holding a meeting of Radio Fuels Shareholders requisitioned in accordance with applicable Laws or taking any other action with respect to an Acquisition Proposal to the extent ordered or otherwise mandated by a Governmental Entity or court of competent jurisdiction in accordance with Law.
- (e) From and after the date of this Agreement, Radio Fuels shall promptly (and in any event within 24 hours) notify Palisades, at first orally and then in writing, of any proposals, offers or written inquiries relating to or constituting an Acquisition Proposal, or any request for non-public information relating to Radio Fuels or any

of its subsidiaries. Such notice shall include a description of the terms and conditions of any proposal, inquiry or offer, the identity of the person making such proposal, inquiry or offer, copies of all written documents, correspondence or other material received in respect of, from or on behalf of such person and provide such other details of the proposal, inquiry or offer as Palisades may reasonably request. Radio Fuels shall keep Palisades fully informed on a prompt basis of the status, including any change to the material terms, of any such inquiry, proposal or offer.

- (f) Radio Fuels 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, financial advisors or other advisors or Representatives.

### 7.3 Right to Accept a Superior Proposal

- (a) If Radio Fuels receives an Acquisition Proposal that constitutes a Superior Proposal prior to the Radio Fuels Shareholder Approval having been obtained and has complied with Section 7.2 of this Agreement with respect thereto, Radio Fuels may make a Change in Recommendation in respect of such Superior Proposal, and may accept, approve, recommend or enter into any agreement, understanding or arrangement in respect of a Superior Proposal (other than a confidentiality agreement, the execution of which shall not be subject to the conditions of this Section 7.3) and terminate this Agreement if, and only if:
  - (i) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant contained in any Contract entered into with Radio Fuels or a subsidiary of Radio Fuels;
  - (ii) Radio Fuels has been, and continues to be, in compliance with its obligations under Section 7.2, other than an immaterial breach of Radio Fuels' obligation under Section 7.2(e) to provide notice of an Acquisition Proposal to the other Party within a prescribed period;
  - (iii) Radio Fuels has provided Palisades with a copy of all documentation required pursuant to Section 7.2(c) and 7.2(e) and a copy of the definitive agreement for the Superior Proposal (including any supporting agreements);
  - (iv) Radio Fuels has delivered to Palisades a written notice advising it that Radio Fuels' board of directors has resolved to make a Change in Recommendation or to terminate this Agreement or to accept, approve, recommend or enter into an agreement in respect of such Superior Proposal subject only to this Section 7.3 (including a notice as to the value in financial terms that the board of directors has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal) (a "**Superior Proposal Notice**");
  - (v) at least five (5) full Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which Palisades received the

- Superior Proposal Notice and the date on which Palisades received all of the materials referred to in Section 7.3(a)(iii);
- (vi) during any Matching Period, Palisades has had the opportunity (but not the obligation), in accordance with Section 7.3(b), to offer to amend this Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal;
  - (vii) after the Matching Period, the board of directors of Radio Fuels (A) has determined in good faith, after consultation with its outside legal counsel and financial advisers, that such Acquisition Proposal continues to constitute a Superior Proposal (if applicable, compared to the terms of the Arrangement as proposed to be amended under Section 7.3(a)(vi)), and (B) determined in good faith, after consultation with its outside legal counsel that the failure by the board of directors of Radio Fuels to approve, recommend or enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties; and
  - (viii) prior to or concurrently with entering into such definitive agreement or making a Change in Recommendation, Radio Fuels shall terminate this Agreement pursuant to Section 8.2 and pay the Termination Fee pursuant to Section 7.4.
- (b) During any Matching Period, or such longer period as Radio Fuels may approve:
- (i) Palisades has the opportunity, but not the obligation, to offer to amend the terms of this Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal and the board of directors of Radio Fuels will review any written proposal to amend the terms of this Agreement in good faith in order to determine, in the exercise of its fiduciary duties, whether the amended proposal would, upon acceptance by Radio Fuels, result in such Superior Proposal ceasing to be a Superior Proposal. If the board of directors of Radio Fuels so determines, Radio Fuels will enter into an amended agreement with Palisades reflecting the amended proposal. If the board of directors of Radio Fuels does not so determine, Radio Fuels may accept, approve, recommend or enter into an agreement, understanding or arrangement in respect of such Superior Proposal, subject to compliance with Section 7.4 hereof.
- (c) Each successive material modification of any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by Radio Fuels' securityholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for purposes of the requirement under Section 7.3 of this Agreement and will initiate a new five (5) Business Day Matching Period from the later of the date on which Palisades received the Superior Proposal Notice and the date on which Palisades received all of the materials referred to in Section 7.3(a)(iii) with respect to each new Acquisition Proposal from Radio Fuels.
- (d) The board of Radio Fuels shall promptly reaffirm its recommendation of the Arrangement by news release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or Radio Fuels determines that a proposed amendment to the terms of this Agreement as contemplated under Section (d) would result in an Acquisition Proposal constituting a Superior Proposal no longer being a Superior Proposal. Radio Fuels shall



provide Palisades and its outside legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by Palisades and its legal counsel.

