

VOGOGO INC.

- and -

828 LP

SHARE PURCHASE AGREEMENT

April 18, 2018

ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION	3
1.1 Definitions	3
1.2 Expanded Meanings.....	8
1.3 Currency.....	9
1.4 Sections and Headings	9
1.5 Accounting Terms and Principles.....	9
1.6 Business Day.....	9
1.7 Schedules	9
1.8 Knowledge.....	9
ARTICLE 2 PURCHASE AND SALE	10
2.1 Purchase and Sale of Purchased Shares	10
2.2 Purchase Price.....	10
2.3 Payment of Purchase Price.....	10
ARTICLE 3 REPRESENTATIONS AND WARRANTIES	10
3.1 Representations and Warranties of the Vendor.....	10
3.2 Representations and Warranties of the Vendor With Respect to Itself.....	15
3.3 Non-Waiver	17
3.4 Nature and Survival of Representations and Warranties	17
3.5 Representations and Warranties of the Purchaser.....	17
3.6 Non-Waiver	18
3.7 Nature and Survival of Representations and Warranties	19
ARTICLE 4 COVENANTS OF THE PARTIES	19
4.1 Covenants of Vendor	19
4.2 Confidentiality	20
ARTICLE 5 CONDITIONS PRECEDENT	21
5.1 Purchaser’s Conditions	21
5.2 Conditions of the Vendor.....	22
5.3 Rights of Purchaser.....	23
5.4 Rights of Vendor.....	23
5.5 Termination.....	24
ARTICLE 6 CLOSING	24
6.1 Place of Closing	24
6.2 Deliveries by Vendor	24
6.3 Deliveries of Purchaser	25
6.4 Closing Escrow	25
ARTICLE 7 INDEMNIFICATION.....	26
7.1 Indemnity by Vendor	26
7.2 Indemnity by Purchaser	26
7.3 Notice of Claim.....	27
7.4 Direct Claims	27
7.5 Third Party Claims.....	27
7.6 Settlement of Third Party Claims	28

7.7	Interest on Claims	28
7.8	Adjustments	28
ARTICLE 8 GENERAL		29
8.1	Amendment of Agreement.....	29
8.2	Waiver.....	29
8.3	Applicable Law	29
8.4	Severability	29
8.5	Time of Essence.....	29
8.6	Entire Agreement.....	29
8.7	Notices	29
8.8	Enurement.....	30
8.9	Arbitration.....	30
8.10	Expenses	31
8.11	Further Assurances	31
8.12	Counterparts.....	31

SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of the **18th** day of April, 2018.

AMONG:

828 LP, a limited partnership established under the laws of the Province of Quebec herein acting by its general partner (the “**Vendor**”)

- and -

VOGOGO INC., a corporation amalgamated under the laws of the Province of Alberta (“**Purchaser**”)

PREAMBLES:

1. The Vendor is or will be the legal and beneficial owner of the Assets.
2. The Vendor has agreed to complete the Pre-Closing Reorganization.
3. The Vendor has agreed, following completion of the Pre-Closing Reorganization, to sell and transfer the Purchased Shares and the Purchaser has agreed, following completion of the Pre-Closing Reorganization, to purchase the Purchased Shares on the Closing Date upon the terms and conditions hereinafter set forth.

NOW THEREFORE in consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties, the Parties agree as set forth below:

ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

In this Agreement, the following words and phrases will have the meanings set out below unless the context requires otherwise:

“**ABCA**” means the *Business Corporations Act* (Alberta).

“**Affiliate**” means, in relation to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or under common control with the first mentioned Person, and for the purposes of this definition and references in this Agreement to “**Affiliate**”; “**control**” means the possession, directly or indirectly, by such Person or group of Persons acting in concert of the power to direct or cause the direction of the management and policies of the first mentioned Person, whether through the ownership of voting securities or otherwise.

“**Agreement**” means this agreement, as may be amended from time to time.

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, any law, rule, statute, regulation, order, judgment, decree, treaty or other requirement having the force of law

in any jurisdiction (collectively, the “**Law**”) relating or applicable to such Person, property, transaction, event or other matter. Applicable Law also includes, where appropriate, any interpretation of the Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“**Applicable Tax Legislation**” means any legislation pursuant to which Taxes are imposed by any Taxation Authority.

“**Assessment**” means appeals, actions, audits, assessments, reassessments, suits, proceedings, investigations or claims for, or in respect of, Taxes that are made by any Taxation Authority.

“**Assets**” means collectively the Other Mining Equipment and the ^{R1} Mining Equipment, as set forth on Schedule “A” hereto.

Identifies location of Assets. All redactions marked with “R1” redact the location of the Assets.

“**Associate**” has the meaning ascribed thereto in the ABCA.

“**Business Day**” means any day other than a day which is a Saturday, a Sunday or a statutory holiday in the Provinces of Alberta or Ontario.

“**Claim**” has the meaning ascribed thereto in Section 7.1.

“**Closing**” means the completion of the purchase and sale of the Purchased Shares as herein provided.

“**Closing Date**” means June 15, 2018 or such other date to which the Parties may agree in writing.

“**Closing Payment**” has the meaning ascribed thereto in Section 2.3(a).

“**Closing Time**” means 9:00 a.m., Calgary time on the Closing Date, or such other time as the Parties may agree in writing.

“**Company**” means the wholly-owned subsidiary of the Vendor to be incorporated during the Interim Period into which the Vendor shall transfer the ^{R1} Mining Equipment pursuant to and in accordance with the Pre-Closing Reorganization.

“**Company Intellectual Property**” has the meaning ascribed thereto in Section 3.1(y).

“**Consents and Approvals**” means all consents and approvals listed in Schedule 1.1(a) required to be obtained in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

“**Contracts**” means all rights and interests of the Company to and in all pending and/or executory contracts, agreements, leases and arrangements, whether made orally or in writing, related to the Assets or by which the Company or any of the ^{R1} Mining Equipment or Assets is bound or affected.

“**Direct Claim**” has the meaning ascribed thereto in Section 7.3.

“**Effective Date**” means the Closing Date, or such other date as the Parties may agree in writing.

“**Encumbrance**” means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, right of occupation, any matter capable of registration against title, option, right of pre-emption, privilege or any

agreement, indenture, contract, lease, deed of trust, licence, option, instrument or other commitment, whether written or oral, to create any of the foregoing.

“Environmental Laws” means

- (a) statutes, codes, ordinances, decrees, rules, regulations, by-laws of any Governmental Authority, and principles of common and civil law and equity of any court, having jurisdiction in respect of , the Company, the [REDACTED] Mining Equipment or the Vendor;
RI
- (b) judgments, orders, decisions, ruling or awards, of any court or any administrative board or tribunal;
- (c) ministerial or departmental orders, decisions, policies or guidelines pertaining to groundwater and solid decontamination and ministerial or departmental orders, decisions, policies or guidelines of which, the Vendor or the Company have received notice; and
- (d) treaties;

RI or any provisions of the foregoing, which are binding on or which apply to the Company or the Vendor in respect of the [REDACTED] Mining Equipment and relating to the environment, health and safety matters or conditions, Hazardous Substances (as hereinafter defined), pollution or protection of the environment, including, without limitation, on-site or off-site contamination, occupational health and safety and regulation of chemical substances or products, Releases (as hereinafter defined) of pollutants, contaminants, chemicals, or industrial toxic, radioactive or Hazardous Substances into the environment or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, transport or handling of Hazardous Substances.

“Financial Assistance” means, with respect to any Person and without duplication, any loan, guarantee, indemnity, assurance, acceptance, extension of credit, loan purchase, share purchase, equity or capital contribution, investment or other form of direct or indirect financial assistance or support of any other Person (as hereinafter defined) or any obligation (contingent or otherwise) intended to enable or having the effect of enabling another Person to incur or pay any debt of any kind or to comply with agreements relating thereto or otherwise to assure or protect creditors of the other Person against loss in respect of debt of any kind of the other Person.

