

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT is made effective the 7th day of October, 2024.

AMONG:

AXCAP VENTURES INC.,

a corporation existing under the laws of British Columbia, having an office at 488 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7

(hereinafter referred to as the “**Purchaser**”)

- and -

CONVERSE ACQUISITION COMPANY, LIMITED

a corporation existing under the laws of the Province of Ontario, having a registered office at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2

(hereinafter referred to as the “**Company**”)

-and-

ALBERT CONTARDI

an individual with an address for service at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2

(hereinafter referred to as, the “**Shareholder**”)

WHEREAS:

- A. The Shareholder is the sole legal and beneficial owner of all the issued and outstanding common shares (the “**Company Shares**”) in the capital of the Company; and
- B. The Shareholder has agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Shareholder, the right, title and interest in and to the Company Shares (the “**Transaction**”) on the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the respective covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I INTERPRETATION

1.01 Definitions

In this Agreement, unless otherwise defined, capitalized words and terms will have the following meanings:

- (a) “**Agreement**” means this share purchase agreement as the same may be supplemented or amended from time to time;
- (b) “**Applicable Laws**” means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority having jurisdiction over the transactions contemplated hereby;
- (c) “**Axcap Financing**” means the offering of securities of the Purchaser at \$0.20 per security for gross proceeds of not less than \$4,000,000, and the type of securities and terms shall be determined in the context of the market;
- (d) “**Books and Records**” means all technical, business and financial records, financial books and records of account, books, data, reports, files, lists, drawings, plans, logs, briefs, customer and supplier lists, deeds, certificates, contracts, surveys, title opinions or any other documentation and information in any form whatsoever (including written, printed, electronic or computer printout form) relating to a corporation and its business;
- (e) “**Business Day**” means a day which is not a Saturday, Sunday or a statutory holiday in the Province of British Columbia or the Province of Ontario;
- (f) “**Closing**” means the completion of the Transaction in accordance with the terms and conditions of this Agreement;
- (g) “**Closing Date**” means the date of Closing, which will be the fifth Business Day following the satisfaction or waiver of all conditions to the obligations of the parties to consummate the Transaction (other than conditions that are satisfied with respect to actions the respective parties will take at the Closing itself), or earlier or later date as the Purchaser and the Company may mutually determine;
- (h) “**Common Shares**” means common shares without par value in the capital of the Purchaser;
- (i) “**Company Material Contracts**” has the meaning set forth in Section 5.02(p);
- (j) “**Company Shares**” has the meaning set forth in the recitals of this Agreement;
- (k) “**Contracts**” (individually, a “**Contract**”) means all written or oral outstanding contracts and agreements, leases (including the real property leases), third-party licenses, insurance policies, deeds, indentures, instruments, entitlements, commitments, undertakings and orders made by or to which a party is bound or under which a party has, or will have, any rights or obligations and includes rights to use, franchises, license and sub-licenses agreements and agreements for the purchase and sale of assets or shares;
- (l) “**Converse Property**” means the Converse property in Humboldt and Pershing Counties, Nevada, comprised of 286 unpatented mining claims and five fee tracts as described in the Membership Purchase Agreement;
- (m) “**Corporate Records**” means the corporate records of a corporation, including (i) its articles, notice of articles or other constating documents, any unanimous shareholders agreement and any amendments thereto; (ii) all minutes of meetings and resolutions of shareholders, directors and any committee thereof; (iii) the share certificate books,

register of shareholders, register of transfers and registers of directors and officers; and (iv) all accounting records;

- (n) “**CSE**” means the Canadian Securities Exchange, operated by the CNSX Markets Inc.;
- (o) “**Disclosed**” means, in the case of the Shareholder and the Company, fairly disclosed in writing to the Purchaser prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed), and, in the case of the Purchaser, fairly disclosed in writing to the Company prior to the date of this Agreement (with sufficient details to identify the nature and scope of the matter disclosed);
- (p) “**Exemptions**” has the meaning set forth in Section 2.04(a);
- (q) “**GAAP**” means generally accepted accounting principles in Canada (and, if applicable, includes International Financial Reporting Standards);
- (r) “**Governmental Authority**” means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission, or stock exchange, including the CSE;
- (s) “**IP**” means any and all intellectual property or proprietary rights arising at law or in equity, including, without limitation, (i) patents, all patent rights and all patent rights and all applications therefor and all reissues, re-examinations, continuations, continuations-in-part, divisions, and patent term extensions thereof, (ii) inventions (whether patentable or not), discoveries, improvements, concepts, innovations and industrial models, (iii) registered and unregistered copyrights, copyright registrations and applications, mask works and mask work registrations and applications therefor, author’s rights and works of authorship, (iv) URLs, web sites, web pages and any part thereof, (v) technical information, know-how, trade secrets, drawings, designs, design protocols, specifications, proprietary data, customer lists, databases, proprietary and manufacturing processes, technology, formulae, and algorithms, (vi) trade names, trade dress, trademarks, domain names, service marks, logos, business names, and registrations and applications therefor, (vii) industrial designs or design patents, whether or not patentable or registrable, patented or registered or the subject of applications for registration or patent or registration and all rights of priority, applications, continuations, continuations-in-part, divisions, re-examinations, reissues and other derivative applications and patents therefor, (viii) licenses, contacts and agreements otherwise relating to the IP, and (ix) the goodwill symbolized or represented by the foregoing;
- (t) “**laws**” means all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the person referred to in the context in which such word is used; and “**law**” means any one of them;
- (u) “**Lien**” means any mortgage, encumbrance, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition, which, in substance, secures payment, or performance of an obligation;

- (v) “**LOI**” means the letter of intent dated July 11, 2024, between the Purchaser and the Shareholder;
- (w) “**Material Adverse Effect**” means (i) any change, effect, fact, circumstance or event which, individually or when taken together with any other changes, effects, facts, circumstances or events, could reasonably be expected to be materially adverse to the assets, liabilities, condition (financial or otherwise), business, properties or results of operation of the Purchaser or the Company, as applicable, or (ii) a material impairment of or delay in the ability of the parties (or any one of them) to perform their obligations hereunder or consummate the Transaction, but does not include any change or development resulting from any act of terrorism or any outbreak of hostilities or war or any natural disaster, disease, epidemic or pandemic, except to the extent the impact, effect or consequences arising out of or attributable to such events disproportionately affects the Company Shares or the operation, assets, liabilities, financial condition or results of operation of the parties (or any one of them);
- (x) “**Material Contract**” means any Contract to which a person is a party and which is material to such person, including any Contract: (i) the termination of which would have a Material Adverse Effect on such person; (ii) any contract which would result in payments to or from such person or its subsidiaries (if any) in excess of \$50,000, whether payable in one payment or in successive payments; (iii) any agreement or commitment relating to the borrowing of money or to capital expenditures; and (iv) any agreement or commitment not entered into in the ordinary course of business;
- (y) “**material fact**” will have the meaning ascribed to it in the *Securities Act* (British Columbia);
- (z) “**Membership Purchase Agreement**” means the membership interest purchase agreement dated July 15, 2024, between the Company, Waterton and Converse Resources LLC pursuant to which the Company purchased all of the membership interests in Converse Resources LLC;
- (aa) “**Payment Shares**” has the meaning set forth in Section 2.02;
- (bb) “**Permitted Liens**” means:
 - (i) undetermined or inchoate Liens and charges incidental to construction, maintenance or operations or otherwise relating to the ordinary course of business which have not, as of the Closing Date, been filed pursuant to Applicable Law;
 - (ii) Liens for taxes and assessments not at the time overdue or that are being contested in good faith, Liens securing worker's compensation assessments and Liens for specified taxes and assessments which are overdue (and which have been disclosed to the other parties to this Agreement) but the validity of which is being contested at the time in good faith, if the person shall have made on its books provision reasonably deemed by it to be adequate therefor;
 - (iii) cash or governmental obligations deposited in the ordinary course of business in connection with Contracts, bids, tenders or to secure worker's compensation, unemployment insurance, surety or appeal bonds, costs of litigation, when required by Applicable Law, public and statutory obligations;