- (e) If the Radio Fuels Meeting is to be held during a Matching Period, Radio Fuels may, and shall at the request of Palisades, postpone or adjourn the Radio Fuels Meeting to a date that is not more than fifteen (15) days after the scheduled date of the Radio Fuels Meeting, but in any event the Radio Fuels Meeting shall not be postponed or adjourned to a date that would prevent the Effective Date from occurring prior to the Outside Date.

#### 7.4 Termination Fee

- (a) Except as otherwise provided herein, 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.
- (b) If a Termination Fee Event occurs, Radio Fuels shall pay Palisades as consideration for the disposition by Radio Fuels of its rights under this Agreement and the Plan of Arrangement (by wire transfer of immediately available funds) the Termination Fee.
- (c) For the purposes of this Agreement:
  - (i) “**Termination Fee**” means \$700,000.
  - (ii) “**Termination Fee Event**” means the termination of this Agreement:
    - (A) by Palisades pursuant to Section 8.2(b)(i) **[Change in Recommendation]** except where the Change in Recommendation which has led to the termination pursuant to Section 8.2(b)(i) was made solely because the Radio Fuels Board, acting in good faith, determined that a change, effect, event or occurrence had taken place that constituted a Material Adverse Effect on Palisades and that, as a consequence, it would be inconsistent with the Radio Fuels Board’s fiduciary obligations to continue to recommend that Radio Fuels Shareholders vote in favour of the Arrangement;
    - (B) by Palisades pursuant to Section 8.2(b)(iii) **[Breach of Non-Solicitation]**;
    - (C) by Palisades pursuant to Section 8.2(b)(v) **[Superior Proposal]**;
    - (D) by Radio Fuels pursuant to Section 8.2(c)(i) **[Superior Proposal]**;
    - (E) by either Party pursuant to Section 8.2(a)(ii)(C) **[Radio Fuels Shareholder Approval]** if at such time Palisades is entitled to terminate this Agreement pursuant to Section 8.2(b)(i) **[Change in Recommendation]**; or
    - (F) by either Party pursuant to Section 8.2(a)(ii)(A) **[Outside Date]** or Section 8.2(a)(ii)(C) **[Radio Fuels Shareholder Approval]** or by

Palisades pursuant to Section 8.2(b)(ii) ***[Breach of Representations or Covenants]*** if in either case,

- (1) prior to the termination of this Agreement, a bona fide Acquisition Proposal, or the intention to make an Acquisition Proposal, with respect to Radio Fuels shall have been made to Radio Fuels or publicly announced by any person (other than Palisades or any of its affiliates) and not withdrawn prior to the Radio Fuels Meeting; and
  - (2) within twelve (12) months following the date of such termination (i) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (1) above) is consummated or effected by Radio Fuels or (ii) Radio Fuels or one or more of its subsidiaries, directly or indirectly, in one or more transactions, enters into an agreement in respect of any Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (1) above) and such Acquisition Proposal is later consummated or effected, provided that, for the purposes of this Section 7.4(c)(ii)(F)(2) all references to “20%” in the definition of “Acquisition Proposal” shall be deemed to be references to “50%”.
- (d) If a Termination Fee Event described in any of Sections 7.4(c)(ii)(A), 7.4(c)(ii)(B), 7.4(c)(ii)(C), 7.4(c)(ii)(D) or 7.4(c)(ii)(E) occurs, the Termination Fee shall be payable simultaneously by Radio Fuels to Palisades with the occurrence of such Termination Fee Event. If a Termination Fee Event described in Section 7.4(c)(ii)(F) occurs, the Termination Fee shall be payable by Radio Fuels to Palisades within two (2) Business Days following the closing of the applicable transaction referred to therein.
- (e) 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. Radio Fuels 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 Palisades is entitled to the Termination Fee and such Termination Fee is paid in full, the receipt of the Termination Fee by Palisades shall be the sole and exclusive remedy (including damages, specific performance and injunctive relief) of Palisades and its affiliates against Radio Fuels, and Palisades and its affiliates shall be in such circumstances precluded from any other remedy against Radio Fuels 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 Radio Fuels 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.

- (f) 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.
- (g) 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 otherwise to obtain specific performance of any such covenants or agreements, without the necessity of posting bond or security in connection therewith.