“Governmental Authority” means any government, government regulatory authority, government department, government agency, government commission, government bureau, government official, government minister, Crown corporation, court, government board or other governmental law, rule or regulation-making entity:

- (a) having or purporting to have jurisdiction on behalf of any nation, province, state or other geographic or political subdivision thereof; or
- (b) exercising or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“GST Legislation” means the *Excise Tax Act* (Canada), as amended.

“Hazardous Substance” means any substance, waste, liquid, gaseous or solid matter, fuel, micro-organism, sound, vibration, ray, heat, odour, radiation, energy vector, plasma, organic or inorganic matter which is or is deemed to be, alone or in any combination, hazardous, hazardous waste, solid or liquid

waste, toxic, a pollutant, a deleterious substance, a contaminant, a source of pollution or contamination, or a substance having an adverse effect under any Environmental Laws.

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

“**including**” and “**includes**” means “including, without limitation” and “includes, without limitation” respectively.

“**Indemnified Party**” means a Person whom the Vendor or Purchaser, as the case may be, have agreed to indemnify under Article 7.

“**Indemnifying Party**” means, in relation to an Indemnified Party, the Party to this Agreement that has agreed to indemnify that Indemnified Party under Article 7.

“**Intellectual Property**” means all rights to and interests in:

- (a) all marks, logos, slogans, trade-marks, domain names (whether used with wares or services and including the goodwill attaching to such trade-marks) and all registrations and applications for trade-marks (and all future income from such trade-marks);
- (b) all inventions, patents, patent rights, patent applications (including all reissues, divisions, continuations, continuations-in-part and extensions of any patent or patent application), industrial designs and applications for registration of industrial designs;
- (c) all copyrights, registrations and applications for copyrights (and all future income from such copyrights);
- (d) all licences of the intellectual property listed in items (a) to (c) above;
- (e) all future income and proceeds from any of the intellectual property listed in items (a) to (c) above and the licences described in item (d) above;
- (f) all documentation, packaging and media relating to the intellectual property described in items (a) to (e) above, including all computer disks, CD-ROMs and other storage media containing any such intellectual property and all boxes, wrapping and other packaging material;
- (g) all rights to damages, royalties and profits by reason of the past, present or future infringement or other misuse of any of the intellectual property listed in items (a) to (f) above.

“**Interim Period**” means the period from and including the time of execution of this Agreement up to and including the Closing Time.

“^{R1} [REDACTED] **Landlord**” ^{R1} [REDACTED]

“^{R1} [REDACTED] **Lease**” means the lease to be entered into between the Company and the ^{R1} [REDACTED] Landlord effective as of the Closing Date in respect of the ^{R1} [REDACTED] Property.

“^{R1} [REDACTED] **Mining Equipment**” means the assets listed under the heading ‘^{R1} [REDACTED] Mining Equipment’ on Schedule “A” hereto.

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“**Property**” means **R1**.

“**Liabilities**” means all costs, expenses, charges, debts, liabilities, indebtedness, claims, demands and obligations of any kind whatsoever, whether primary or secondary, direct or indirect, fixed, accrued, contingent, absolute or otherwise, whether under or in respect of any contract, agreement, arrangement, lease, commitment or undertaking, Applicable Law and Taxes or otherwise.

“**Material Adverse Change**” means a change in the Assets or the Company which has had or could be expected to have an adverse effect on the value of the Purchased Shares or on the willingness of a purchaser to buy the Purchased Shares on the terms hereof.

“**Option**” has the meaning ascribed thereto in Section 6.2(n).

“**Option Period**” means the period commencing on the Closing Date and ending 180 days thereafter.

“**Option Purchase Agreement**” means the purchase agreement to be entered into between the Vendor and the Purchaser (or the Company) upon exercise of the Option for the purchase and sale of the Other Mining Equipment.

“**Option Price**” means \$20,000,000.

“**Other Mining Equipment**” means the assets listed under the heading ‘Other Mining Equipment’ on Schedule “A” hereto.

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

“**Person**” includes any individual, corporation, body corporate, partnership, joint venture, association, unincorporated organization, trust, union, Governmental Authority, and other entity and the heirs, executors, administrators or other legal representatives of an individual.

“**Pre-Closing Reorganization**” means, in principal, the creation of the Company and the transfer of the **R1** Mining Equipment from the Vendor to the Company.

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“**Prime Rate**” means from time to time the prime rate of interest of Canadian Imperial Bank of Commerce main branch, Calgary, Alberta.

“**Promissory Note**” has the meaning ascribed thereto in Section 2.3(b).

“**Purchase Price**” has the meaning ascribed thereto in Section 2.2.

“**Purchased Shares**” means all of the issued and outstanding shares in the capital of the Company.

“**Purchaser**” means Vogogo Inc., a corporation amalgamated pursuant to the laws of the Province of Alberta.

“**Records**” means:

- (a) all written, machine readable or electronically stored information and data of or relating to the Company, the **R1** Mining Equipment including, without limiting the generality of the foregoing, all books, records, agreements, reports, plans, drawings, papers, accounting and other documents which relate to:

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- (i) the creation, acquisition, or ownership by the Vendor of the Purchased Shares;
 - (ii) the acquisition, construction, or ownership of the ^{R1} Mining Equipment by the Vendor and/or Company; and
 - (iii) title to the ^{R1} Mining Equipment, and
- (b) all minute books, accounting books and records, tax returns and other books, records, agreements, papers, returns, assessments, reassessments and documents, whether written, machine readable or electronically stored, which relate to any or all of the existence and activities of the Company and any activities of the Vendor in relation thereto.

“**Release**” includes, without limitation, releasing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, depositing, injecting, escaping, leaching, disposing or dumping.

“**Stock Options**” means stock options exercisable for shares in the capital of the Company

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Taxes**” means all taxes, however denominated or imposed, including any interest, penalties or other additions thereto that are imposed by a Governmental Authority, and shall for greater certainty include, but not be limited to, federal and provincial income and capital taxes, payroll and employee withholding taxes, other withholding taxes, surtaxes, employment insurance premiums, Canada pension plan contributions, goods and services tax, sales and use taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers’ compensation premiums, and all other amounts of the same or of a similar nature to any of the foregoing, whether or not such amounts are described as taxes.

“**Third Party**” has the meaning ascribed thereto in Section 7.5.

“**Third Party Claim**” has the meaning ascribed thereto in Section 7.3.

“**Vendor**” means 828 LP, a limited partnership established under the laws of the Province of Quebec.

1.2 Expanded Meanings

Unless the context otherwise necessarily requires:

- (a) words used herein importing the singular number only will include the plural and vice versa, and words importing the use of any gender will include all genders;
- (b) the terms “in writing” or “written” include printing, typewriting, or any electronic means of communication by which words are capable of being visually reproduced at a distant point of reception, including by telecopier; and
- (c) references herein to any agreement or instrument, including this Agreement, will be deemed to be references to the agreement or instrument as varied, amended, modified, supplemented or replaced from time to time, and any specific references herein to any legislation or enactment will be deemed to be references to such legislation or enactment as the same may be amended or replaced from time to time.

1.3 Currency

Unless otherwise expressly set forth, all dollar amounts in this Agreement are expressed in Canadian funds.

1.4 Sections and Headings

The division of this Agreement into Articles, Sections, Subsections, Schedules and other subdivisions and the insertion of headings is for convenience of reference only and will not affect or be utilized in the construction or interpretation hereof. Unless otherwise stated, all references herein to Articles, Sections, Subsections and Schedules are to those in or to this Agreement.

1.5 Accounting Terms and Principles

Except as set forth in this Agreement, all accounting terms and principles applicable to this Agreement will be interpreted and applied in accordance with IFRS. The basis of accounting set out in this Agreement will be applied on a consistent basis and will not be changed for the purposes of this Agreement unless agreed to by each of the Parties in writing.

1.6 Business Day

Where any date specified in this Agreement falls on a day that is not a Business Day, such date will be deemed to be the next Business Day.