- (iv) Liens or claims incidental to current construction carried out in the ordinary course of business, and mechanics', materialmen's, warehousemen's, workers', carriers' and other similar Liens arising or incurred in the ordinary course of business and for amounts not yet delinquent, or if delinquent, being contested in good faith by appropriate actions;
- (v) all rights reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit held by it or by any statutory provision to terminate any such lease, licence, franchise, grant or permit or to require annual or periodic payments as a condition of the continuance thereof or to distrain against or to obtain a Lien on any of its property or assets in the event of failure to make such annual or other periodic payments; and
- (vi) all Liens and other matters described in the Title Reports;
- (cc) “**person**” includes an individual, sole proprietorship, partnership, limited partnership, unincorporated association or organization, unincorporated syndicate, body corporate, trust, trustee, executor, administrator, legal representative of the Crown or any agency or instrumentality thereof;
- (dd) “**Public Records**” has the meaning set forth in Section 5.01(j);
- (ee) “**Purchaser Financial Statements**” has the meaning set forth in Section 5.01(k);
- (ff) “**Purchaser Material Contracts**” has the meaning set forth in Section 5.01(r);
- (gg) “**Regulation S**” means Regulation S under the U.S. Securities Act;
- (hh) “**Securities Laws**” means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;
- (ii) “**SEDAR+**” means the System for Electronic Document Analysis and Retrieval + of the Canadian Securities Administrators;
- (jj) “**Share Split**” means the share split announced by the Purchaser on October 7, 2024, whereby the Common Shares will split at a ratio of one old Common Share for 2.4 new Common Shares;
- (kk) “**Shareholder**” has the meaning set forth in the first page of this Agreement;
- (ll) “**Tax**” means any tax, impost, levy, withholding, duty, fee, premium, assessment and other charge of any kind, however denominated and any instalment or advance payment in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Authority, including for greater certainty any income, gain or profit tax (including federal, state, provincial and territorial income tax), payroll and employee withholding tax, employment or payroll tax, unemployment insurance, disability tax, social insurance tax, social security contribution, sales and use tax, consumption tax, customs tax, ad valorem tax, excise tax, goods and services tax, harmonized sales tax, franchise tax, gross receipts tax, capital tax, business license tax, alternative minimum tax, estimated tax,

abandoned or unclaimed (escheat) tax, occupation tax, real and personal property tax, stamp tax, environmental tax, transfer tax, severance tax, workers' compensation, Canada and other government pension plan premium or contribution and other governmental charge, and other obligations of the same or of a similar nature to any of the foregoing, together with any interest, penalties or other additions to tax that may become payable in respect of such tax, and any interest in respect of such interest, penalties and additions whether disputed or not, and "**Taxes**" has a corresponding meaning;

- (mm) "**Tax Act**" means the *Income Tax Act* (Canada);
- (nn) "**Tax Return**" means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding tax returns and reports and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Authority with respect to any Tax together with all amendments and supplements thereto;
- (oo) "**Termination Date**" means December 31, 2024 or such later date as may be agreed in writing between the Purchaser and the Company;
- (pp) "**Time of Closing**" means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as the parties may mutually determine;
- (qq) "**Title Reports**" means, collectively, (i) that certain title report update dated July 6, 2024 regarding the Property prepared by Erwin Thompson Faillers and (ii) that certain title report dated September 9, 2020 regarding the Property, prepared by Parr Brown Gee & Loveless and addressed to the Company;
- (rr) "**Transaction**" has the meaning set forth in the recitals of this Agreement;
- (ss) "**United States**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (tt) "**U.S. Person**" means a U.S. person as defined in Rule 902(k) of Regulation S under the U.S. Securities Act;
- (uu) "**U.S. Securities Act**" means the United States Securities Act of 1933, as amended;
- (vv) "**U.S. Shareholder**" means (i) a U.S. Person, (ii) any person who receives or received an offer of the Payment Shares while in the United States; (iii) any person acquiring the Payment Shares on behalf of, or for the account or benefit of any U.S. Person or any person in the United States, or (iv) any person who is or was in the United States at the time when such person executed or delivered this Agreement; and
- (ww) "**Waterton**" means Waterton Nevada Splitter, LLC.

1.02 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.03 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section or a Schedule or Exhibit refers to the specified Article or Section of, or Schedule or Exhibit to this Agreement.

1.04 Number, etc.

Unless the subject matter or context requires the contrary, words importing the singular number only will include the plural and vice versa; words importing the use of any gender will include all genders and words importing persons will include natural persons, firms, trusts, partnerships and corporations.

1.05 Date for Any Action

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

1.06 Statutory References

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

1.07 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference will be deemed to be the International Financial Reporting Standards or the Canadian generally accepted accounting principles, as applicable, approved by the International Accounting Standards Board or the Canadian Institute of Chartered Accountants, as the case may be, or any successor thereto, applicable as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles.

1.08 Knowledge

- (a) Any reference herein to “the knowledge of the Purchaser” (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of the Purchaser, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (b) Any reference herein to “the knowledge of the Company” (or similar expressions) will be deemed to mean the actual knowledge of any director or executive officer of the Company, together with the knowledge such person would have had if they had conducted a diligent inquiry into the relevant subject matter.
- (c) Any reference herein to “the knowledge of the Shareholder” (or similar expressions) will be deemed to mean the actual knowledge of the Shareholder.

1.09 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement, and must be completed and attached before the Closing Date for this Agreement to be fully-integrated and thereafter enforceable by or against either Party:

<u>Schedule</u>	<u>Description</u>
Schedule "A"	Shareholder of the Company
Schedule "B"	Form of Voting Support Agreement

ARTICLE II PURCHASE AND SALE OF THE COMPANY SHARES

2.01 Purchase and Sale

Subject to the terms and conditions hereof, the Shareholder covenants and agrees to sell, assign and transfer to the Purchaser and the Purchaser covenants and agrees to purchase from the Shareholder the Company Shares. As of the date of this Agreement, the Company Shares, which are beneficially owned by the Shareholder as set out in Schedule "A" attached hereto, are all the issued and outstanding Company Shares.

2.02 Purchase Price

In consideration for the acquisition of the Company Shares, the Purchaser will:

- (a) issue from treasury to the Shareholder, or as directed, at the Time of Closing an aggregate of 20,000,000 Common Shares, on a post-Share Split basis, free and clear of any Liens (the "**Payment Shares**"). The Payment Shares are being issued at a deemed price per share equal to the last closing price of the Common Shares on the CSE on the last trading day prior to the date of this Agreement;
- (b) pay to the Shareholder a cash payment of \$500,000 (the "**Deposit**"), of which was previously paid by the Purchaser as a deposit upon execution of the LOI and such Deposit was paid to Waterton pursuant to Section 2.2(i) of the Membership Purchase Agreement; and
- (c) pay to the Shareholder a cash payment of \$1,000,000 upon closing of the Axcap Financing (the "**Closing Payment**").

2.03 Tax Election

The Purchaser agrees that, at the request and expense of the Shareholder (who is resident in Canada for the purposes of the Tax Act), the Purchaser will jointly elect with the Shareholder for the provisions of subsection 85(1) or (2) of the Tax Act and any equivalent provision under provincial legislation (each a "**Tax Election Provision**") to apply to the Company Shares acquired by the Purchaser from the Shareholder. In order to make any such election, the Shareholder will prepare any prescribed election form (each a "**Tax Election Form**") and deliver any such Tax Election Form to the Purchaser

within 90 days of the Closing Date. Upon receipt, the Purchaser will sign the Tax Election Form and deliver a copy of the Tax Election Form to the Shareholder by mail using the address that the Shareholder provided to the Purchaser in the Tax Election Form within 30 days of receipt thereof. It will be the sole responsibility of the Shareholder making the request to file the Tax Election Form with the Canada Revenue Agency or relevant provincial Governmental Authority. The Purchaser will not be liable for any damages arising to the Shareholder for a late filing of a Tax Election Form or any errors or omissions on a Tax Election Form.

Notwithstanding anything contained in this Agreement, the Purchaser does not assume and will not be liable for any taxes under the Tax Act or under provincial legislation or any other amount whatsoever which may be or become payable by the Shareholder including, without limiting the generality of the foregoing, any Tax resulting from or arising as a consequence of the sale by the Shareholder to the Purchaser of the Company Shares herein contemplated, or the availability (or lack thereof) of any Tax Election Provision, or the content or impact of any election made under any Tax Election Provision.

2.04 Restrictions on Resale

The Shareholder acknowledges and agrees as follows:

- (a) the transfer of the Company Shares, and the issuance of the Payment Shares in exchange therefor, will be made pursuant to appropriate exemptions, including (but not limited to) the take-over bid prospectus exemption found in Section 2.16 of National Instrument 45-106 – *Prospectus Exemptions* (the “**Exemptions**”) from any applicable take-over bid and prospectus (or equivalent) requirements of the Securities Laws;
- (b) as a consequence of acquiring the Payment Shares pursuant to the Exemptions:
 - (i) the Shareholder will be restricted from using certain of the civil remedies available under the Securities Laws;
 - (ii) the Shareholder may not receive information that might otherwise be required to be provided to the Shareholder, and the Purchaser is relieved from certain obligations that would otherwise apply under Securities Laws if the Exemptions were not being relied upon by the Purchaser;
 - (iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Payment Shares;
 - (iv) there is no government or other insurance covering the Payment Shares; and
 - (v) an investment in the Payment Shares is speculative and of high risk;
- (c) although no statutory hold periods are currently expected to be applicable, the certificates representing the Payment Shares will bear such legends as required by Securities Laws and the policies of the CSE and it is the responsibility of the Shareholder to find out what those restrictions are and to comply with them before selling the Payment Shares;
- (d) the Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of that jurisdiction which apply to the sale of the Company Shares and the issuance of the Payment Shares and which may impose restrictions on the resale of such Payment Shares in that jurisdiction and it is the responsibility of the Shareholder to

find out what those resale restrictions are, and to comply with them before selling the Payment Shares; and