## **7.5 Access to Information; Confidentiality**

- (a) 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, Radio Fuels shall, and shall cause its subsidiaries and their respective officers, directors, employees, independent auditors, accounting advisers and agents to, afford to Palisades and to the officers, employees, agents and Representatives of Palisades such access as Palisades 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 Palisades with all data and information as Palisades may reasonably request provided that Radio Fuels' compliance with any request under this Section 7.5(a) shall not unduly interfere with the conduct of the business of Radio Fuels and the subsidiaries of Radio Fuels.
- (b) Palisades and Radio Fuels acknowledge and agree that information furnished pursuant to this Section 7.5 shall be (a) used solely for the purpose described in this Section 7.5; (b) will be kept strictly confidential by Palisades; and (c) will be provided by Palisades solely to those of its Representatives to whom disclosure is reasonably deemed to be required to facilitate Radio Fuels' evaluation or consideration of the Transaction. All Confidential Information is and will remain the property of Radio Fuels. Before providing access to Confidential Information to any Representative, Palisades will inform such Representative of the contents of this Agreement and the confidentiality of the Confidential Information, and will advise such Representative that, by accepting possession of or access to such information, such Representative is agreeing to be bound by this Agreement.
- (c) If Palisades is requested in any judicial or administrative proceeding, or by any Governmental Entity, to disclose any Confidential Information (whether by deposition, interrogatory, request for documents, subpoena, civil investigative demand or otherwise), Palisades will give Radio Fuels prompt notice of such request so that Radio Fuels may seek an appropriate protective order, and, upon Radio Fuels' request and at Radio Fuels' expense, will cooperate with Radio Fuels in seeking such an order. If Palisades is nonetheless compelled to disclose Confidential Information, Palisades will disclose only that portion of the Confidential Information which Palisades is legally required to disclose and, upon Radio Fuels' request and at Radio Fuels' expense, will use commercially reasonable efforts to obtain assurances that confidential treatment will be accorded to such Confidential Information to the extent such assurances are available.

- (d) Each party acknowledges that the Confidential Information may contain material non-public information concerning Radio Fuels. Each Party further acknowledges its awareness of the restrictions imposed by federal and state securities laws on persons in possession of material non-public information, and agrees that while it is in possession of material non-public information with respect to the other Party, it will not purchase or sell any securities of the other Party, or communicate such information to any third party, in violation of applicable law. Nothing herein will constitute an admission by either Party that any Confidential Information in fact contains material non-public information concerning Radio Fuels.

## **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**

- (a) 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 Arrangement Resolution by the Radio Fuels Shareholders or the approval of the Arrangement by the Court):
  - (i) by mutual written agreement of Radio Fuels and Palisades; or
  - (ii) by either Radio Fuels or Palisades, if:
    - (A) 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(a)(ii)(A) 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; or
    - (B) 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 Radio Fuels or Palisades from consummating the Arrangement and such applicable Law (if applicable) or injunction shall have become final and non-appealable provided that the Party seeking to terminate this Agreement pursuant to this Section 8.2(a)(ii)(B) has used its commercially reasonable efforts, to, as applicable, prevent, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or
    - (C) the Arrangement Resolution shall have failed to obtain the Radio Fuels Shareholder Approval at the Radio Fuels Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order provided that a Party may not terminate this Agreement pursuant to this Section 8.2(a)(ii)(C) if the failure to obtain the approval of the Radio Fuels Shareholders has been

caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement.

(b) by Palisades, if:

- (i) the Radio Fuels Board makes a Change in Recommendation; or
- (ii) subject to Section 7.1, a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Radio Fuels 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 Palisades 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; or
- (iii) Radio Fuels 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 Radio Fuels' obligation under Section 7.2 to provide notice of an Acquisition Proposal to Palisades within a prescribed period; or
- (iv) the Radio Fuels Meeting has not occurred on or before February 21, 2025, provided that the right to terminate this Agreement pursuant to this Section (a)(b)(iv) shall not be available to Palisades if the failure by Palisades to fulfil any obligation hereunder is the cause of, or results in, the failure of the Radio Fuels Meeting to occur on or before such date; or
- (v) Radio Fuels enters into a legally binding agreement relating to a Superior Proposal (other than a confidentiality agreement permitted by and in accordance with Section 7.2(c)(i)(C)); or
- (vi) 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; or

(c) by Radio Fuels, if:

- (i) prior to the approval of the Arrangement Resolution at the Radio Fuels Meeting, Radio Fuels enters into a legally binding agreement with respect to a Superior Proposal in compliance with the terms of this Agreement; provided that concurrently with such termination, Radio Fuels pays the Termination Fee payable pursuant to Section 7.4; or
- (ii) subject to Section 7.1, a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Palisades set forth in this Agreement 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 Radio Fuels 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; or
- (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;

- (d) The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Section (a)(i)) shall give prompt written notice of such termination to the other Party.
- (e) 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 (e) and Sections 5.9, 7.4, 9.1, 9.3, 9.6 and 9.7 and shall survive any termination hereof pursuant to Section (a); 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 Radio Fuels 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. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

## **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 and to protect and safeguard Transaction Personal Information in their possession. If this Agreement shall be terminated, each Party shall promptly deliver to 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 Palisades:

Palisades Goldcorp Ltd.  
25<sup>th</sup> Floor, 700 West Georgia Street  
Vancouver, BC V7Y 1B3

Attention: Bassam Moubarak  
Email: [Redacted email]

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

Blake, Cassels & Graydon LLP  
Suite 3500, 1133 Melville Street  
Vancouver, BC V6E 4E5