1.7 Schedules

The following Schedules are attached to and form part of this Agreement:

Schedule "A"	-	Assets
Schedule 1.1(a)	-	Consents and Approvals
Schedule 3.1(x)	-	Directors and Officers
Schedule 3.1(z)	-	Insurance
Schedule 6.2(n)	-	Terms of Option

In the event of a conflict between a provision of the body of this Agreement and a provision of a Schedule, the provision of the body of this Agreement will prevail.

1.8 Knowledge

Where in this Agreement, or in any certificate or document delivered in connection herewith or to effect any of the transactions contemplated hereby, any statement, representation or warranty is made as to, or as being based on, the awareness, knowledge, information or belief of a Party, such awareness, knowledge, information or belief, as applicable, is limited to the actual awareness, knowledge, information or belief of the Party who makes such statement, representation or warranty, and the awareness, knowledge, information or belief which the Party would have had if it had conducted a diligent inquiry into the subject matter, provided that in the case of a Party that is a body corporate, such knowledge, information, awareness and belief will be the actual knowledge, information, awareness and belief of the directors and officers of the body corporate and the knowledge, information, awareness and belief that such directors and officers would have had if they had conducted a diligent inquiry into the relevant subject matter.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Shares

Subject to the terms and conditions of this Agreement, the Vendor will, at the Closing Time and with effect at the Effective Date, sell and transfer to the Purchaser and the Purchaser will purchase and accept from the Vendor the Purchased Shares.

2.2 Purchase Price

The aggregate purchase price (the “**Purchase Price**”) payable by the Purchaser to the Vendor for the Purchased Shares will be \$46,000,000.

2.3 Payment of Purchase Price

The Purchase Price will be paid and satisfied by the Purchaser as follows:

- (a) At the Closing Time, the Purchaser shall pay to the Vendor \$36,000,000 (the “**Closing Payment**”) via wire transfer of immediately available funds to a bank account designated in writing by the Vendor (details of which will be provided to the Purchaser in writing at least three (3) Business Days prior to the Closing Date).
- (b) At the Closing Time, the Purchaser shall deliver to the Vendor an interest-bearing secured promissory note (the “**Promissory Note**”) in the principal amount of \$10,000,000 and with a maturity date of two years from the date of issuance. The principal amount of the Promissory Note shall bear simple interest at the rate of 8% per annum, with the Purchaser making monthly interest payments during the term and a repayment of principal in the amount of \$5,000,000 on each of the first anniversary of the date of issuance and on the maturity date. The aggregate amount owing by the Purchaser to the Vendor under the Promissory Note shall be secured against the Assets.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendor

The Vendor hereby represents and warrants to the Purchaser that each of the statements contained in this Section 3.1 are true and correct as at the time of execution and delivery of this Agreement (except for any such statement with respect to the Company, which shall be true and correct as at the Closing Time) and that such statements will be true and correct as at the Closing Time (except for any such statement which expressly speaks as at some other time), and the Vendor acknowledges that the Purchaser is relying on such representations and warranties in connection with the purchase of the Purchased Shares and the completion of the other transactions hereunder.


- (a) **Corporate Standing and Authority of the Company** – The Company is a body corporate duly organized, validly existing and up to date with its corporate filings under its jurisdiction of incorporation. No proceedings have been taken or authorized by the Vendor or the Company or by any other Person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Company or with respect to any amalgamation, merger, consolidation, arrangement or reorganization of, or relating to, the

Company nor, to the knowledge of the Vendor, have any such proceedings been taken by any other Person. The Company has the necessary corporate power, authority and capacity to own or lease and use property and assets and to carry on business.

- (b) **Corporate Action of the Company** – The Company has taken all necessary actions, steps and corporate or other proceedings to approve and authorize, validly and effectively, the entering into and the execution, delivery and performance of each agreement contemplated to be executed and delivered by it hereunder and the sale and transfer of the Purchased Shares to Purchaser.
- (c) **Binding Effect of Other Agreements** - At the Closing Time, each agreement contemplated to be executed and delivered pursuant to this Agreement by the Company will have been duly authorized, executed and delivered by the Company and will constitute a legal, valid and binding obligation of the Company.
- (d) **No Conflicting Interests** - The consummation of the transactions contemplated by this Agreement and each agreement or document to be executed and delivered hereunder will not:
 - (i) violate, be in conflict with, result in a breach of, constitute a default, or cause the acceleration of any obligation of the Company under:
 - (A) any agreement, lease, contract, indenture, instrument, licence, permit or authority to which the Company is, or is entitled to be, a party or to which any or all of its property or the Purchased Shares will be subject;
 - (B) any provision of the articles, bylaws or other constating document, or any resolution of the board of directors (or any committee thereof) or shareholders, of the Company;
 - (C) any judgment, decree, order, statute, rule or regulation applicable to the Company, or
 - (D) any provision of Law or regulation of any Governmental Authority or any judicial or administrative order, award, judgment or decree applicable to the Company; or
 - (ii) result in the creation of any Encumbrance upon any of the Purchased Shares or the Assets under any such agreement, lease, contract, instrument, licence, permit or authority.
- (e) **Approvals to Transactions** - No consent or approval of any Person is required for the execution, delivery or performance by the Company of the transactions contemplated by this Agreement or for the execution, delivery or performance by the Company of any other agreement contemplated hereunder to be delivered by the Company at or before the Closing Time, other than the Consents and Approvals, which will be obtained on or prior to the Closing Time.
- (f) **Share Capital** – The authorized share capital of the Company consists only of an unlimited number of common shares, of which at the Closing Time only the Purchased Shares (and no more or other classes of shares or other securities) will be issued and

outstanding, and which Purchased Shares will have been at the Closing Time duly and validly authorized by the Company and issued and outstanding as fully paid and non-assessable.

- (g) **Options, Convertible Securities and Purchase Agreements** – No Person has any agreement, option, commitment, or any right or privilege (whether by Law, preemptive or contractual) capable of becoming an agreement, option or commitment (including any such right or privilege under convertible securities, warrants or convertible obligations of any nature) for the purchase, subscription, allotment or issuance of, or conversion into, any of the unissued shares or any other securities of the Company, including any Stock Options or Warrants.
- (h) **Shareholders Agreement** – The Company is not a party to any unanimous shareholders' agreement, pooling agreements, voting trusts or other similar agreements in effect with respect to the Purchased Shares.
- (i) **Contracts** - The Company is not a party to, or bound by any Contracts.
- (j) **No Liabilities** –The Company has no Liabilities whatsoever and is under no obligation to create or issue any bonds, debentures, mortgages, promissory notes or other evidence of Indebtedness.
- (k) **Financial Assistance** – The Company has not provided any Financial Assistance to any Person.
- (l) **Minute Books** - The minute books of the Company contain complete and accurate minutes of all meetings and resolutions of the directors (and any committees thereof) and shareholders of the Company in all respects. The share certificate books, register of shareholders, register of transfers and register of directors of the Company are complete and accurate in all respects.
- (m) **Intermediary Fees** - No commission or other remuneration is or will be payable by the Company to any broker, agent or other intermediary who has acted for the Vendor or the Company in connection with the sale of the Purchased Shares and the transactions herein contemplated (including the Pre-Closing Reorganization).
- (n) **Litigation and Related Matters** - There are no actions, suits, investigations or proceedings pending, or to the knowledge of the Vendor, threatened, against or affecting the Vendor, the Company, the Assets or the ability of the Vendor or the Company to consummate the transactions contemplated hereby, at Law or in equity, or before any arbitrator of any kind, or before or by any Governmental Authority, and the Vendor is not aware of any existing ground on which any such action or proceeding might be commenced. Neither the Vendor nor the Company is subject to any outstanding orders, writs, injunctions, decrees, judgments, awards, determinations, work orders or directions of any arbitrator or Governmental Authority.
- (o) **Subsidiaries** - The Company does not own any subsidiaries or shares or any other interest in any other Person, nor is the Company subject to any agreements of any nature to acquire any subsidiary or shares or any other interest in any other Person or to acquire or lease any other business operation.