- (e) all Payment Shares issued in exchange for the Company Shares held by the Shareholder will be subject to the following voluntary hold periods:
- (i) 2.5% of the Payments Shares will be released and become freely tradable on the date that is six months following the closing of the Axcap Financing,
 - (ii) 2.5% of the Payments Shares will be released and become freely tradable on the date that is seven months following the closing of the Axcap Financing,
 - (iii) 2.5% of the Payments Shares will be released and become freely tradable on the date that is eight months following the closing of the Axcap Financing,
 - (iv) 5% of the Payments Shares will be released and become freely tradable on the date that is nine months following the closing of the Axcap Financing,
 - (v) 5% of the Payments Shares will be released and become freely tradable on the date that is 10 months following the closing of the Axcap Financing,
 - (vi) 5% of the Payments Shares will be released and become freely tradable on the date that is 11 months following the closing of the Axcap Financing,
 - (vii) 5% of the Payments Shares will be released and become freely tradable on the date that is 12 months following the closing of the Axcap Financing,
 - (viii) 5% of the Payments Shares will be released and become freely tradable on the date that is 13 months following the Axcap Financing Closing,
 - (ix) 5% of the Payments Shares will be released and become freely tradable on the date that is 14 months following the closing of the Axcap Financing,
 - (x) 5% of the Payments Shares will be released and become freely tradable on the date that is 15 months following the closing of the Axcap Financing,
 - (xi) 5% of the Payments Shares will be released and become freely tradable on the date that is 16 months following the closing of the Axcap Financing,
 - (xii) 5% of the Payments Shares will be released and become freely tradable on the date that is 17 months following the closing of the Axcap Financing,
 - (xiii) 5% of the Payments Shares will be released and become freely tradable on the date that is 18 months following the closing of the Axcap Financing,
 - (xiv) 5% of the Payments Shares will be released and become freely tradable on the date that is 19 months following the closing of the Axcap Financing,
 - (xv) 7.5% of the Payments Shares will be released and become freely tradable on the date that is 20 months following the closing of the Axcap Financing,

- (xvi) 7.5% of the Payments Shares will be released and become freely tradable on the date that is 21 months following the closing of the Axcap Financing,
- (xvii) 7.5% of the Payments Shares will be released and become freely tradable on the date that is 22 months following the closing of the Axcap Financing,
- (xviii) 7.5% of the Payments Shares will be released and become freely tradable on the date that is 23 months following the closing of the Axcap Financing, and
- (xix) 7.5% of the Payments Shares will be released and become freely tradable on the date that is 24 months following the closing of the Axcap Financing.

The certificates representing the Payment Shares will bear the following legend:

“The securities represented hereby will not be offered, sold, transferred, pledged, hypothecated or otherwise traded before [*insert applicable date*], unless consented to by the Company.”

ARTICLE III CONDITIONS OF CLOSING

3.01 Mutual Conditions of Closing

The obligations to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) there will be no action taken under any applicable law by any court or Governmental Authority that makes it illegal or restrains, enjoins or prohibits the Transaction, results in a judgment or assessment of damages relating to the Transaction that is materially adverse to the Purchaser or the Company or that could reasonably be expected to impose any condition or restriction upon the Purchaser or the Company which, after giving effect to the Transaction, would so materially and adversely impact the economic or business benefits of the Transaction as to render the consummation of the Transaction inadvisable to any party hereto;
- (b) there will be no legislation (whether by statute, regulation, order-in-council, notice of ways and means motion, by-law or otherwise) enacted, introduced or tabled which, in the opinion of any party, acting reasonably, materially adversely affects or is reasonable likely to materially adversely affect the Transaction;
- (c) receipt of all required regulatory, corporate and third party approvals and compliance with all applicable regulatory requirements and conditions necessary to complete the Transaction;
- (d) neither party will be subject to unresolved litigation or court proceedings;
- (e) there being no prohibition at law against the completion of the Transaction;
- (f) there shall be no law, or legal or regulatory requirement making the transactions contemplated by this Agreement illegal or prohibits, and no Governmental Authority

shall have issued any order restraining or enjoining the transactions contemplated hereby, and such order remaining in effect; and

- (g) the Closing Date will be on or before the Termination Date.

The foregoing conditions precedent are for the benefit of all parties and may be waived by the Company (on its own behalf and on behalf of the Shareholder) and the Purchaser, in whole or in part, without prejudice to any party's right to rely on any other condition in favour of any party.

3.02 Conditions of Closing in Favour of the Purchaser

The obligations of the Purchaser to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Shareholder and the Company will have tendered all closing deliveries set forth in Sections 4.03 and 4.04, respectively, including delivery of the Company Shares, duly endorsed in blank for transfer or accompanied by duly executed stock transfer powers or other evidence of authorizing transfer of the Company Shares to the Purchaser acceptable to the Purchaser, acting reasonably;
- (b) the representations and warranties of the Company set forth in this Agreement will have been true and correct as of the date hereof and will be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of the sole director of the Company to this effect will have been delivered to the Purchaser;
- (c) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Company at or before the Time of Closing will have been complied with or performed and a certificate of the sole director of the Company to this effect will have been delivered to the Purchaser;
- (d) the representations and warranties of the Shareholder set forth in this Agreement will have been true and correct in all material respects as of the date hereof and will be true and correct in all material respects as of the Time of Closing and delivery by the Shareholder of the documents described in Section 4.04 required to be delivered by the Shareholder will constitute a reaffirmation and confirmation by the Shareholder of such representations and warranties;
- (e) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Shareholder at or before the Time of Closing will have been complied with or performed and delivery of the documents described in Section 4.04 will constitute confirmation of such compliance and performance;
- (f) all consents, assignments, waivers, permits, orders and approvals of all Governmental Authorities (including, if required, the CSE) or other persons, including, if applicable, all those party to the Company Material Contracts necessary to permit the completion of the Transaction will have been obtained;

- (g) there being no inquiry or investigation (whether formal or informal) in relation to the Company or its sole director commenced or threatened by any securities commission or official of the CSE or regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a material adverse effect on, the Company, its business, assets or financial condition;
- (h) the Shareholder shall have subscribed, directly or indirectly, or introduced subscribers who shall have subscribed an aggregate of at least \$1,000,000 of the Axcap Financing;
- (i) the Purchaser shall have completed the Axcap Financing and have granted the Shareholder a right to subscribe up to 20% of the Axcap Financing;
- (j) the Purchaser shall have completed the Share Split;
- (k) the Shareholder shall have entered into a voting support agreement in the form substantially set out in Schedule "B" attached hereto, whereby the Shareholder agrees for 24 months following the Closing Date to vote the Payment Shares with the board of directors of the Purchaser at all annual general and/or special meetings of shareholders of the Purchaser; and
- (l) there will not have been after the date of this Agreement any Material Adverse Effect with respect to the Company.

The foregoing conditions precedent are for the benefit of the Purchaser and may be waived by the Purchaser, in whole or in part, without prejudice to the Purchaser's right to rely on any other condition in favour of the Purchaser.

3.03 Conditions of Closing in Favour of the Company and the Shareholder

The obligations of the Company and the Shareholder to complete the Transaction are subject to the fulfillment of the following conditions on or before the Time of Closing:

- (a) the Purchaser will have tendered all closing deliveries set forth in Section 4.02 including delivery of the Payment Shares and payment of the Closing Payment;
- (b) all consents, waivers, permits, orders and approvals of all Governmental Authorities or other persons, including, if applicable, all those party to the Purchaser Material Contracts necessary to permit the completion of the Transaction will have been obtained;
- (c) the representations and warranties of the Purchaser set forth in this Agreement will have been true and correct as of the date hereof and will be true and correct at the Time of Closing in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier), except as affected by the transactions contemplated by this Agreement, and a certificate of a senior officer of the Purchaser to this effect will have been delivered to the Company and the Shareholder;
- (d) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Time of Closing will have been complied with or performed and a certificate of a senior officer of the Purchaser to this effect will have been delivered to the Company and the Shareholder;

- (e) there will not have been after the date of this Agreement any Material Adverse Effect with respect to the Purchaser;
- (f) the Payment Shares will have been approved for issuance by the directors of the Purchaser;
- (g) the Company shall have paid to Waterton \$1,500,000 pursuant to Section 2.2(b) of the Membership Purchase Agreement; and
- (h) there being no inquiry or investigation (whether formal or informal) in relation to the Purchaser or its respective directors or officers commenced or threatened by any securities commission or official of the CSE or regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a material adverse effect on, the Purchaser, its business, assets or financial condition.

The foregoing conditions precedent are for the benefit of the Company and the Shareholder and may be waived by the Company (on its own behalf and on behalf of the Shareholder) and the Shareholder, in whole or in part, without prejudice to the Company's and the Shareholder's right to rely on any other condition in favour of the Company and the Shareholder.

3.04 Notice and Cure Provisions

Each party will give prompt notice to the other parties hereto of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would or would be likely to:

- (a) cause any of the representations or warranties of such party contained herein to be untrue or inaccurate on the date hereof or at the Closing Date; or
- (b) result in the failure by such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such party hereunder prior to the Closing Date.

Subject to Article VII, no party may elect not to complete the Transaction as contemplated herein as a result of the non-fulfillment of the conditions precedent contained in Sections 3.01, 3.02, or 3.03, as applicable, unless the party intending to rely thereon has delivered a written notice to the other parties hereto prior to the Time of Closing specifying, in reasonable detail, all breaches of representations and warranties or covenants or other matters which the party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent.