Attention: Michelle Noorani  
Email: michelle.noorani@blakes.com

- (b) if to Radio Fuels:

Radio Fuels Energy Corp.  
217 Queen Street West, Suite 401  
Toronto, ON M5V 0R2

Attention: Philip O'Neill  
Email: [Redacted email]

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

Stikeman Elliott LLP  
Suite 1700, 666 Burrard Street  
Vancouver, BC V6C 2X8

Attention: Victor Gerchikov  
Email: vgerchikov@stikeman.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 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**

- (a) This Agreement (including the exhibits and schedules hereto, the Radio Fuels Disclosure Letter and the Palisades Disclosure Letter) constitutes the entire agreement, and supersedes 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.
- (b) This Agreement becomes effective only when executed by Radio Fuels and Palisades. After that time, it will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.



- (c) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party, provided however that Palisades (or any permitted assign of Palisades) may, at any time, without such consent, assign all or any portion of its rights and obligations under this Agreement to any direct or indirect wholly-owned subsidiaries of Palisades if such assignee delivers an instrument in writing confirming that it is bound by and shall perform all of the obligations of the assigning party so assigned to it under this Agreement as if it were an original signatory and provided further that Palisades shall not be relieved of its obligations hereunder and shall continue to be liable joint and severally with such subsidiary, as the case may be, for all of its obligations hereunder, and this Agreement shall apply to Palisades *mutatis mutandis* in respect of any such assignee.

## **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.

**[Signature Page Follows.]**

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

**PALISADES GOLDCORP LTD.**

By: (signed) "Bassam Moubarak"

Name: Bassam Moubarak

Title: Chief Financial Officer

**RADIO FUELS ENERGY CORP.**

By: (signed) "Philip O'Neill"

Name: Philip O'Neill

Title: Chief Executive Officer

**SCHEDULE A**  
**PLAN OF ARRANGEMENT**

PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE  
*CANADA BUSINESS CORPORATIONS ACT*

**SCHEDULE A  
TO THE ARRANGEMENT AGREEMENT**

**PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE CANADA BUSINESS  
CORPORATIONS ACT**

**ARTICLE 1  
DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

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

**"affiliate"** shall have the meaning ascribed thereto in the *Securities Act* (British Columbia);

**"Arrangement"** means the arrangement under section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto in accordance with Section 8.3 of the Arrangement Agreement, the Interim Order, or at the direction of the Court in the Final Order provided, however, that any such amendment or variation must be acceptable to Palisades and Radio Fuels, each acting reasonably;

**"Arrangement Agreement"** means the arrangement agreement dated December 9, 2024 between Palisades and Radio Fuels, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

**"Arrangement Resolution"** means the special resolution of the Radio Fuels Shareholders approving the Arrangement to be considered and, if thought fit, passed at the Radio Fuels Meeting, substantially in the form and content of Schedule B to the Arrangement Agreement;

**"Articles of Arrangement"** means the articles of arrangement of Radio Fuels in respect of the Arrangement, to be sent to the Director pursuant to the CBCA after the Final Order is made, which shall be in form and substance satisfactory to Palisades and Radio Fuels, each acting reasonably;

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

**"Business Day"** means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Toronto, Ontario and Vancouver, British Columbia are open for the conduct of business;

**"CBCA"** means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended;

**"Certificate of Arrangement"** means the certificate or other confirmation of filing giving effect to the Arrangement to be issued by the Director pursuant to section 192(7) of the CBCA after the Articles of Arrangement have been filed;

**"Consideration Shares"** means the Palisades Shares to be issued to the Radio Fuels Shareholders pursuant to this Plan of Arrangement;

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

**"Depository"** means any trust company, bank or financial institution agreed to in writing between the Parties for the purpose of, among other things, exchanging certificates representing Radio Fuels Shares for certificates representing the Consideration Shares pursuant to the Arrangement;

**“Director”** means the Director appointed pursuant to Section 260 of the CBCA;

**“Dissent Rights”** shall have the meaning ascribed thereto in Section 4.1 of this Plan of Arrangement;

**“Dissenting Shareholder”** means a registered holder of Radio Fuels Shares as of the record date of the Radio Fuels Meeting that has duly and validly exercised their Dissent Rights in strict compliance with the dissent procedures set out in Section 190 of the CBCA, as modified by Section 4.1 of this Plan of Arrangement, the Interim Order and the Final Order and that who not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

**“DRS”** shall have the meaning ascribed thereto in Section 3.3;

**“Effective Date”** means the date upon which the Arrangement becomes effective, as shown on the Certificate of Arrangement;

**“Effective Time”** means 12:01 a.m. (Vancouver time) on the Effective Date;

**“Exchange Ratio”** means 0.060538 Palisades Shares for each Radio Fuels Share;

**“Final Order”** means the final order of the Court in form and substance acceptable to Palisades and Radio Fuels, each acting reasonably, pursuant to section 192 of the CBCA, approving the Arrangement, as such order may be amended, modified, supplemented or varied by the Court (with the consent of Palisades and Radio Fuels, each acting reasonably) 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 Palisades and Radio Fuels, each acting reasonably) on appeal;