- (p) **Partnerships or Joint Ventures** - The Company is not a partner or participant in any partnership, joint venture, profit-sharing arrangement or other association of any kind.
- (q) **No Changes** - Other than the Pre-Closing Reorganization, there has not occurred or arisen any:
- (i) transaction by the Vendor or the Company, except in the ordinary course;
 - (ii) any capital expenditures or commitments by the Company;
 - (iii) destruction of, damage to or loss of any Assets (whether or not covered by insurance);
 - (iv) labour trouble or claim of wrongful discharge or other unlawful labour practice or action;
 - (v) issuances of any shares of any class or other securities of any kind of the Company;
 - (vi) acquisition, sale or transfer of any Assets;
 - (vii) amendment or termination of any Material Contract, agreement or license to which the Company is a party or by which it or the Assets are bound;
 - (viii) event or condition of any character that has or could be expected to have a Material Adverse Change on the Company or the Assets; or
 - (ix) any agreement or commitment with respect to the foregoing (i) through (viii).
- (r)  **Describes Assets**
- (s) **Restrictive Covenants** - The Company is not a party to or bound or affected by any Contract limiting the freedom of the Company: (i) compete in any line of business or any geographic area; (ii) acquire goods or services from any supplier; (iii) transfer or move any of its Assets or operations.
- (t) **Affiliate Transactions** - No officer or director of the Company or any entity over which any of the foregoing Persons has control, or is an officer or director of, is a party to any Contract with the Company or has any interest in any of the Assets.
- (u) **Taxes** –
- (i) the Company has not carried on any business and has not been required to file any Tax return or make any payment or accrual for Taxes;
- (v) **Employee Commitments** - The Company has no employees and has never had any employees.

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- (w) **Real Property** – Other than the [REDACTED] Lease, the Company does not own or have any right, title or interest in any real property. The [REDACTED] Lease is in good standing, create a good and valid interest in the [REDACTED] Property and is in full force and effect. With respect to the [REDACTED] Lease: (i) all rents and additional rents that are due have been paid; (ii) to the knowledge of the Vendor, no waiver, indulgence or postponement of the Company’s obligations has been granted by the [REDACTED] Landlord, as applicable; and (iii) neither the Company or, to the knowledge of the Vendor, the [REDACTED] Landlord is in breach, default or violation of the applicable lease or to the knowledge of the Vendor, is alleged to be in such breach, default or violation. **R1**
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- (x) **Title to Tangible Assets** - The Vendor is the legal and beneficial owner of the Assets free and clear of any Encumbrance. As at the Closing Time, the Company is the legal and beneficial owner of the [REDACTED] Mining Equipment free and clear of any Encumbrance and there is no agreement, option or other right or privilege outstanding in favour of any **Directors and Officers** - Schedule 3.1(x) sets forth the names and titles of all directors and officers of the Company immediately prior to the Closing Time. **R1**
- (y) **Intellectual Property** -
- (i) The Company does not own any Intellectual Property..
- (ii) The Assets do not:
- (A) violate any license or agreement of the Vendor or the Company with any Person;
- (B) to the knowledge of the Vendor, infringe upon the industrial, Intellectual Property, trade secret or proprietary rights of any Person, whether pursuant to common law or statutory law, including rights relating to defamation, rights of confidentiality, privacy or publicity and contractual rights; or
- (C) require the payment of any royalty, honoraria, fees or other payments to any other Person. **R1**
- (z) **Insurance** – The Company has insurance policies in place with reputable insurers for the Assets of the Company against all risks normally insured against, and in amounts normally carried, by Persons of similar size to the Company engaged in cryptocurrency mining.
- (aa) **Environmental** -
- (i) As at the Closing Time, the Company has not released, transported, treated, processed, distributed, stored, used, manufactured, handled, disposed of or exposed its employees or other Persons to any Hazardous Substances or caused, authorized or permitted any of the foregoing except in compliance with all applicable Environmental Laws.
- (ii) The Company has not disposed of or arranged for the disposal of Hazardous Substances, other than at licensed facilities and in compliance with all Environmental Laws.

- (bb) **Operating Permits and Licenses** - There are no permits, licenses, consents, authorizations, approvals, privileges, waivers, exemptions, orders (inclusionary or exclusionary) or other concessions required in connection with the ownership and operation of the Assets.
- (cc) **Suppliers** – The Company is not required to provide any bonding or other financial security arrangements in connection with any transactions with any of its Suppliers. The Vendor is not aware of, nor has it received notice of, any intention on the part of any Supplier to cease doing business with the Vendor or the Company or to modify or change in any material manner any existing arrangement with the Vendor or the Company for the supply of any products or services. The relationships of the Vendor and the Company with each of its Suppliers are satisfactory to the Vendor and the Company, as the case may be, and there are no unresolved disputes with any Suppliers.
- (dd) **Taxable Canadian Property** - The Purchased Shares are not Taxable Canadian Property, within the meaning of the Tax Act.
- (ee) **Compliance with Applicable Laws** - All Applicable Laws having jurisdiction over the Company, the Vendor, or the Assets are being, and have been, complied with by the Vendor and the Company except where such non-compliance would not result in a Material Adverse Change.
- (ff) **Particulars of Schedules** - All particulars set out in the Schedules referred to in this Section 3.1 are true, complete and accurate and not misleading in any respect.
- (gg) **Disclosure** - The representations and warranties of the Vendor contained in this Agreement and in any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Agreement are true and correct and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained in such representations and warranties not misleading to a prospective purchaser of the Purchased Shares. Except for matters disclosed herein, the Vendor has no knowledge of any facts which, if known to the Purchaser, might reasonably be expected to materially diminish the Purchaser's evaluation of the value of the Purchased Shares or might reasonably be expected to deter the Purchaser from completing the transactions contemplated hereby.

3.2 Representations and Warranties of the Vendor With Respect to Itself

The Vendor hereby represents and warrants to the Purchaser that each of the statements contained in this Section 3.2 is true and correct as at the time of execution of this Agreement and that such statements will be true and correct as at the Closing Time (except for any such statement which expressly indicates some other time), and the Vendor acknowledges that the Purchaser is relying on such representations and warranties in connection with the purchase of the Purchased Shares and the completion of the other transactions hereunder.

- (a) **Authority of the Vendor** – The Vendor has all necessary power, authority and capacity to enter into this Agreement and each agreement contemplated to be executed and delivered hereunder by the Vendor at or before the Closing Time and to perform its obligations hereunder.

- (b) **Corporate Action of the Vendor** – The Vendor has taken all necessary actions, steps and corporate or other proceedings to approve and authorize, validly and effectively, the entering into and the execution, delivery and performance of this Agreement and each agreement contemplated to be executed and delivered by it hereunder and the sale and transfer of the Purchased Shares to Purchaser.
- (c) **Binding Agreement** - This Agreement has been duly authorized, executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of the Vendor.
- (d) **Binding Effect of Other Agreements** - At the Closing Time, each agreement contemplated to be executed and delivered pursuant to this Agreement by the Vendor will have been duly authorized, executed and delivered by the Vendor and will constitute a legal, valid and binding obligation of the Vendor.
- (e) **No Conflicting Interests** - The execution and delivery of this Agreement and each agreement or document to be executed and delivered hereunder and the consummation of the transactions contemplated herein and therein will not:
 - (i) violate, be in conflict with, result in a breach of, constitute a default, or cause the acceleration of any obligation of the Vendor under:
 - (A) any agreement, lease, contract, indenture, instrument, licence, permit or authority to which the Vendor is, or is entitled to be, a party or to which any or all of its property, the Purchased Shares or the Assets are subject;
 - (B) any provision of the articles, bylaws or other constating document, or any resolution of the board of directors (or any committee thereof) or shareholders, of the Vendor;
 - (C) any judgment, decree, order, statute, rule or regulation applicable to the Vendor, or
 - (D) any provision of Law or regulation of any Governmental Authority or any judicial or administrative order, award, judgment or decree applicable to the Vendor; or
 - (ii) result in the creation of any Encumbrance upon the Purchased Shares or the Assets under any such agreement, lease, contract, instrument, licence, permit or authority.
- (f) **Approvals to Transactions** - No consent or approval of any Person is required for the execution, delivery or performance by the Vendor of the transactions contemplated by this Agreement or for the execution, delivery or performance by the Vendor of any other agreement contemplated hereunder to be delivered by the Vendor at or before the Closing Time, other than the Consents and Approvals, which will be obtained on or prior to the Closing Time.
- (g) **Shareholdings of the Vendor** – At the Closing Time, the Vendor is the sole, unconditional, beneficial and registered owner of the Purchased Shares and has good and marketable title to the Purchased Shares, free and clear of all Encumbrances, except those of the Purchaser arising pursuant to this Agreement.