ARTICLE IV CLOSING AND POST CLOSING ARRANGEMENTS

4.01 Time and Place of Closing

Closing of the Transaction will take place at the Time of Closing at the offices of McMillan LLP, Suite 1500, Royal Centre, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

4.02 Closing Deliveries of the Purchaser

At the Time of Closing, the Purchaser will deliver or cause to be delivered to the Shareholder:

- (a) share certificates or direct registration system statements evidencing the Payment Shares endorsed to the Shareholder or its nominee;
- (b) a certificate of one of the Purchaser's senior officers, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the notice of articles and articles of the Purchaser (and all amendments thereto as in effect as on such date); and (ii) all resolutions of the board of directors of the Purchaser approving the entering into of this Agreement and all ancillary agreements contemplated herein and the completion of the Transaction, including the issuance of the Payment Shares;
- (c) the officer's certificates referred to in Sections 3.03(c) and 3.03(d);
- (d) a certificate of good standing for the Purchaser; and
- (e) the Closing Payment, if the Closing Payment has not already been paid.

4.03 Closing Deliveries of the Company

At the Time of Closing, the Company will deliver or cause to be delivered:

- (a) a certificate of the Company's sole director, dated as of the Closing Date, certifying: (i) that attached thereto are true and complete copies of the constating documents of the Company (and all amendments thereto as in effect as on such date); and (ii) all resolutions of the board of directors of the Company approving the entering into of this Agreement and the completion of the Transaction;
- (b) the certificates referred to in Sections 3.02(b) and 3.02(c);
- (c) duly executed voting support agreement pursuant to Section 3.02(k);
- (d) favourable legal opinions addressed to the Purchaser dated the Closing Date, substantially in the form of the Title Reports and subject to standard qualifications and assumptions in form satisfactory to the Purchaser and its counsel, acting reasonably, as to title to the fee lands and unpatented lode and placer mineral claims comprising the Converse Project;
- (e) resignation of the directors and officers of the Company (including a statement certifying that said directors and officers do not have any claim in any respect against the Company); and
- (f) a certificate of status for the Company.

4.04 Closing Deliveries of the Shareholder

At the Time of Closing, the Shareholder will cause to be delivered a share certificate evidencing the Company Shares owned by the Shareholder, duly endorsed in blank for transfer or accompanied by a duly executed stock transfer power.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

5.01 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to and in favour the Shareholder and the Company as follows, and acknowledges that such parties are relying upon such representations and warranties in connection with the transactions contemplated herein:

- (a) the Purchaser is a corporation validly existing and in good standing under the laws of the Province of British Columbia and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) the Purchaser is a “reporting issuer” in the provinces of British Columbia, Alberta and Ontario and is not in material default of the Securities Laws;
- (c) the Purchaser has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder, to own and lease its property, and to carry on its businesses as now being conducted;
- (d) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Purchaser and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (e) the Common Shares are listed for trading on the CSE and the Purchaser is not in material default of any of the listing requirements of the CSE;
- (f) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the notice of articles or the articles of the Purchaser or of any resolutions of the directors or shareholders of the Purchaser, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of a Lien upon any material agreement (including any Purchaser Material Contract), licence or permit to which the Purchaser is a party or by which the Purchaser is bound or to which any material assets or property of the Purchaser is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Purchaser;
- (g) the authorized capital of the Purchaser consists of an unlimited number of Common Shares, of which, as of the date hereof, 78,764,441 Common Shares are issued and outstanding as fully paid and non-assessable; as of the date hereof, 71,863,839 common share purchase warrants of the Purchaser are outstanding and nil stock options are outstanding;
- (h) when issued in accordance with the terms hereof, the Payment Shares will be validly issued as fully paid and non-assessable Common Shares;

- (i) other than as disclosed in its Public Records and as set out in Section 5.01(g),¹ no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of the Purchaser;
- (j) all disclosure documents of the Purchaser filed under the Securities Laws of the Province of British Columbia since the date of its incorporation, including but not limited to, financial statements, prospectuses, offering memorandums, information circulars, material change reports and shareholder communications (collectively, the “**Public Records**”) contain no untrue statement of a material fact as at the date thereof nor do they omit to state a material fact which, at the date thereof, was required to have been stated or was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made;
- (k) the audited financial statements of the Purchaser for the year ended December 31, 2023, and the unaudited interim financial statements for the six-month period ended June 30, 2024 (collectively, the “**Purchaser Financial Statements**”), copies of which have been filed publicly with the British Columbia Securities Commission and are available on SEDAR+, are true and correct in every material respect and present fairly and accurately the financial position and results of the operations of the Purchaser for the periods then ended and the Purchaser Financial Statements have been prepared in accordance with IFRS applied on a consistent basis;
- (l) no information has come to the attention of the Purchaser since the last date of the most recently issued Purchaser Financial Statements that would or would reasonably be expected to require any restatement or revisions of any such financial statements or constitute a Material Adverse Effect;
- (m) the Purchaser’s auditors who audited the Purchaser Financial Statements (as applicable) are independent public accountants;
- (n) except as disclosed in the Purchaser Financial Statements, there are no related-party transactions or off-balance sheet structures or transactions with respect to the Purchaser;
- (o) except as disclosed in the Purchaser Financial Statements, the Purchaser is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person;
- (p) since December 31, 2023, there has been no material adverse change in the condition (financial or otherwise), assets, liabilities, operations, earnings or business of the Purchaser;
- (q) the Purchaser has conducted and is conducting its business in compliance in all material respects with all applicable laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (r) all of the Contracts of the Purchaser material to its business and operations (the “**Purchaser Material Contracts**”), together with this Agreement, and after the execution

¹ Purchaser to confirm.

and delivery hereof, all ancillary agreements contemplated herein, are in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the purchase and sale of the Company Shares hereunder and the other transactions contemplated hereunder, including, without limitation, the issuance of the Payment Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. The Purchaser has not violated or breached, in any material respect, any of the terms or conditions of any Purchaser Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed;

- (s) there are no waivers, consents, notices or approvals required to be given or obtained by the Purchaser in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which the Purchaser is a party;
- (t) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Purchaser is required to be obtained by the Purchaser in connection with the execution and delivery of this Agreement or the consummation of the Transaction, including, without limitation, the issuance of the Payment Shares, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay the Purchaser from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on the Purchaser;
- (u) there is no suit, action or proceeding or, to the knowledge of the Purchaser, pending or threatened against the Purchaser that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Purchaser, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against the Purchaser causing, or which could reasonably be expected to cause, a Material Adverse Effect on the Purchaser;
- (v) no bankruptcy, insolvency or receivership proceedings have been instituted by the Purchaser or, to the knowledge of the Purchaser, are pending against the Purchaser;
- (w) the Purchaser has good and marketable title to its properties and assets (other than property or an asset as to which the Purchaser is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser;
- (x) no person has any written or oral agreement, option, understanding or commitment for the purchase from the Purchaser of any of its assets or property;
- (y) the Purchaser has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Purchaser, and all such

all permits, licences, certificates of authority, orders and approvals are in good standing in all material respects;

- (z) the Purchaser has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by the Purchaser in all applicable jurisdictions as of the date hereof and all Tax Returns that have been filed by, or with respect to the Purchaser are true, complete and correct, report all income and all other amounts and information required to be reported thereon and disclose any Tax required to be paid for the periods covered thereby and the Purchaser has duly and timely paid any Tax due and payable by it, including all instalments on account of Tax that are due and payable before the date hereof, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of any Tax, except where any such failure to file Tax Returns or pay Taxes would not result in a Material Adverse Effect for the Purchaser;
- (aa) there are no audits, reassessments or other proceedings in progress or, to the knowledge of the Purchaser, threatened against the Purchaser, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and the Purchaser is not aware of any contingent liability of the Purchaser for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and the Purchaser has not received any indication from any Governmental Authority that any assessment or reassessment is proposed;
- (bb) the Purchaser has deducted, withheld or collected and remitted in a timely manner to the relevant Governmental Authority each Tax or other amount required to be deducted, withheld or collected and remitted by the Purchaser;
- (cc) the Purchaser has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified the Purchaser of such Governmental Authority's intention to commence or to conduct any investigation, that could be reasonably likely to have a Material Adverse Effect on the Purchaser;
- (dd) the Corporate Records of the Purchaser are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all applicable laws and with the constating documents of the Purchaser, and without limiting the generality of the foregoing: (i) the minute books contain complete and accurate minutes of all meetings of the directors (and any committee thereof) and shareholders of the Purchaser; (ii) such minute books contain all written resolutions passed by the directors (and any committee thereof) and shareholders of the Purchaser; (iii) the share certificate books, if any, the central securities register and register of transfers, and branch registers, of the Purchaser are complete and accurate, and all transfers of shares of the Purchaser reflected therein have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of the Purchaser were duly elected or appointed as the case may be;
- (ee) all Books and Records of the Purchaser have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein; and

- (ff) to the knowledge of the Purchaser, no representation or warranty of the Purchaser contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.02 Representations and Warranties of the Company and the Shareholder²

Each of the Shareholder with respect to the representations and warranties set out in Section 5.02(a) through (f), (h) through (j), (m), (p) through (t), (x), (z), (ee), and (gg) through (jj)) and the Company represents and warrants to the Purchaser as follows, except as Disclosed, and acknowledges that the Purchaser is relying on such representations and warranties in connection with the transactions contemplated herein:

- (a) the Company is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation and is duly registered, licensed or qualified to carry on business under the laws of the jurisdictions in which the nature of its business makes such registration, licensing or qualification necessary;
- (b) the Company has the corporate power and capacity to enter into this Agreement and each additional agreement or instrument to be delivered pursuant to this Agreement, to perform its obligations hereunder and thereunder to own and lease its property, and to carry on its businesses as now being conducted;
- (c) the Shareholder legally and beneficially owns and controls all Company Shares with good and marketable title free and clear of any Liens, adverse claims or claims of others;
- (d) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement will be prior to the Time of Closing, duly authorized, executed and delivered by the Company and the Shareholder and each is, or will be at the Time of Closing, a legal, valid and binding obligation of the Company and the Shareholder, enforceable against the Company and the Shareholder in accordance with its terms;
- (e) the execution and delivery of this Agreement does not, and the consummation of the Transaction will not, (i) result in a breach or violation of the notice of articles or articles of the Company or of any resolutions of the directors or shareholders of the Company, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of a Lien upon any material agreement (including any the Company Material Contract), license or permit to which the Company is a party or by which the Company is bound or to which any material assets or property of the Company is subject, or (iii) violate any provision of any applicable law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Company;

² Subject to on-going due diligence.