**“final proscription date”** shall have the meaning ascribed thereto Section 5.6;

**“Former Radio Fuels Shareholders”** means the holders of Radio Fuels Shares immediately prior to the Effective Time;

**“Interim Order”** means the interim order of the Court following the application to the Court pursuant to section 192 of the CBCA, in form and substance acceptable to Palisades and Radio Fuels, each acting reasonably, as contemplated by Section 2.2 of the Arrangement Agreement, providing for, among other things, declarations and directions in respect of the notice to be given in respect of, and the calling and holding of the Radio Fuels Meeting, as the same may be amended, modified, supplemented or varied by the Court with the consent of Radio Fuels and Palisades, each acting reasonably;

**“Liens”** means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, royalties, 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;

**“Palisades”** means Palisades Goldcorp Ltd., a company existing under the BCBCA;

**“Palisades Shares”** means the common shares of Palisades, as constituted on the date hereof;

**“Parties”** means, Palisades and Radio Fuels and **“Party”** means any of them;

**“Plan of Arrangement”** means this plan of arrangement and any amendments or variations hereto made in accordance with Section 8.3 of the Arrangement Agreement or Section 6.1 of this Plan of Arrangement or at the direction of the Court;

**“Radio Fuels”** means Radio Fuels Energy Corp., a company existing under the CBCA;

**“Radio Fuels Meeting”** means the meeting of the Radio Fuels Shareholders, including any adjournment or postponement thereof, held to consider and, if thought fit, approve, among other things, the Arrangement Resolution;

**“Radio Fuels Shareholders”** means the holders of the Radio Fuels Shares;

**“Radio Fuels Shares”** means the common shares in the capital of Radio Fuels as constituted on the date hereof;

**“Radio Fuels Warrants”** means the outstanding warrants to purchase Radio Fuels Shares issued under the Radio Fuels Warrant Indenture;

**“Radio Fuels Warrant Indenture”** means the warrant indenture dated December 6, 2021 between Radio Fuels and Capital Transfer Agency, ULC;

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

**“Transmittal Letter”** means the letter of transmittal sent to holders of Radio Fuels Shares for use in connection with the Arrangement; and

**“U.S. Securities Act”** means the United States Securities Act of 1933, as amended.

Any capitalized terms used, but not otherwise defined herein, shall have the meanings ascribed to them in the Arrangement Agreement. In addition, words and phrases used herein and defined in the CBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the CBCA 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. Unless the contrary intention appears, references in this Plan of Arrangement to an Article or Section, by number or letter or both refer to the Article or Section, respectively, bearing that designation in this Plan of Arrangement.

## **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 either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

#### **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.

#### **1.5 Statutory References**

Any reference in this Plan of Arrangement to a statute includes all rules and regulations made or promulgated 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**

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

#### **1.7 Governing Law**

This Plan of Arrangement 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.

#### **1.8 Binding Effect**

This Plan of Arrangement and Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement will become effective at the Effective Time and shall be binding upon Palisades, Radio Fuels, Radio Fuels Shareholders, the registrar and transfer agent of Radio Fuels and the Depositary at and after the Effective Time, in each case without further act or formality required on the part of any person, except as expressly provided in this Plan of Arrangement.

#### **1.9 No Liens**

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

### **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, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

### **ARTICLE 3 ARRANGEMENT**

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

### **3.1 Arrangement**

- (a) each Radio Fuels Share held by a 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, claims and encumbrances, to Radio Fuels in accordance with, and for the consideration contemplated in Section 4.1 hereof, and: (i) such Dissenting Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Radio Fuels Share; and (ii) the name of such holder shall be removed from the central securities register as a holder of Radio Fuels Shares and such Radio Fuels Shares shall be cancelled and cease to be outstanding and such Dissenting Shareholders will have only the rights set out in Article 4 hereof; and
- (b) each Radio Fuels Share (other than a Radio Fuels Share held by a Dissenting Shareholder or a Radio Fuels Share held by Palisades) shall be deemed to be transferred to Palisades and, in exchange for and in consideration therefor, Palisades shall issue the Consideration Shares for each Radio Fuels Share, subject to Section 3.4 and Article 5, and upon such exchange:
  - (i) each such holder of Radio Fuels Shares shall cease to be the holder thereof and to have any rights as a Radio Fuels Shareholder other than the right to be paid the Consideration Shares for their Radio Fuels Shares in accordance with this Plan of Arrangement;
  - (ii) Palisades shall be the transferee of such Radio Fuels Shares free and clear of all Liens, and shall be entered in the register of the Radio Fuels Shares maintained by or on behalf of Radio Fuels; and
  - (iii) each holder of such exchanged Radio Fuels Shares shall be entered in Palisades' central securities register in respect of the Palisades Shares which such holder is entitled to receive in accordance with this Section 3.1(b).