- (h) **No Other Purchase Agreements** - No Person, other than Purchaser, has any agreement, option or commitment or any right or privilege (whether by Law or at contract or otherwise) capable of becoming an agreement, option or commitment for the acquisition of any of the Purchased Shares.
- (i) **Shareholders Agreement** – The Vendor is not party to any unanimous shareholders' agreement, pooling agreements, voting trusts or other similar agreements in effect with respect to the Company or the Purchased Shares.
- (j) **Residency** - The Vendor is not a non-resident of Canada within the meaning of the Tax Act.
- (k) **Bankruptcy** - The Vendor has not filed a petition for bankruptcy protection, has not proposed or made a general assignment for the benefit of its creditors, has not had any petition for a bankruptcy order filed against it, and there is no proceeding to have a receiver appointed over any of its assets, nor has the Vendor had any encumbrancer seize any of its property or had any execution or distress become enforceable or levied against any of its property.

3.3 Non-Waiver

No investigations made by or on behalf of the Purchaser at any time will have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made herein or pursuant hereto.

3.4 Nature and Survival of Representations and Warranties

The representations and warranties of the Vendor contained in Sections 3.1 and 3.2 will survive Closing of the purchase and sale herein provided for and, notwithstanding Closing or any documents delivered or investigations made in connection therewith, will continue in full force and effect for the benefit of the Purchaser for a period of 12 months from the date of Closing, other than for matters in respect of Taxes, which will continue in full force and effect for the benefit of the Purchaser until the day after the last appeal period under the Applicable Tax Legislation; for matters in respect of Environmental Laws, which will continue in full force and effect for the benefit of the Purchaser for a period of 5 years from the date of Closing; and for matters in respect of Sections, 3.1(a), (f), (g), (h), (j), (x) and 3.2 which will survive indefinitely.

3.5 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor that each of the statements contained in Section 3.5 is true and correct as at the time of execution and delivery of this Agreement by the Purchaser and each of such statements will be true and correct at the Closing Time (except for any such statement which expressly indicates some other time), and the Purchaser acknowledges that the Vendor is relying on such representations and warranties in connection with the sale of the Purchased Shares and the completion of the other transactions hereunder.

- (a) **Corporate Standing and Authority of the Purchaser** – The Purchaser is a corporation duly organized, validly existing and up to date with all its corporate filings under the laws of the jurisdiction of its amalgamation. The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and each agreement contemplated to

be executed and delivered hereunder by the Purchaser at or before the Closing Time and to perform its obligations hereunder and thereunder.

- (b) **Corporate Action of the Purchaser** – The Purchaser has taken all necessary actions, steps and corporate or other proceedings to approve and authorize, validly and effectively, the entering into and the execution, delivery and performance of this Agreement and each agreement contemplated to be executed and delivered by it hereunder and the sale and transfer of the Purchased Shares to the Purchaser.
- (c) **Binding and Enforceable Agreement** - This Agreement has been duly authorized, executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser.
- (d) **Binding Effect of Other Agreements** - At the Closing Time, each agreement contemplated to be executed and delivered hereunder by the Purchaser at or before the Closing Time will have been duly authorized, executed and delivered by the Purchaser and will constitute a legal, valid and binding obligation of the Purchaser.
- (e) **No Conflicting Interests** - The execution and delivery of this Agreement and each agreement or document to be executed and delivered hereunder and the consummation of the transactions contemplated herein will not violate, be in conflict with, result in a breach of, constitute a default, or cause the acceleration of any obligation of the Purchaser under:
 - (i) any agreement, lease, contract, indenture, instrument, licence, permit or authority to which the Purchaser is or is entitled to be, a party or to which any or all of its property is subject,
 - (ii) any provision of the articles, bylaws or other constating documents, or any resolutions of the board of directors (or any committee thereof) or shareholders of the Purchaser;
 - (iii) any judgment, decree, order, statute, rule or regulation applicable to the Purchaser, or
 - (iv) any provision of law or regulation of any governmental or regulatory authority or any judicial or administrative order, award, judgment or decree applicable to the Purchaser.
- (f) **Approvals to Transactions** – Other than the consent of the Canadian Securities Exchange, no consent or approval of any Person is required for the execution, delivery or performance by the Purchaser of the transactions contemplated by this Agreement or for the execution, delivery or performance by the Purchaser of any other agreement contemplated hereunder to be delivered by the Purchaser at or before the Closing Time.

3.6 Non-Waiver

No investigations made by or on behalf of the Vendor at any time will have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made by the Purchaser herein or pursuant hereto.

3.7 Nature and Survival of Representations and Warranties

The representations and warranties of the Purchaser contained in this Agreement will survive Closing of the purchase and sale herein provided for and, notwithstanding Closing or any documents delivered or investigations made in connection therewith, will continue in full force and effect for the benefit of the Vendor, for a period of 24 months from the Closing Date.

ARTICLE 4 COVENANTS OF THE PARTIES

4.1 Covenants of Vendor

The Vendor covenants and agrees with the Purchaser, during the period from the date hereof to the Closing Time, as set forth below.

- (a) **No Shopping** - The Vendor agrees that it will not, and it shall cause the Company not to, nor will it permit, any of their respective Associates, Affiliates, agents, consultants, advisors or representatives to solicit, initiate, encourage, or participate in any discussions or negotiations with any third party concerning (a “**Proposed Transaction**”):
- (i) any sale of the Assets or any portion thereof;
 - (ii) any sale of the Purchased Shares or any portion thereof to any Person other than Purchaser; or
 - (iii) any merger, amalgamation, consolidation, business combination or similar transaction involving the Company.

If the Vendor, the Company or any of their respective Associates, Affiliates, agents, consultants, advisors or representatives receives, or becomes aware of, any inquiries or proposal relating to any Proposed Transaction, then the Vendor shall no later than one day after such receipt or becoming aware thereof notify the Purchaser in writing of such Proposed Transaction and of any further developments with respect to such Proposed Transaction. Such notification must disclose in reasonable detail the identity of the offeror and the terms and conditions of such Proposed Transaction and be accompanied with any written communication received relating to such Proposed Transaction.

- (b) **Examination and Investigation** - Immediately after the execution and delivery of this Agreement and prior to the Closing Time, the Vendor will, and will cause the Company to, permit employees, advisors and representatives of the Purchaser full and complete access to all facilities and premises (including the [REDACTED] Property) and all current and historical Records of the Assets and information of every nature and kind within the Vendor’s and the Company’s possession or control which relate to: R1
- (i) the acquisition, development, construction, , maintenance, or ownership of any of the Assets;
 - (ii) the incorporation, organization, or financial position of the Company;
 - (iii) the Pre-Closing Reorganization; and

- (iv) the acquisition or ownership of the Purchased Shares.

For the purpose of reviewing the Records of the Vendor or the Company and such information, such employees, advisors, and representatives will be permitted to make copies of such Records and information as they may deem advisable. The Vendor will make, and shall cause the Company to make, its auditors, counsel and other representatives, as applicable, available for consultation with respect to any information so obtained.