- (f) the authorized capital of the Company consists of an unlimited number of common shares, of which, as of the date of this Agreement, 100 Company Shares are issued and outstanding as a fully paid and non-assessable common shares; as of the date hereof, nil common share purchase warrants of the Company are outstanding and nil stock options are outstanding;
- (g) the Company does not own, and has not at any time owned, and does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of or other equity or proprietary interests in any person, and the Company does not have any agreements to acquire or lease any material assets or properties or any other business operations, other than the Membership Purchase Agreement;
- (h) other than as set out in Section 5.02(f) and Section 5.02(g), there are no other shares of the Company or securities convertible, exercisable or exchangeable into shares of the Company issued or outstanding;
- (i) except for the Purchaser's rights hereunder, no person has any agreement or option or any right or privilege capable of becoming an agreement for the purchase of the Company Shares held or beneficially owned by the Shareholder and none of such common shares of the Company are subject to any voting trust, shareholders agreement, voting agreement or other agreement with respect to the disposition or enjoyment of any rights of such common shares of the Company;
- (j) other than as set out in Section 5.02(f) and Section 5.02(g), no person (other than the Purchaser pursuant to this Agreement) has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of the Company;
- (k) the Shareholder is not a "non-resident" of Canada within the meaning of the Tax Act;
- (l) the Shareholder is not a U.S. Shareholder and:
 - (i) the offer to purchase the Shareholder's Company Shares was not made to the Shareholder when either the Shareholder or any beneficial purchaser for whom it is acting, if applicable, was in the United States;
 - (ii) the Shareholder is not a U.S. Person, is not in the United States and is not acquiring the applicable Payment Shares on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States;
 - (iii) at the time this Agreement was executed and delivered by the Shareholder, the Shareholder was outside the United States;
 - (iv) if the Shareholder is a corporation or entity, (A) a majority of the Shareholder's voting equity is beneficially owned by persons resident outside the United States; and (B) the Shareholder's affairs are wholly controlled and directed from outside of the United States;
 - (v) the Shareholder or any beneficial purchaser for whom it is acting, if applicable, has no intention to distribute either directly or indirectly any of the Payment

Shares in the United States, except in compliance with the U.S. Securities Act; and

- (vi) the current structure of this transaction and all transactions and activities contemplated in this Agreement is not a scheme by the Shareholder to avoid the registration requirements of the U.S. Securities Act and any applicable state securities laws;
- (m) the Company's aggregate liabilities do not exceed \$1,100,000 (which includes the payment required by Section 2.02(c) of this Agreement) as of the Closing Date, and the Company will not, prior to Closing, incur any expenses, debts, liabilities or obligations whether absolute, accrued, contingent or otherwise, without the prior written approval of the Purchaser, except for professional fees associated with the preparation of this Agreement and the completion of the Transaction, to a maximum of \$25,000 plus disbursements;
- (n) the Company is not a party to, or bound by, any agreement of guarantee, indemnification, assumption or endorsement or any like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person, other than the indemnification agreement between the Company and its sole director and officer;
- (o) the Company has conducted and is conducting its business in compliance in all material respects with all Applicable Laws, regulations, by-laws, ordinances, regulations, rules, judgments, decrees and orders of each jurisdiction in which its business is carried on;
- (p) all of the Contracts of the Company material to its business and operations, including the Membership Purchase Agreement (the "**Company Material Contracts**"), together with this Agreement, and after the execution and delivery hereof, all ancillary agreements contemplated herein, are in full force and effect, unamended, and there exists no default, warranty claim or other obligation or liability or event, occurrence, condition or act (including the purchase and sale of the Company Shares hereunder and the other transactions contemplated hereunder, including, without limitation, the issuance of the Payment Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default, or give rise to a warranty claim or other obligation or liability thereunder. The Company has not violated or breached, in any material respect, any of the terms or conditions of any Company Material Contract and all the covenants to be performed by any other party thereto have been fully and properly performed;
- (q) there are no waivers, consents, notices or approvals required to be given or obtained by the Company in connection with the Transaction and the other transactions contemplated by this Agreement under any Contract to which the Company is a party;
- (r) no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Company is required to be obtained by the Company in connection with the execution and delivery of this Agreement, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent or materially delay the Company from performing its obligations under this Agreement and could not reasonably be expected to have a Material Adverse Effect on the Company;

- (s) there is no suit, action or proceeding or, to the knowledge of the Company, pending or threatened against the Company that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect on the Company, and there is no judgment, decree, injunction, rule or order of any Governmental Authority outstanding against the Company causing, or which could reasonably be expected to cause, a Material Adverse Effect on the Company;
- (t) no bankruptcy, insolvency or receivership proceedings have been instituted by the Company or, to the knowledge of the Company, are pending against the Company;
- (u) the Company has good and marketable title to its properties and assets (other than property or an asset as to which the Company is a lessee, in which case it has a valid leasehold interest), except for such defects in title that individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Company;
- (v) the property description of the Converse Property, including all mining claims and fee tracts, are set forth on Schedule 4.10(b) of the Membership Purchase Agreement, which schedule is completed an accurate list of all such mining claims and fee tracts. The Converse Property is or will be prior to the completion of the Transaction, free and clear of any material Liens and no material royalty will be payable in respect of any of them, except as described in Section 4.10(c) the Membership Purchase Agreement and the Permitted Liens;
- (w) to the knowledge of the Company, there are no claims with respect to Aboriginal rights currently, or pending or threatened, with respect to the Converse Property or in respect of any other properties in which the Company has a direct or indirect economic interest;
- (x) no person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming an agreement, option, understanding or commitment for the purchase from the Company of any of its assets or property;
- (y) the Company has all permits, licences, certificates of authority, orders and approvals of, and has made all filings, applications and registrations with, applicable Governmental Authorities and other persons that are required in order to permit it to carry on its business as presently conducted, except for such permits, licences, certificates, orders, filings, applications and registrations, the failure to have or make, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect on the Company, and all such permits, licenses, certificates of authority, orders and approvals are in good standing and fully complied with in all material respects;
- (z) all Tax Returns required by applicable laws to have been filed or made in any applicable jurisdiction, have been filed or made (as the case may be), and are substantially true, complete and correct, and all taxes of the Company have been paid or accrued in its financial records;
- (aa) there are no audits, reassessments or other proceedings in progress or, to the knowledge of the Company, threatened against the Company, in respect of any Tax and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any Tax, and the Company is not aware of any contingent liability of the Company for Tax or any grounds that could prompt an assessment or reassessment for any Tax, and it has not received any

indication from any Governmental Authority that any assessment or reassessment is proposed;

- (bb) the Company has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified the Company of such Governmental Authority's intention to commence or to conduct any investigation that could be reasonably likely to have a Material Adverse Effect on the Company;
- (cc) the Company has no employees and is not a party to any employment, management or consulting agreement of any kind whatsoever;
- (dd) no current or former employee, officer or director of the Company is entitled to a severance, termination or other similar payment as a result of the Transaction;
- (ee) the Corporate Records of the Company are complete and accurate in all material respects and all corporate proceedings and actions reflected therein have been conducted or taken in compliance with all applicable laws and with the constating documents of the Company, and without limiting the generality of the foregoing: (i) the minute books of the Company contain complete and accurate minutes of all meetings of the directors and shareholders of the Company; (ii) such minute books contain all written resolutions passed by the directors and shareholders of the Company; (iii) the securities register of the Company are complete and accurate, and all transfers of shares of the Company have been duly completed and approved; and (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers of the Company were duly elected or appointed as the case may be;
- (ff) all Books and Records of the Company have been fully, properly and accurately kept and, where required, completed in accordance with generally accepted accounting principles, and there are no material inaccuracies or discrepancies of any kind contained or reflected therein;
- (gg) the Company has no material IP and there are no Contracts that are material to the business and operations of the Company or as presently conducted under which the Company licenses any IP from a third party;
- (hh) the Company is not a 'reporting issuer' or equivalent in any jurisdiction nor are any shares of the Company listed or quoted on any stock exchange or electronic quotation system;
- (ii) neither the Company or the Shareholder has authorized any person to act as broker or finder or in any other similar capacity in connection with the transactions contemplated by this Agreement that in any manner may or will impose liability on the Purchaser or the Company; and
- (jj) to the knowledge of the Company, no representation or warranty of the Company or the Shareholder contained in this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading.