### **3.2 Warrants**

In accordance with the terms of each Radio Fuels Warrant and not as part of the Arrangement, each Radio Fuels Warrant outstanding immediately prior to the Effective Time will be automatically adjusted such that upon the subsequent exercise of such Radio Fuels Warrants, in accordance with their terms, the holders of such Radio Fuels Warrants shall receive, and shall accept, in lieu of each Radio Fuels Shares to which such holders were theretofore entitled upon such exercise (including payment of the same aggregate consideration), such number of Palisades Shares as the holders of the Radio Fuels Warrants would have been entitled to receive if they had exercised their Radio Fuels Warrants immediately prior to the Effective Time.

### **3.3 Effective Time Procedures**

- (a) Following the receipt of the Final Order and prior to or concurrently with the filing of the Articles of Arrangement with the Director, Palisades shall deliver or arrange to be delivered to the Depositary certificates or direct registration ("**DRS**") advice-statements representing the Palisades Shares required to be issued to Former Radio Fuels Shareholders in accordance with the provisions of Section 3.1, which certificates or DRS advice-statements shall be held by the Depositary as agent



and nominee for such Former Radio Fuels Shareholders for distribution to such Former Radio Fuels Shareholders in accordance with the provisions of Article 5.

- (b) Subject to the provisions of Article 5, and upon return of a properly completed Transmittal Letter by a registered Former Radio Fuels Shareholder together with certificates representing Radio Fuels Shares and such other documents as the Depositary may require, Former Radio Fuels Shareholders shall be entitled to receive delivery of certificates or DRS advice-statements representing the Palisades Shares to which they are entitled pursuant to Section 3.1.

### **3.4 Palisades Shares**

- (a) No fractional Palisades Shares shall be issued to Former Radio Fuels Shareholders. The number of Palisades Shares to be issued to Former Radio Fuels Shareholders shall be rounded down to the nearest whole Palisades Share in the event that a Former Radio Fuels Shareholder is entitled to a fractional share representing less than a whole Palisades Share and no Former Radio Fuels Shareholder shall be entitled to any compensation in respect of a fractional Palisades Share.
- (b) All Palisades Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for the purposes of the *Business Corporations Act* (British Columbia).

## **ARTICLE 4 DISSENT RIGHTS**

### **4.1 Dissent Rights**

Registered Radio Fuels Shareholders as of the record date of the Radio Fuels Meeting may exercise dissent rights with respect to Radio Fuels Shares held by such Dissenting Shareholders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and this Section 4.1; provided that the written notice contemplated by Section 190(5) of the CBCA setting forth the objection of such registered Radio Fuels Shareholder to the Arrangement Resolution must be received by Radio Fuels not later than 5:00 p.m. (Vancouver time) on the day that is two Business Days immediately preceding the date of the Radio Fuels Meeting (as it may be adjourned or postponed from time to time) and provided further that a Dissenting Shareholder who:

- (a) is ultimately entitled to be paid fair value for its Radio Fuels Shares, such Dissenting Shareholder: (i) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(a)); (ii) will be entitled to be paid the fair value of such Radio Fuels Shares, less applicable withholding Taxes in accordance with Section 5.5, by Radio Fuels (using its own funds and not funds provided directly or indirectly by Palisades), which fair value, notwithstanding anything to the contrary contained in section 190 of the CBCA, shall be determined as of the close of business on the Business Day immediately preceding the date on which the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement if such Dissenting Shareholder had not exercised its Dissent Rights in respect of such Radio Fuels Shares; or

- (b) is ultimately not entitled, for any reason, to be paid fair value for its Radio Fuels Shares, such Dissenting Shareholder shall be deemed to have participated in the Arrangement on the same basis as a Radio Fuels Shareholder that has not exercised Dissent Rights and shall be entitled to receive only the Consideration Shares contemplated by Section 3.1(b) that such Dissenting Shareholder would have received pursuant to the Arrangement if such Dissenting Shareholder had not exercised its Dissent Rights.

#### **4.2 Recognition of Dissenting Holders**

- (a) In no circumstances shall Palisades, Radio Fuels or any other person be required to recognize a person exercising Dissent Rights unless such person (i) is the registered holder of the Radio Fuels Shares as of the record date of the Radio Fuels Meeting in respect of which such Dissent Rights are purported to be exercised; (ii) is the registered holder of the Radio Fuels Shares as of the deadline for exercising Dissent Rights in respect of which such Dissent Rights are purported to be exercised; and (iii) has strictly complied with the procedures for exercising Dissent Rights and has not withdrawn such dissent prior to the Effective Time.
- (b) For greater certainty, in no case shall Palisades, Radio Fuels or any other person be required to recognize any Dissenting Shareholder as a holder of Radio Fuels Shares after the completion of the transfer under Section 3.1(a) and each such Dissenting Shareholder will cease to be entitled to the rights of a Radio Fuels Shareholder in relation to the Radio Fuels Shares in respect of which such Dissenting Shareholder has exercised Dissent Rights, and the name of such Dissenting Shareholder shall be removed from the register of Radio Fuels Shareholders to reflect that such former holder of Radio Fuels Shares is no longer the holder of such Radio Fuels Shares as of and at the same time as the event described in Section 3.1(a) occurs. In addition to any other restrictions under section 190 of the CBCA or the Interim Order, no Radio Fuels Shareholder who votes or has instructed a proxyholder to vote such Radio Fuels Shareholder's Radio Fuels Shares in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights.
- (c) Radio Fuels Shareholders who withdraw, or are deemed to withdraw, their right to exercise Dissent Rights shall be deemed to have participated in the Arrangement, as of the Effective Time, and shall be entitled to receive the Consideration Shares to which such Radio Fuels Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(b).
- (d) In addition to any other restrictions under the Interim Order or Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Radio Fuels Warrants (in their capacity as holders of such securities); (ii) Radio Fuels Shareholders who voted or instructed a proxyholder to vote Radio Fuels Shares in favour of the Arrangement Resolution; (iii) Palisades and any of its affiliates; and (iv) any person who is not a registered holder of Radio Fuels Shares.