- (c) **Conduct of the Company** – The Vendor will, and will cause the Company to:

- (i) take all action within its reasonable control to ensure that the representations and warranties of the Vendor hereunder are true and correct at the time indicated for such representations and warranties;
- (ii) promptly notify the Purchaser of any facts that come to its attention which would cause the Vendor's representations and warranties herein to be untrue in any material respect;
- (iii) promptly notify the Purchaser in writing of any Material Adverse Change in the the Assets or the Company;
- (iv) ensure that the Company does not issue any securities (other than to effect the Pre-Closing Reorganization);
- (v) ensure that neither the Vendor nor the Company creates, incurs or assumes any long-term debt of any kind or creates any Encumbrance upon any of the Assets or provide any Financial Assistance to any Person;
- (vi) maintain existing policies of insurance and give all notices and present all claims under all policies of insurance in a due and timely fashion; and
- (vii) not alienate, transfer, pledge, encumber, sell, assign, bargain or agree to any of the foregoing, or otherwise deal with the Assets, except in accordance with the terms hereof or to effect the Pre-Closing Reorganization.

- (d) **Conditions of Closing** – The Vendor will use and will cause the Company to use its reasonable commercial efforts to cause all of the conditions for the benefit of the Purchaser to be fulfilled at or before the Closing Time.

4.2 Confidentiality

The Purchaser will keep confidential and not disclose to any third party any information of a proprietary or confidential nature (“**Confidential Information**”) disclosed by the Vendor or the Company to the Purchaser in respect of the Assets until the Closing, or if Closing does not occur, at all times hereafter. The Vendor and the Company will keep confidential and not disclose to any third party any Confidential Information disclosed by the Purchaser to the Vendor and the Company in respect of the business or affairs of the Purchaser until the Closing, or if Closing does not occur, at all times hereafter. The Vendor and the Company will keep confidential and not disclose to any third party any Confidential Information disclosed by the Purchaser to the Vendor and the Company in respect of the business or affairs of the Purchaser regardless of whether this Agreement is terminated or Closing occurs. It is understood and

agreed that the term “Confidential Information” will not include information that is within the public domain prior to the date hereof without fault by any Party, information available to the receiving Party and not subject to a confidentiality restriction, or information required to be disclosed by compulsion of law or court order. The receiving Party may disclose any such Confidential Information to its directors, officers, employees and professional advisors only on a “need to know basis” in respect of completing the transactions herein, provided such directors, officers, employees and advisors are made aware of the confidentiality of the same. If the transactions herein are not consummated, the receiving Party will immediately return or destroy all Confidential Information and copies thereof in its possession and forthwith deliver to the disclosing Party a certificate of a senior officer attesting to such return or destruction. It is understood and agreed that the terms of this Section 4.2 will be binding upon and will enure to the benefit of the Parties, whether or not the conditions set out in Article 5 are fulfilled and whether or not the transactions contemplated herein close.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Purchaser’s Conditions

The obligation of the Purchaser to complete the purchase of the Purchased Shares and to complete the other transactions contemplated by this Agreement will be subject to the satisfaction of, or compliance with, at or before the Closing Time, the conditions set forth below (which are hereby acknowledged to be inserted for the exclusive benefit of the Purchaser and may be unilaterally waived in writing by the Purchaser in whole or in part).

- (a) **Truth and Accuracy of Representations** - All of the representations and warranties of Vendor set forth in this Agreement will be true and correct as at the Closing Time in every respect with the same force and effect as though made at the Closing Time and a certificate of the Vendor dated the date of Closing to that effect will have been delivered to the Purchaser, such certificate to be in form and substance satisfactory to the Purchaser acting reasonably.
- (b) **Compliance with Agreement** - All of the terms, covenants, agreements and conditions of this Agreement to be complied with or performed by the Vendor and the Company at or before the Closing Time will have been complied with or performed in all respects, and a certificate of the Vendor and the Company, dated the date of Closing to that effect will have been delivered to the Purchaser, such certificates to be in form and substance satisfactory to Purchaser acting reasonably.
- (c) **Receipt of Closing Documentation** – The Purchaser will have received all documentation and deliveries required to be delivered to the Purchaser at or before the Closing Time in accordance with this Agreement.
- (d) **Consents and Approvals** - Each of the Consents and Approvals shall have been obtained by, or on behalf of, the Vendor and the Company, as applicable.
- (e) **No Restrictions** - At the Closing Time, no action or proceeding, judicial (at law or in equity) or extra-judicial will be pending or threatened by any Person to enjoin, restrict or prohibit:
 - (i) the purchase and sale contemplated hereby; or

- (ii) the right of the Company or Purchaser from and after the Closing Time to operate the Assets.
- (f) **Concurrent Closings** - All of the conditions precedent to the obligations of Purchaser to complete the transactions herein contemplated or contemplated in the other agreements contemplated or required hereby and the Schedules will have been fulfilled or satisfactorily performed in accordance therewith including, without limitation, the delivery of all documents required to be delivered thereunder.
- (g) **Resignation of Directors and Officers** - Each of the directors and officers of the Company will have resigned from the Company effective as at the Closing Time.
- (h) **No Encumbrances** - The Assets and the Purchased Shares will be free and clear of all Encumbrances.
- (i) **Lease** - The Company shall have entered into a lease with the ^{R1} Landlord in respect of the ^{R1} Property.
- (j) **Assets Operational** - The ^{R1} Mining Equipment shall be in place at the ^{R1} Property and will be fully operational (including but not limited to their readiness and capacity to host) to the satisfaction of the Purchaser, acting reasonably.
- (k) **Power Supply** - The Purchaser shall have received confirmation from the applicable electrical authority that the ^{R1} Property has a committed power supply of not less than ^{R1} megawatts, of which the Company will have access to not less than ^{R1} megawatts (and which may be increased to ^{R1} megawatts). Confidential
Confidential
Confidential
- (l) **Insurance** - The Company shall have in place insurance policies for the Assets with reputable insurers and the Purchaser shall be satisfied with respect to the adequacy of such policies in its sole discretion.
- (m) **Due Diligence Review** - The Purchaser shall have completed its due diligence examination of the Assets and the Company, all to the satisfaction of the Purchaser in its sole discretion.
- (n) **Financing** - The Purchaser shall have raised sufficient funds to complete the transactions contemplated hereby to the satisfaction of the Purchaser in its sole discretion.

5.2 Conditions of the Vendor

The obligation of the Vendor to complete the sale of the Purchased Shares and to complete the other transactions contemplated by this Agreement (as applicable) will be subject to the satisfaction of, or compliance with, at or before the Closing Time, the conditions set forth below (which are hereby acknowledged to be inserted for the exclusive benefit of the Vendor and may be unilaterally waived in writing by the Vendor in whole or in part).

- (a) **Truth and Accuracy of Representations** - All of the representations and warranties of the Purchaser set forth in this Agreement will be true and correct as at the Closing Time in every material respect with the same force and effect as though made at the Closing Time, and a closing certificate of a senior officer of Purchaser dated the date of Closing

to that effect will have been delivered to the Vendor such certificate to be in form and substance satisfactory to the Vendor acting reasonably.

- (b) **Compliance with Agreement** - All of the terms, covenants, agreements and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Closing Time will have been complied with or performed in all respects, and a certificate to that effect of a senior officer of the Purchaser dated the date of Closing will have been delivered to the Vendor, such certificate to be in form and substance satisfactory to the Vendor acting reasonably.
- (c) **Receipt of Closing Documentation** - the Vendor will have received all documentation and deliveries required to be delivered to the Vendor at or before the Closing Time in accordance with this Agreement.
- (d) **Consents and Approvals** - the consent of the Canadian Securities Exchange shall have been obtained by, or on behalf of the Purchaser, if applicable.
- (e) **No Restrictions** - At the Closing Time, no action or proceeding, judicial (at law or in equity) or extra-judicial will be pending or threatened by any Person to enjoin, restrict or prohibit the purchase and sale contemplated hereby.
- (f) **Outside Date** - The Closing shall have occurred on or prior to July 31, 2018.