5.03 Survival of Representations and Warranties

The representations and warranties made by the parties and contained in this Agreement or any document or certificate given pursuant hereto will survive the Closing of the Transaction until the date that is 12 months from the date of Closing. No claim for breach of any representation, warranty or covenant will be valid unless that party against whom such claim is made has been given notice thereof before the expiry of such 12-month period.

**ARTICLE VI
COVENANTS****6.01 Mutual Covenants**

Each of the parties hereby covenants and agrees as follows:

- (a) to use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder which are reasonably under its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under applicable laws and regulations to complete the Transaction in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, in the event that any person, including without limitation, any securities regulatory authority, seeks to prevent, delay or hinder implementation of all or any portion of the Transaction or seeks to invalidate all or any portion of this Agreement, the Purchaser and the Company will use commercially reasonable efforts to resist such proceedings and to lift or rescind any injunction or restraining order or other order or action seeking to stop or otherwise adversely affecting the ability of the parties to complete the Transaction;
- (b) to use commercially reasonable efforts to obtain, before the Time of Closing, all authorizations, waivers, exemptions, consents, orders and other approvals from domestic or foreign courts, Governmental Authorities, shareholders and third parties as are necessary for the consummation of the transactions contemplated herein;
- (c) to use commercially reasonable efforts to defend or cause to be defended any lawsuits or other legal proceedings brought against it challenging this Agreement or the completion of the Transaction; neither the Purchaser nor the Company will settle or compromise any claim brought against them in connection with the transactions contemplated by this Agreement prior to the Closing Date without the prior written consent of each of the others, such consent not to be unreasonably withheld or delayed;
- (d) to promptly notify each of the other parties if any representation or warranty made by it in this Agreement ceases to be true and correct in all respects (in the case of any representation or warranty containing any materiality or Material Adverse Effect qualifier) or in all material respects (in the case of any representation or warranty without any materiality or Material Adverse Effect qualifier) and of any failure to comply in any material respect with any of its obligations under this Agreement;
- (e) to co-operate with each of the other parties hereto in good faith in order to ensure the timely completion of the Transaction; and

- (f) to use commercially reasonable efforts to co-operate with each of the other parties hereto in connection with the performance by the other of its obligations under this Agreement.

6.02 Covenants of the Purchaser

The Purchaser covenants and agrees with the Shareholder and the Company that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) in a timely and expeditious manner:
 - (i) file and/or deliver any document or documents as may be required in order for the Transaction as contemplated herein to be effective; and
 - (ii) file and/or deliver any document or documents required pursuant to applicable laws and/or the rules and policies of the CSE in connection with the Transaction as contemplated herein after the Closing;
- (b) furnish promptly to the Company (on behalf of itself and the Shareholder) a copy of each notice, report, schedule or other document or communication delivered, filed or received by the Purchaser in connection with or related to the Transaction, any filings under applicable laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (c) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction as contemplated herein, including using commercially reasonable efforts to:
 - (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts, as applicable;
 - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either the Purchaser or the Company before any Governmental Authority to the extent permitted by such authorities; and
 - (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (d) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (e) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set

forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:

- (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders; or
- (ii) increase or decrease its paid-up capital or purchase or redeem any shares; and
- (f) take all necessary corporate action and proceedings to approve and authorize the issuance of the Payment Shares to the Shareholder; and
- (g) prepare and file with all applicable securities commissions such notifications and fees necessary to permit, or that are required in connection with, the issuance of the Payment Shares to the Shareholder, on a basis exempt from the prospectus requirements of the applicable Securities Laws of the provinces of Canada in which the Shareholder is resident.

6.03 Covenants of the Company

The Company covenants and agrees with the Purchaser that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) make available and afford the Purchaser and its authorized representatives and, if requested by the Purchaser, provide a copy of all title documents, contracts, financial statements, minute books, share certificate books, if any, share registers, plans, reports, licences, orders, permits, books of account, accounting records, constating documents and all other documents, information and data relating to the Company. The Company will afford the Purchaser and its authorized representatives every reasonable opportunity to have free and unrestricted access to the Company's property, assets, undertaking, records and documents. At the request of the Purchaser, the Company will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of the Company's business and any of its property or to enable the Purchaser or its authorized representatives to obtain full access to all files and records relating to any of the assets of the Company maintained by governmental or other public authorities. The exercise of any rights of inspection by or on behalf of Purchaser under this Section 6.03(a) will not mitigate or otherwise affect the representations and warranties of the Company hereunder;
- (b) furnish promptly to the Purchaser a copy of each notice, report, schedule or other document or communication delivered, filed or received by the Company in connection with or related to the Transaction, any filings under applicable laws and any dealings with any Governmental Authority in connection with or in any way affecting the Transaction as contemplated herein;
- (c) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using commercially reasonable efforts to:

- (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases, licenses, agreements and other Contracts;
 - (ii) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction and participate and appear in any proceedings of either the Company or the Purchaser before any Governmental Authority to the extent permitted by such authorities; and
 - (iii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (d) subject to Applicable Laws or as authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (e) conduct and operate its business and affairs only in the ordinary course consistent with past practice and use commercially reasonable efforts to preserve its business organization, goodwill and material business relationships with other persons and, for greater certainty, it will not enter into any material transaction out of the ordinary course of business consistent with past practice without the prior consent of the Purchaser, and the Company will keep the Purchaser fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business, provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver could not be obtained;
- (f) except as may be necessary or desirable in order to effect the Transaction as contemplated hereunder, not alter or amend its articles or notice of articles as the same exist at the date of this Agreement;
- (g) not merge into or with, or amalgamate or consolidate with, or enter into any other corporate reorganization or arrangement with, or transfer its undertaking or assets as an entirety or substantially as an entirety to, any other person or perform any act which would render inaccurate in any material way any of its representations and warranties set forth herein as if such representations and warranties were made at a date subsequent to such act and all references to the date of this Agreement were deemed to be such later date, except as contemplated in this Agreement, and without limiting the generality of the foregoing, it will not:
 - (i) make any distribution by way of dividend, distribution of property or assets, return of capital or otherwise to or for the benefit of its shareholders;
 - (ii) increase or decrease its paid-up capital or purchase or redeem any shares;
 - (iii) issue or enter into any commitment to issue any of its shares or securities convertible into, or rights, warrants or options to acquire any such shares;
 - (iv) not to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of the Company (including those that are convertible or

exchangeable into securities of the Company), other than as contemplated under this Agreement; and

- (h) take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Company Shares to the Purchaser.

6.04 Covenants of the Shareholder

The Shareholder, on its own behalf, covenants and agrees with the other parties hereto that, until the earlier of the Closing Date and the date upon which this Agreement is terminated in accordance with Article VII, it will:

- (a) use commercially reasonable efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations set forth in this Agreement to the extent the same are within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable laws to complete the Transaction, including using commercially reasonable efforts to:
 - (i) effect all necessary registrations and filings and submissions of information requested by any Governmental Authority required to be effected by it in connection with the Transaction; and
 - (ii) fulfill all conditions and satisfy all provisions of this Agreement and the Transaction;
- (b) subject to Applicable Laws or as otherwise authorized by this Agreement, not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or which would reasonably be expected to significantly impede the consummation of the Transaction;
- (c) take all necessary corporate action and proceedings to approve and authorize the valid and effective transfer of the Company Shares to the Purchaser; and
- (d) not encumber in any manner the Company Shares and ensure that at the Time of Closing the Company Shares are free and clear of all Liens.

ARTICLE VII TERMINATION

7.01 Termination

This Agreement may be terminated in writing at any time prior to the Closing:

- (a) by mutual written consent of the Purchaser and the Company;
- (b) by either the Company or the Purchaser if the Closing will not have been consummated on or prior to the Termination Date, without liability to the terminating party on account of such termination; provided that the right to terminate this Agreement pursuant to this Section 7.01(b) will not be available to a party whose breach or violation of any representation, warranty, covenant, obligation or agreement under this Agreement has

been the cause of or has resulted in the failure of the Closing to occur on or before such date;

- (c) by the Purchaser, if there has been a material breach by the Company or the Shareholder of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.02 which the Company or the Shareholder, as applicable, fails to cure within ten (10) Business Days after written notice thereof is given by the Purchaser;
- (d) by the Company if there has been a material breach by the Purchaser of any representation, warranty, covenant or agreement set forth in this Agreement or any of the documents contemplated hereby which breach would result in the failure to satisfy one or more of the conditions set forth in Section 3.03 which the Purchaser fails to cure within ten (10) Business Days after written notice thereof is given by the Company; and
- (e) by any party, if any permanent injunction or other order of a court or other competent authority preventing the Closing will have become final and non-appealable; provided, however, that no party will be entitled to terminate this Agreement if such party's material breach of this Agreement or any of the documents contemplated hereby has resulted in such permanent injunction or order.

7.02 Effect of Termination

Upon termination of this Agreement in accordance with the terms hereof, the parties hereto will have no further obligations under this Agreement, other than the obligations contained in Sections 9.02 and 9.07.