## **ARTICLE 5 DELIVERY OF RADIO FUELS SHARES**

### **5.1 Deposit with Respect to Issue of Palisades Shares**

Palisades will, following receipt of the Final Order and prior to or concurrently with the filing of the Articles of Arrangement with the Director, issue and deliver to the Depositary: an irrevocable treasury order authorizing the Depositary, as the registrar and transfer agent for the Palisades Shares, to issue certificates or DRS advice statements representing the aggregate number of Palisades Shares to which the Radio Fuels Shareholders are entitled in accordance with the terms of the Arrangement.

### **5.2 Delivery of Radio Fuels Securities**

Upon surrender to the Depositary for cancellation of a certificate or DRS advice-statement that immediately before the Effective Time represented one or more outstanding Radio Fuels Shares that were exchanged for Palisades Shares in accordance with Section 3.1, together with a duly completed Transmittal Letter and such other documents and instruments as would have been required to effect the transfer of the Radio Fuels Shares formerly represented by such certificate or DRS advice-statement under the CBCA and the constating documents of Radio Fuels 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 or DRS advice-statement representing the Palisades Shares that such holder is entitled to receive in accordance with Section 3.1.

After the Effective Time and until surrendered for cancellation as contemplated by this Section 5.2, each certificate or DRS advice-statement that immediately prior to the Effective Time represented one or more Radio Fuels Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate or DRS advice-statement representing Palisades Shares that the holder of such certificate is entitled to receive in accordance with Section 3.1.

### **5.3 Lost Certificates**

If any certificate that immediately prior to the Effective Time represented one or more outstanding Radio Fuels Shares that were exchanged in accordance with Section 3.1 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 Palisades Shares that such holder is entitled to receive in accordance with Section 3.1. When authorizing such delivery of a certificate representing Palisades Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom a certificate representing such Palisades Shares is to be delivered shall, as a condition precedent to the delivery of such Palisades Shares, give a bond satisfactory to Palisades and the Depositary in such amount as Palisades and the Depositary may direct, or otherwise indemnify Radio Fuels and the Depositary in a manner satisfactory to Palisades and the Depositary, against any claim that may be made against Palisades 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 constating documents of Radio Fuels.

#### **5.4 Distributions with Respect to Unsurrendered Certificates**

No dividend or other distribution declared or made after the Effective Time with respect to Palisades Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate or DRS advice-statement that, immediately prior to the Effective Time, represented outstanding Radio Fuels Shares unless and until the holder of such certificate or DRS advice-statement shall have complied with the provisions of Section 5.2 or Section 5.3. Subject to applicable Law and to Section 5.5, at the time of such compliance, there shall, in addition to the delivery of a certificate representing Palisades 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 Palisades Shares.

#### **5.5 Withholding Rights**

Palisades, Radio Fuels, the Depositary and their respective agents, as applicable (in this Section 5.5, the “**payor**”), shall each be entitled to deduct and withhold from any consideration payable (whether in cash or in kind) or otherwise deliverable to any person hereunder (including any payment to Radio Fuels Shareholders who have validly exercised their Dissent Rights and from all dividends or other distributions otherwise payable to any Former Radio Fuels Shareholders) such amounts as the relevant payor is required to deduct or withhold therefrom under any applicable Law in respect of Taxes. For the purposes hereof and the Arrangement Agreement, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity when required by Law by, or on behalf of, the payor. Each payor is hereby authorized, subject to having received Palisades’ prior written consent, to sell or otherwise dispose of, on behalf of such person in respect of which a deduction or withholding was made, such portion of any Consideration Shares or other security deliverable to such person as is necessary to provide sufficient funds (after deducting commissions payable, fees and other reasonable costs and expenses) to the payor to enable it to comply with such deduction or withholding requirement and the payor shall notify such person thereof and remit the applicable portion of the net proceeds of such sale to the appropriate Governmental Entity and, if applicable, any portion of such net proceeds that is not required to be so remitted shall be paid to such person. Any such sale will be made in accordance with applicable Laws and at prevailing market prices, and no payor shall be under any obligation to obtain a particular price, or indemnify any person, in respect of a particular price, for the portion of the Consideration Shares or other securities, as applicable, so sold. No payor will be liable for any loss arising out of any sale arising under this Section 5.5.