5.3 Rights of Purchaser

If any condition in Section 5.1 has not been fulfilled at or before the Closing Time, then the Purchaser in its sole discretion may, without limiting any rights or remedies available to the Purchaser at law or in equity, either:

- (a) terminate this Agreement by notice to the Vendor, in which event the Purchaser shall be released from all obligations under this Agreement, other than any obligations set out in Section 4.2 and unless the Purchaser can show that the condition which has not been satisfied and for which the Purchaser has terminated this Agreement is reasonably capable of being performed or caused to be performed by the Vendor or has not been satisfied by reason of a default by the Vendor hereunder, then the Vendor shall also be released from all obligations hereunder, other than any obligations set out in Section 4.2; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfillment of any other condition.

5.4 Rights of Vendor

If any condition in Section 5.2 shall not have been fulfilled at or before the Closing Time, then the Vendor in its sole discretion may, without limiting any rights or remedies available to the Vendor at law or in equity, either:

- (a) terminate this Agreement by notice to Purchaser in which event the Vendor shall be released from all obligations under this Agreement, other than any obligations set out in Section 4.2, and unless the Vendor can show that the condition which has not been satisfied and for which the Vendor has terminated this Agreement is reasonably capable

of being performed or caused to be performed by the Purchaser or has not been satisfied by reason of a default by the Purchaser hereunder, then the Purchaser shall also be released from all obligations hereunder, other than any obligations set out in Section 4.2; or

- (b) waive compliance with any such condition without prejudice to their right of termination in the event of non-fulfillment of any other condition.

5.5 Termination

Without limiting the application of Section 5.3 or 5.4, this Agreement may be terminated at any time prior to Closing by written agreement of the Parties, in which case both Parties shall be released from all obligations under this Agreement, other than any obligations set out in Section 4.2.

ARTICLE 6 CLOSING

6.1 Place of Closing

The Closing will take place at the Closing Time at the offices of Cassels Brock & Blackwell LLP in Toronto, Ontario or at such other place as may be agreed upon by the Parties.

6.2 Deliveries by Vendor

At the Closing Time and at the place of Closing, the Vendor will deliver or cause to be delivered to the Purchaser, as applicable:

- (a) share certificates representing the Purchased Shares duly endorsed for transfer to the Purchaser;
- (b) certificates of incumbency for the Vendor and the Company listing all of the directors and officers of the Vendor and the Company as at Closing;
- (c) a certificate of good standing, or equivalent, of the Vendor and the Company;
- (d) a certified copy of resolutions of the directors of the Company consenting to the transfer of the Purchased Shares to the Purchaser and authorizing the registration of such transfer on the share registers of the Company;
- (e) a certified copy of resolutions of the directors (and, if applicable the shareholders) of the Vendor consenting to the transfer of the Purchased Shares to the Purchaser
- (f) the certificates contemplated by Sections 5.1(a) and (b);
- (g) written third party consents to the extent required by Section 5.1(d);
- (h) the minute books and corporate seal, if any, of the Company;
- (i) resignations of the directors and officers of the Company;
- (j) releases of the Company by the Vendor and by each of the Company's directors and officers in form satisfactory to Purchaser;

- (k) a copy of the opening balance sheet of the Company;
- (l) evidence satisfactory to the Purchaser that the Assets are in place at the ^{R1} [REDACTED] Property and are fully operational;
- (m) copies of the Company's insurance policies;
- (n) an option agreement on terms satisfactory to the Purchaser, including but not limited to the terms set out in Schedule 6.2(n), pursuant to which the Vendor unconditionally grants to the Purchaser the sole, exclusive and irrevocable option (the "**Option**") to acquire from the Vendor, at any time during the Option Period, the Other Mining Equipment for the Option Price; and
- (o) such other certificates or documents as the Vendor and the Company are required to deliver pursuant to the terms of this Agreement or as the Purchaser or its counsel may reasonably require, including, without limitation, those documents set out in Section 5.1.

6.3 Deliveries of Purchaser

At the Closing Time and at the place of Closing, Purchaser will deliver or cause to be delivered to the Vendor:

- (a) the Closing Payment;
- (b) the Promissory Note and evidence of registration of a movable hypothec in respect of same with the *Registre des droits personnels et réels mobiliers* (RDPRM);
- (c) a certified copy of a resolution of the directors of the Purchaser consenting to the purchase of the Purchased Shares;
- (d) written third party consents to the extent required by Section 5.2(d);
- (e) the certificates contemplated by Sections 5.2(a) and (b);
- (f) a certificate of incumbency of the Purchaser listing all of the directors and officers of the Purchaser as at Closing;
- (g) certified copies of the constating documents of the Purchaser;
- (h) a certificate of status of the Purchaser;
- (i) such other certificates or documents as the Purchaser is required to deliver pursuant to the terms of this Agreement or as the Vendor or its counsel may reasonably require including, without limitation, those documents set out in Subsection 5.2.

6.4 Closing Escrow

All payments or documents delivered by any Person at the Closing Time will be deemed not to have been delivered until the Vendor and Purchaser, acting reasonably and in good faith, have declared that they are satisfied with the form and substance of all of the payments and documents to be delivered to such Person at Closing and until all conditions to the delivery or release of any payments or documents to be delivered at the Closing Time by parties other than the Vendor or Purchaser will have been satisfied.

ARTICLE 7 INDEMNIFICATION

7.1 Indemnity by Vendor

The Vendor shall indemnify and hold the Purchaser, its directors, officers, employees, agents and representatives and Purchaser's Affiliates and their respective directors, officers, employees, agents and representatives, without duplication, harmless in respect of any claim, demand, action, cause of action, damage, loss, cost, liability or expense (hereinafter referred to as a "**Claim**") which may be made or brought against an Indemnified Party or which it may suffer or incur directly or indirectly as a result of, in respect of or arising out of:

- (a) any incorrectness in or breach of any representation or warranty of the Vendor contained in this Agreement or under any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (b) any breach of or any non-fulfilment of any covenant or agreement on the part of any Vendor under this Agreement or under any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (c) the Pre-Closing Reorganization;
- (d) any claim against the Company instituted prior to or after the Closing Time which is based on an act or omission of the Company or the Vendor prior to the Closing Time;
- (e) any Taxes required to be paid by the Company relating to any period ending on or before the Closing Time; and
- (f) all claims, demands fines, penalties, costs and expenses of any nature whatsoever (including, without limitation, legal fees, charges and disbursements on a solicitor and his own client basis) in respect of the foregoing.

7.2 Indemnity by Purchaser

The Purchaser shall indemnify and hold the Vendor, its directors, officers, employees, agents and representatives and the Vendor's Affiliates and their respective directors, officers, employees, agents and representatives, without duplication, harmless in respect of any Claim which may be made or brought against an Indemnified Party or which it may suffer or incur directly or indirectly as a result of, in respect of or arising out of:

- (a) any incorrectness in or breach of any representation or warranty of the Purchaser contained in this Agreement or under any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (b) any breach or non-fulfilment of any covenant or agreement on the part of the Purchaser under this Agreement or under any other agreement, certificate or instrument executed and delivered pursuant to this Agreement;
- (c) any Taxes required to be paid by the Company relating to any period ending after the Closing Time; and

- (d) all claims, demands fines, penalties, costs and expenses of any nature whatsoever (including, without limitation, legal fees, charges and disbursements on a solicitor and his own client basis) in respect of the foregoing.

7.3 Notice of Claim

If an Indemnified Party becomes aware of a Claim in respect of which indemnification is provided for pursuant to either of Section 7.1 or 7.2, as the case may be, the Indemnified Party shall promptly give written notice of the Claim to the Indemnifying Party. Such notice shall 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 shall 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, if known.

7.4 Direct Claims

In the case of a Direct Claim, the Indemnifying Party shall have sixty (60) days from receipt of notice of the Claim within which to make such investigation of the Claim as the Indemnifying Party considers necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim, together with all such other information as the Indemnifying Party may reasonably request. If both parties agree at or before the expiration of such sixty (60) day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full agreed upon amount of the Claim, failing which the matter shall be referred to binding arbitration in such manner as the parties may agree or shall be determined by a court of competent jurisdiction.