ARTICLE VIII INDEMNIFICATION

8.01 Indemnification by the Purchaser

Subject to Section 5.03, the Purchaser will indemnify and save the Shareholder and the Company harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Shareholder or the Company as a result of any breach of representation, warranty or covenant on the part of the Purchaser contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and
- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.02 Indemnification by the Company

Subject to Section 5.03, the Company and the Shareholder will indemnify and save the Purchaser harmless for and from:

- (a) any loss, damages or deficiencies suffered by the Purchaser as a result of any breach of representation, warranty or covenant on the part of the Company or the Shareholder

contained in this Agreement or in any certificate or document delivered pursuant to or contemplated by this Agreement; and

- (b) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

8.03 Notice of Claim

A party entitled to and seeking indemnification pursuant to the terms of this Agreement (the “**Indemnified Party**”) will promptly give written notice to the party or parties, as applicable, responsible for indemnifying the Indemnified Party (the “**Indemnifying Party**”) of any claim for indemnification pursuant to Sections 8.01 and 8.02 (a “**Claim**”, which term will include more than one Claim). Such notice will specify whether the Claim arises as a result of a claim by a person against the Indemnified Party (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and will also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Claim; and
- (b) the amount of the Claim, or, if any amount is not then determinable, an approximate and reasonable estimate of the likely amount of the Claim.

8.04 Procedure for Indemnification

- (a) Direct Claims. With respect to Direct Claims, following receipt of notice from the Indemnified Party of a Claim, the Indemnifying Party will have 30 days to make such investigation of the Claim as the Indemnifying Party considers necessary or desirable, acting reasonably. For the purpose of such investigation, the Indemnified Party will make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim. If the Indemnified Party and the Indemnifying Party agree at or prior to the expiration of such 30 day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party will immediately pay to the Indemnified Party the full agreed upon amount of the Claim.
- (b) Third Party Claims. With respect to any Third Party Claim, the Indemnifying Party will have the right, at its own expense, to participate in or assume control of the negotiation, settlement or defence of such Third Party Claim and, in such event, the Indemnifying Party will reimburse the Indemnified Party for all the Indemnified Party’s commercially reasonable out-of-pocket expenses incurred as a result of such participation or assumption. If the Indemnifying Party elects to assume such control, the Indemnified Party will cooperate with the Indemnifying Party, will have the right to participate in the negotiation, settlement or defence of such Third Party Claim at its own expense and will have the right to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Party and the Indemnified Party will be retained by the Indemnifying Party. If the Indemnifying Party, having elected to assume such control, thereafter fails to defend any such Third Party Claim within a reasonable time, the Indemnified Party will be entitled to assume such control and the Indemnifying Party will be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

8.05 General Indemnification Rules

The obligations of the Indemnifying Party to indemnify the Indemnified Party in respect of Claims will also be subject to the following:

- (a) without limiting the generality of Sections 8.01 and 8.02, any Claim for breach of any representation, warranty or covenant will be subject to Section 5.03;
- (b) the Indemnifying Party's obligation to indemnify the Indemnified Party will only apply to the extent that the Claims in respect of which the Indemnifying Party has given an indemnity, in the aggregate, exceed \$5,000;
- (c) notwithstanding anything to the contrary in this Agreement, the aggregate liability of the Shareholder to any and all Indemnified Parties under this Article VIII will be limited to the amount paid to such Indemnifying Party in respect of its Company Shares pursuant to Section 2.01; for greater certainty, the Shareholder will not be liable, in the aggregate, to any and all Indemnified Parties for any amount in excess of the market value of the Payment Shares as of the date hereof;
- (d) notwithstanding anything to the contrary in this Agreement, the aggregate liability of the Company, the Shareholder or the Purchaser to any and all Indemnified Parties under this Article VIII will be limited to the market value of the Payment Shares issuable under this Agreement;
- (e) if any Third Party Claim is of a nature such that the Indemnified Party is required by applicable law to make a payment to any person (a "**Third Party**") with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and thereafter seek reimbursement from the Indemnifying Party for any such payment. If any Indemnifying Party pays, or reimburses an Indemnified Party in respect of any Third Party Claim before completion of settlement negotiations or related legal proceedings, and the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party, the Indemnified Party will, forthwith after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Party;
- (f) whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnified Party will not negotiate, settle, compromise or pay any Third Party Claim except with the prior written consent of the Indemnifying Party (which consent will not be unreasonably withheld);
- (g) the Indemnified Party will not permit any right of appeal in respect of any Third Party Claim to terminate without giving the Indemnifying Party notice and an opportunity to contest such Third Party Claim;
- (h) the Indemnified Party and the Indemnifying Party will cooperate fully with each other with respect to Third Party Claims and will keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available); and
- (i) the provisions of this Article VIII will constitute the sole remedy available to a party against another party with respect to any and all breaches of any agreement, covenant, representation or warranty made by such other party in this Agreement.

**ARTICLE IX
GENERAL**

9.01 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement (each, a “**notice**”) will be in writing will be in writing addressed as follows:

- (a) if to the Purchaser:

Axcap Ventures Inc.
488 – 1090 West Georgia Street
Vancouver, British Columbia, V6E 3V7
Attention: Robert Dubeau, Chief Executive Officer
E-mail: **[Email Address Redacted]**

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

McMillan LLP
1500 Royal Centre
1055 West Georgia Street
Vancouver, British Columbia, V6E 4N7
Attention: Desmond Balakrishnan
E-mail: **[Email Address Redacted]**

- (b) if to the Company or the Shareholder:

Converse Acquisition Company, Limited
[Private Address Redacted]

Attention: Albert Contardi, Shareholder
E-mail: **[Email Address Redacted]**

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

Irwin Lowy LLP
Suite 401, 217 Queen Street West
Toronto, Ontario M5V 0R2
Attention: Chris Irwin
E-mail: **[Email Address Redacted]**

or such other address as may be designated by notice given by either the Company or the Purchaser to the other in accordance with this Section 9.01. Each notice will be personally delivered to the addressee or sent by e-mail to the addressee and a notice which is personally delivered or sent by email will, if delivered or sent prior to 4:00 p.m. (local time of the recipient) on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the next Business Day. Any notice delivered to the Company in accordance with this Section 9.01 prior to the Time of Closing will be deemed to have been delivered to the Shareholder. The previous sentence of this Section 9.01 will not apply to a notice given as contemplated in Section 3.04 of the occurrence, or failure to occur, of any event or state of facts which would or would likely to cause any of the representations or warranties of the Shareholder to be untrue or inaccurate or result in the failure by the Shareholder to comply with or satisfy any covenant, condition or agreement, which notice will not be

deemed to have been received by the Shareholder unless delivered to the address of the Shareholder as reflected in the books of the Company (or after the Time of Closing, the books of the Purchaser). The Shareholder may, from time to time, by notice given in accordance with this Section 9.01, designate or provide an address of the Shareholder for notices to be given after the Time of Closing.

9.02 Confidentiality

Prior to Closing and, if the Transaction is not completed, at all times thereafter, each of the parties hereto will keep confidential and refrain from using all information obtained by it in connection with the transactions contemplated by this Agreement relating to any other party hereto, provided however that such obligation will not apply to any information which was in the public domain at the time of its disclosure to a party or which subsequently comes into the public domain other than as a result of a breach of such party's obligations under this Section 9.02. For greater certainty, nothing contained herein will prevent any disclosure of information which may be required pursuant to applicable laws or pursuant to an order in judicial or administrative proceedings or any other order made by any Governmental Authority.

9.03 Assignment

No party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other parties hereto, such consent not to be unreasonably withheld or delayed.

9.04 Binding Effect

This Agreement will be binding upon and will enure to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

9.05 Waiver

No waiver of any provision of this Agreement will constitute a waiver of any other provision, nor will any waiver constitute a continuing waiver unless otherwise expressly provided.

9.06 Governing Law

This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and is to be treated in all respects as a British Columbia contract.

9.07 Expenses

Each Party will be responsible for its own costs and expenses incurred with respect to the transactions contemplated herein.

9.08 No Personal Liability

- (a) No director, officer, employee or agent of the Purchaser will have any personal liability whatsoever to the Company or the Shareholder under this Agreement or any other document delivered in connection with the Transaction on behalf of the Purchaser.
- (b) No director, officer, employee or agent of the Company or the Shareholder (in such capacity) will have any personal liability whatsoever to the Purchaser under this Agreement

or any other document delivered in connection with the Transaction on behalf of the Company or the Shareholder.

9.09 Time of Essence

Time is of the essence of this Agreement and of each of its provisions.

9.10 Public Announcements

The Company and the Purchaser will co-operate with the other in releasing information concerning this Agreement and the transactions contemplated herein, and will furnish to and discuss with the other drafts of all press and other releases prior to publication. No press release or other public announcement concerning the proposed transactions contemplated by this Agreement will be made by any party hereto without the prior consent of the other parties, such consent not to be unreasonably withheld or delayed; provided that nothing contained herein will prevent any party hereto at any time from furnishing any information to any Governmental Authority or to the public if so required by applicable law.

9.11 Further Assurances

Each party will, upon request but without further consideration, from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to and perform the provisions and intent of this Agreement and to complete the transactions contemplated herein.

9.12 Entire Agreement

This Agreement, together with the documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof, including the LOI. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained in this Agreement and any document delivered pursuant to this Agreement.

9.13 Amendments

No amendment of any provision of this Agreement will be binding on any party unless consented to in writing by such party.

9.14 Severability

In the event that any provision or part of this Agreement is determined by any court or other judicial or administrative body to be illegal, null, void, invalid or unenforceable, that provision will be severed to the extent that it is so declared and the other provisions of this Agreement will continue in full force and effect.