#### **5.6 Limitation and Proscription**

To the extent that a Former Radio Fuels Shareholder shall not have complied with the provisions of Section 5.2 or Section 5.3 on or before the date that is six years after the Effective Date (the “**final proscription date**”), then the Palisades Shares that such Former Radio Fuels Shareholder was entitled to receive shall be automatically cancelled without any repayment of capital in respect thereof and the certificates or DRS advice-statements representing such Palisades Shares shall be delivered to Palisades by the Depositary and the share certificates shall be cancelled by Palisades, and the interest of the Former Radio Fuels Shareholder in such Palisades Shares shall be terminated as of such final proscription date.

## **ARTICLE 6 AMENDMENTS**

### **6.1 Amendments to Plan of Arrangement**

- (a) Palisades and Radio Fuels 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 Palisades and Radio Fuels, (iii) filed with the Court and, if made following the Radio Fuels Meeting, approved by the Court, and (iv) communicated to holders or former holders of Radio Fuels Shares if and as required by the Court.
- (b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Radio Fuels or Palisades at any time prior to the Radio Fuels Meeting provided that Palisades and Radio Fuels, acting reasonably, 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 Radio Fuels Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- (c) Radio Fuels and Palisades may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the Radio Fuels Meeting and prior to the Effective Time with the approval of the Court, and, if and only if: (i) it is consented to in writing by each of Palisades and Radio Fuels, each acting reasonably; and (ii) if required by the Court, it is consented to by the Radio Fuels Shareholders voting in the manner directed by the Court.
- (d) Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the Radio Fuels Meeting shall be effective only if: (i) it is consented to in writing by each of Palisades and Radio Fuels; and (ii) if required by the Court, it is consented to by the Radio Fuels Shareholders voting in the manner directed by the Court.
- (e) Notwithstanding anything to the contrary contained herein, prior to the Effective Time, Radio Fuels and Palisades may, and following the Effective Time, Palisades and Radio Fuels may unilaterally, amend, modify and/or supplement this Plan of Arrangement at any time and from time to time without the approval of the Court, the Radio Fuels Shareholders or any other persons, provided that each such amendment, modification and/or supplement (i) must concern a matter which, in the reasonable opinion of each of Radio Fuels and Palisades, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement, and (ii) is not adverse to the interests of any Radio Fuels Shareholders or, to the extent the amendment, modification and/or supplement is made following the Effective Time, Participating Former Radio Fuels Shareholders.

### **6.2 Termination**

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

## **ARTICLE 7 FURTHER ASSURANCES**

### **7.1 Further Assurances**

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of Palisades and Radio Fuels will make, do and execute, or cause to be made, done and executed, any 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.

## **ARTICLE 8 U.S. SECURITIES LAW MATTERS**

### **8.1 U.S. Securities Law Matters**

Notwithstanding any provision herein to the contrary, this Plan of Arrangement will be carried out with the intention that all Palisades Shares to be issued to Radio Fuels Shareholders in exchange for their Radio Fuels Shares pursuant to this Plan of Arrangement, as applicable, will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by section 3(a)(10) thereof and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement.

**SCHEDULE B**  
**ARRANGEMENT RESOLUTION**

**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act* (the “**CBCA**”) involving Palisades Goldcorp Ltd. (“**Palisades**”) and Radio Fuels Energy Corp. (“**Radio Fuels**”) and shareholders of Radio Fuels, all as more particularly described and set forth in the management information circular (the “**Circular**”) of Radio Fuels accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted;
2. the arrangement agreement (the “**Arrangement Agreement**”) between Palisades and Radio Fuels dated December 9, 2024 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 Radio Fuels in approving the Arrangement and the actions of the directors and officers of Radio Fuels 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 Radio Fuels 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. notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of Radio Fuels or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Radio Fuels are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Radio Fuels to:
  - (a) amend 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;
5. any director or officer of Radio Fuels is hereby authorized and directed for and on behalf of Radio Fuels to execute, whether under corporate seal of Radio Fuels or otherwise, and to deliver such other documents as are necessary or desirable in accordance with the Arrangement Agreement for filing; and
6. any one or more directors or officers of Radio Fuels is hereby authorized, for and on behalf and in the name of Radio Fuels, to execute and deliver, whether under corporate seal of Radio Fuels or otherwise, all such agreements, forms, waivers, notices, certificate, 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 Radio Fuels, 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 Radio Fuels; 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**

### **KEY REGULATORY APPROVALS**

#### **Palisades**

Approval of the listing and posting for trading on the TSXV, subject only to satisfaction of the standard listing conditions, of the Consideration Shares at the Effective Time.

#### **Radio Fuels**

The Interim Order and the Final Order.

Approval of the CSE.