7.5 Third Party Claims

In the case of a Third Party Claim, the Indemnifying Party shall have the right, at its expense, to participate in or assume control of the negotiation, settlement or defence of the Claim. If the Indemnifying Party elects to assume such control, the Indemnifying Party shall reimburse the Indemnified Party for all of the Indemnified Party’s out-of-pocket expenses incurred as a result of such participation or assumption. The Indemnified Party shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless the Indemnifying Party consents to the retention of such counsel at its expense or unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and a representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to the actual or potential differing interests between them (such as the availability of different defences). The Indemnified Party shall cooperate with the Indemnifying Party so as to permit the Indemnifying Party to conduct such negotiation, settlement and defence and for this purpose shall preserve all relevant documents in relation to the Third Party Claim, allow the Indemnifying Party access on reasonable notice to inspect and take copies of all such documents and require its personnel to provide such statements as the Indemnifying Party may reasonably require and to attend and give evidence at any trial or hearing in respect of the Third Party Claim. If, having elected to assume control of the negotiation, settlement or defence of the Third Party Claim, the Indemnifying Party thereafter fails to conduct such negotiation, settlement or defence with reasonable diligence, then the Indemnified Party shall be entitled to assume

such control and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim.

7.6 Settlement of Third Party Claims

If the Indemnifying Party fails to assume control of the defence of any Third Party Claim, the Indemnified Party shall have the exclusive right to contest, settle or pay the amount claimed. Whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnifying Party shall not settle any Third Party Claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed; provided, however, that the liability of the Indemnifying Party shall be limited to the proposed settlement amount if any such consent is not obtained for any reason within a reasonable time after the request therefor.

7.7 Interest on Claims

The amount of any Claim submitted under Section 7.1 or Section 7.2 as damages or by way of indemnification shall bear interest from and including the date any Indemnified Party is required to make payment in respect thereof at the Prime Rate calculated from and including such date to but excluding the date reimbursement of such Claim by the Indemnifying Party is made, and the amount of such interest shall be deemed to be part of such Claim.

7.8 Adjustments

- (a) The amount of any Claim submitted under Section 7.1 or 7.2 as damages or by way of indemnification shall be determined on an after-tax basis, and without limiting the generality of the foregoing shall:
 - (i) be net of the present value of any Tax benefits to the Indemnified Party resulting from the claim for indemnity and indemnification; and
 - (ii) include the amount necessary to hold the Indemnified Party harmless after Tax, and the present value of any Tax benefits shall be the amount, calculated on the date that is the Business Day immediately preceding the date of payment of the Claim, that is required to provide a yield from such date to the last day of the latest taxation year of the Indemnified Party to which the Tax benefits relate that is equal to the sum of the yield to maturity on such date, assuming semi-annual compounding, that a non-callable Government of Canada bond would carry if issued in Canadian dollars in Canada at 100% of its principal amount on such date and maturing approximately on the last day of the latest taxation year of the Indemnified Party to which the Tax benefits relate, plus the Prime Rate.
- (b) The amount of any Claim submitted under Section 7.1 or 7.2 as damages or by way of indemnification as determined without regard to this Section 7.8 shall be increased by an amount equal to the rate of Goods and Services Tax applied to such amount.
- (c) Any payments under this Article 7 shall constitute an adjustment to the Purchase Price to the extent permitted by Applicable Law.

ARTICLE 8 GENERAL

8.1 Amendment of Agreement

No supplement, modification, waiver or termination of this Agreement will be binding unless executed in writing by the Party to be bound thereby.

8.2 Waiver

No waiver of any of the provisions of this Agreement will be valid unless in writing and no such waiver will constitute nor be deemed to constitute a waiver of any other provisions (whether or not similar) nor will such waiver constitute a continuing waiver unless otherwise expressly provided.

8.3 Applicable Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

8.4 Severability

Any Article, Section, Subsection, Schedule or other subdivision or any other provision of this Agreement that is deemed to be or becomes void, illegal, invalid or unenforceable will be severable herefrom and ineffective to the extent of such voidability, illegality, invalidity or unenforceability, and will not invalidate, affect or impair the remaining provisions hereof, which provisions will be severable from any void, illegal, invalid or unenforceable Article, Section, Subsection, Schedule or other subdivision or provision hereof.

8.5 Time of Essence

Time will be of the essence in this Agreement.

8.6 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, warranties, representations or other agreements between the parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as specifically set out in this Agreement.

8.7 Notices

Any notice or other writing required or permitted to be given hereunder or for the purposes hereof to any Party will be sufficiently given if delivered personally or by electronic mail to such Party:

- (a) in the case of a notice to the Vendor:



Personal Information



Personal Information

(b) in the case of a notice to Purchaser:

Vogogo Inc.
4600, 525 – 8th Avenue SW
Calgary, AB T2P 1G1

Attention: Chief Executive Officer
Email: jkf@vogogo.com

With a copy to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King St. West
Toronto, Ontario
M5H 3C2

Attention: Mickey Lungu
Email: mlungu@casselsbrock.com

or at such other address as the party to whom such writing is to be given will have last notified to the Party giving the same in the manner provided in this Section 8.7. Any notice delivered to the Party to whom it is addressed hereinbefore provided will be deemed to have been given and received on the day it is so delivered at such address, provided that if the notice is delivered after 4:00 p.m. (local time) or if such day is not a Business Day then the notice will be deemed to have been given and received on the Business Day next following such day.

8.8 Enurement

This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and assigns. This Agreement may not be assigned by the Vendor without the prior written consent of the Purchaser. The Purchaser may assign this Agreement or any of its rights and benefits under this Agreement to any Affiliate of the Purchaser or any successor to the business of the Purchaser or any part thereof upon prior written notice to the Vendor.

8.9 Arbitration

(a) In the event that the Parties fail to perform, or are unable to agree on the performance of, any of the obligations arising from this Agreement after reasonable commercial efforts, then the Parties agree to refer the dispute or disputes to arbitration as provided for in this Section 8.9.

- (b) Any Party may serve another Party written notice that it wishes a matter referred to arbitration. The Parties will meet within 7 days of the receipt of such notice to attempt to agree on a single arbitrator qualified by experience, education and training, to determine such matter. If the Parties are unable to agree on the selection of the arbitrator, the Party that issued such notice will forthwith make application to a judge of the Court of Queen's Bench of the Province of Alberta pursuant to the *Arbitration Act* (Alberta) for the appointment of a single arbitrator, and failing such action on the part of the Party that issued such notice, the other Party may make such application. The arbitrator selected pursuant to this Section will proceed as soon as is practicable to hear and determine the matter in dispute, and will be directed to provide a written decision respecting such matter with 45 days of appointment. The Parties will provide such assistance and information as may be reasonably necessary to enable the arbitrator to determine such matter. Except to the extent modified in this Article, the arbitrator will conduct any arbitration hereunder pursuant to the provisions of the *Arbitration Act* (Alberta). The liability between the Parties for the payment of the compensation and expenses of the arbitrator will be determined by the arbitrator. The results of the arbitration will be binding and shall not be subject to appeal in court.

8.10 Expenses

All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the Party that incurred such costs and expenses.

8.11 Further Assurances

The Parties will provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each Party will provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after Closing.

8.12 Counterparts

This Agreement may be executed in one or more counterparts, which so executed will constitute an original and all of which together will constitute one and the same agreement. A signed counterpart provided by way of electronic transmission will be as binding upon the Parties as an originally signed counterpart.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the date first above written.

VOGOGO INC.

By: (signed) "John FitzGerald"
Name:
Title:

828 LP, herein acting by its general partner,
9371-8328 Quebec Inc

By: (signed) [REDACTED]
Name: **Personal Information**
Title:

SCHEDULE 1.1(a)
Consents and Approvals

The consent of the Canadian Securities Exchange shall have been obtained by, or on behalf of the Purchaser, if applicable

SCHEDULE 3.1(x)
Directors and Officers

██████, Director

Personal Information

No officers appointed

SCHEDULE 3.1(z)
Insurance

N/A

SCHEDULE 6.2(n)
Terms of Option

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Confidential Business Information