9.15 Remedies Cumulative

The rights and remedies of the parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement

does not waive, alter, affect or prejudice any other right or remedy to which such party may be lawfully entitled for the same default or breach.

9.16 Counterparts

This Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile or any other electronically communicated method, each of which when executed and delivered will be deemed an original and all of which counterparts together will be deemed to constitute one and the same instrument.

[Signature pages follow.]

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the date first above written.

AXCAP VENTURES INC.

By: "Robert Dubeau"
Name: Robert Dubeau
Title: Chief Executive Officer

**CONVERSE ACQUISITION COMPANY,
LIMITED**

By: "Chris Irwin"
Name: Chris Irwin
Title: President

"Witness"

Witness

"Albert Contardi"
ALBERT CONTARDI

SCHEDULE A

Shareholder of the Company

Name and Address of Shareholder	Total Number of Shares
Albert Contardi Suite 401, 217 Queen Street West Toronto, Ontario M5V 0R2	100
TOTAL	100

SCHEDULE B

Form of Voting Support Agreement

[See attached]

VOTING SUPPORT AGREEMENT

This voting support agreement (this “**Agreement**”) is made as of ●, 2024

BETWEEN:

AXCAP VENTURES INC., a corporation existing under the laws of British Columbia, having an office at 488 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7 (the “**Issuer**”)

and

ALBERT CONTARDI

an individual with an address for service at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 (the “**Shareholder**”).

A. **WHEREAS** the Issuer, the Shareholder and Converse Acquisition Company, Limited are parties to a share purchase agreement dated ●, 2024 (the “**Share Purchase Agreement**”), pursuant to which the Issuer has agreed to acquire all of the issued and outstanding shares in the capital Converse Acquisition Company, Limited (collectively, the “**Converse Shares**”) from the Shareholder (the “**Converse Acquisition**”);

B. **AND WHEREAS** pursuant to the terms of the Share Purchase Agreement, the Issuer has agreed to issue to the Shareholder 20,000,000 common shares in the capital of the Issuer (collectively, the “**Consideration Shares**”) as partial consideration for the Converse Acquisition;

C. **AND WHEREAS** the parties to this Agreement (each, a “**Party**” and, together, the “**Parties**”) wish to establish certain rights, entitlements and obligations applicable to the Shareholder as the holder of the Consideration Shares;

D. **AND WHEREAS** the execution and delivery of this Agreement by the Parties is a condition precedent to the closing of the Converse Acquisition (the “**Converse Closing**”).

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties covenant and agree as follows:

ARTICLE 1 – INTERPRETATION

Section 1.1 Definitions

In this Agreement the following terms have the following meanings:

- (1) “**Act**” means the *Securities Act* (British Columbia);
- (2) “**Agreement**” has the meaning given to it in the preamble;
- (3) “**Axcap Shares**” means, collectively, the issued and outstanding common shares in the capital of the Issuer, listed and posted for trading on the Exchange;
- (4) “**Board**” means the board of directors of the Issuer, as constituted from time to time;

- (5) “**Business Day**” means any day, excluding Saturday or Sunday, on which banking institutions are open for business in Vancouver, British Columbia and Toronto, Ontario;
- (6) “**Closing Date**” means the date of the Converse Closing;
- (7) “**Consideration Shares**” has the meaning given to it in Recital B;
- (8) “**Exchange**” means the Canadian Securities Exchange, or such other stock exchange that the Axcap Shares are then listed and posted for trading;
- (9) “**Government Authority**” means any foreign, national, provincial, local or state government, any political subdivision or any governmental, judicial, public or statutory instrumentality, court, tribunal, agency (including those pertaining to health, safety or the environment), authority, body or entity, or other regulatory bureau, authority, body or entity having legal jurisdiction over the activity or Person in question and, for the avoidance of doubt, includes the Securities Authorities;
- (10) “**Issuer**” has the meaning given to it in the preamble;
- (11) “**Laws**” means all laws, statutes, codes, ordinances, decrees, rules, regulations, by laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or licence of any Government Authority, statutory body or self-regulatory authority, and the term “applicable” with respect to such laws and in the context that refers to one or more Persons, means that such laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Government Authority (or any other Person) having jurisdiction over such Person or Persons or its or their business, undertaking, property or securities;
- (12) “**Notice**” has the meaning given to it in Section 4.2;
- (13) “**Party**” and “**Parties**” have the meanings given to them in Recital C;
- (14) “**Person**” includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Government Authority, syndicate or other entity, whether or not having legal status;
- (15) “**Reporting Jurisdictions**” means, collectively, British Columbia, Alberta and Ontario; and
- (16) “**Securities Authorities**” means, collectively, the applicable securities commissions or similar securities regulatory authorities in each of the Reporting Jurisdictions and the Exchange.

Section 1.2 Singular, Plural, etc.

Words importing the singular number include the plural and vice versa and words importing gender include the masculine, feminine and neutral genders.

Section 1.3 Headings

The division of this Agreement into Articles and Sections and the insertion of the recitals and headings are for convenience of reference only and will not affect the construction or interpretation of this Agreement and, unless otherwise stated, all references in this Agreement to Articles and Sections refer to Articles and Sections of and to this Agreement in which such reference is made.

Section 1.4 Date for any Action

If a date on which any action is required to be taken under this Agreement by either of the Parties is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

ARTICLE 2 – VOTING SUPPORT

Section 2.1 Voting Support

- (1) For twenty-four (24) months following the Closing Date, the Shareholder agrees to vote, or cause to be voted, all Consideration Shares owned by the Shareholder and over which the Shareholder has voting control, from time to time and at all times, in whatever manner shall be necessary to ensure that at each annual general and/or special meeting of shareholders of the Issuer or involving any other proposed resolution of the shareholders of the Issuer:
 - (a) to elect or appoint all of the nominees to the Board in accordance with the recommendations of the Issuer's Corporate Governance and Nominating Committee or, if no such committee exists, then as recommended by the Board; and
 - (b) to vote in favour of or against any such other proposed shareholder resolutions as recommended by the Board.
- (2) The Shareholder agrees to have such of its Consideration Shares counted as part of a quorum in connection with any meeting to consider any of the matters set forth in Section 2.1(1).
- (3) The Shareholder agrees not to exercise any rights of dissent with respect to any of the matters set forth in Section 2.1(1).
- (4) The Shareholder agrees to execute any written resolutions required to perform the obligations of this Agreement and shall, whenever required, deliver or cause to be delivered duly executed and irrevocable form of proxies in respect of any such matter not less than five days prior to the date of any such meeting to management of the Issuer.

ARTICLE 3 – TERMINATION

Section 3.1 Termination

This Agreement shall terminate and all rights and obligations under this Agreement shall cease immediately on the earlier of (1) such time as the Shareholder ceases to be the registered and/or beneficial owner of the Consideration Shares; and (2) twenty-four (24) months following the Closing Date.

ARTICLE 4 – GENERAL

Section 4.1 Further Assurances

Each Party will, on demand by the other Party, execute and deliver or cause to be executed and delivered all such further documents and instruments and do all such further acts and things as the other may either before or after the Closing as the other party may reasonably require to evidence, carry out and give full effect to the terms, conditions, intent and meaning of this Agreement and to assure the completion of the transactions contemplated by this Agreement.

Section 4.2 Notice

All notices and other communications given or made pursuant to this Agreement (“**Notice**”) will be in writing and will be deemed to have been duly given or made as of the date delivered or sent if delivered personally or sent by email or sent by prepaid overnight courier to the Parties at the following addresses (or at such other addresses as will be specified by the Parties by Notice):

if to the Shareholder:

[•]

Attention: Albert Contardi
E-mail: [Email Address Redacted]

with a copy to:

Irwin Lowy LLP
Suite 401, 217 Queen Street West
Toronto, Ontario M5V 0R2

Attention: Chris Irwin
E-mail: [Email Address Redacted]

if to the Issuer:

Axcap Ventures Inc.
488 – 1090 West Georgia Street
Vancouver, British Columbia, V6E 3V7
Attention: Robert Dubeau, Chief Executive Officer
E-mail: [Email Address Redacted]

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

McMillan LLP
1500 Royal Centre
1055 West Georgia Street
Vancouver, British Columbia, V6E 4N7
Attention: Desmond Balakrishnan
E-mail: [Email Address Redacted]

Section 4.3 Assignment

Neither Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party, which consent may be unreasonably withheld or delayed. This Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

Section 4.4 Time of Essence

For every provision of this Agreement, time is of the essence.

Section 4.5 Governing Law

This Agreement will be governed by and interpreted in accordance with the Laws of the Province of British Columbia and the Laws of Canada applicable in the Province of British Columbia.

Section 4.6 Complete Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter and supersedes all prior agreements, negotiations, discussions, undertakings, representations, warranties and understandings, whether written or verbal.

Section 4.7 Amendment

This Agreement may be amended by mutual agreement between the Parties. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each Party.

Section 4.8 Attornment

The Parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of British Columbia for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the Parties set forth in this Agreement will be effective service of process for any action, suit or proceeding brought against either Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of British Columbia and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

Section 4.9 Counterparts

This Agreement and any amendment, supplement, restatement or termination of any provision of this Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

[The remainder of this page is intentionally left blank.]