

ALPHA COPPER CORP.
and
CAVU ENERGY METALS CORP.

ARRANGEMENT AGREEMENT

September 30, 2022

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ARRANGEMENT AGREEMENT

ARRANGEMENT AGREEMENT dated September 30, 2022

BETWEEN:

ALPHA COPPER CORP., a corporation existing under the laws of the Province of British Columbia (“**ALCU**”)

- and -

CAVU ENERGY METALS CORP., a corporation existing under the laws of the Province of British Columbia (“**CAVU**”)

WHEREAS:

A. The board of directors of each of ALCU and CAVU have agreed to enter into a business combination whereby ALCU will acquire all of the outstanding common shares of CAVU pursuant to a statutory plan of arrangement under the BCBCA (as hereinafter defined);

B. ALCU has entered into CAVU Voting Agreements (as hereinafter defined) with the CAVU Supporting Shareholders (as hereinafter defined), pursuant to which, among other things, such CAVU Supporting Shareholders agree, subject to the terms and conditions thereof, to vote the CAVU Shares (as hereinafter defined) and, if applicable, any securities convertible, exercisable or exchangeable into CAVU Shares held by them in favour of the Arrangement Resolution (as hereinafter defined); and

C. The Parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters related to the transactions herein provided for.

NOW THEREFORE in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereto covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

“**Acquisition Proposal**” means, other than the transactions contemplated by this Agreement and other than any transaction involving (or agreed by) the Parties, any offer, proposal, expression of interest or inquiry from any Person or group of Persons acting jointly or in concert, whether or not in writing and whether or not delivered to the shareholders of CAVU, after the date hereof relating to: (a) any acquisition or sale, direct or indirect, through one or more transactions, of: (i) the assets of CAVU that, individually or in the aggregate, constitute 20% or more of the fair market value of the consolidated assets of CAVU or which contribute 20% or more of the consolidated revenue of CAVU, or (ii) 20% or more of the issued and outstanding voting or equity securities or any securities exchangeable for or convertible into voting or equity securities of CAVU; (b) any take-over bid, tender offer, exchange offer or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of CAVU; (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, joint venture, partnership, liquidation, dissolution or other similar transaction involving CAVU; (d) any other similar transaction or series of transactions similar to those

referred to in paragraphs (a) through (c) above, involving CAVU; or (e) any transaction or agreement which could reasonably be expected to materially impede, prevent or delay the completion of the Arrangement. For the purposes of the definition of “Superior Proposal”, reference in this definition of Acquisition Proposal to “20%” shall be deemed to be replaced by “100%”;

“**affiliate**” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*;

“**Agreement**” means this arrangement agreement, including all schedules annexed hereto, together with the ALCU Disclosure Letter and the CAVU Disclosure Letter, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

“**ALCU Annual Financial Statements**” means the audited consolidated financial statements of ALCU for the years ended September 30, 2021 and 2020, including the notes thereto;

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

“**ALCU Disclosure Documents**” means all forms, reports, schedules, statements, certifications and other documents, including without limitation all press releases, forms, reports, schedules, financial statements and notes and schedules to such financial statements, management’s discussion and analysis of financial condition and operations, certifications, annual information forms, management information circulars, material change reports, NI 43-101 technical reports and other documents required to be publicly disclosed or filed by ALCU with the Securities Authorities pursuant to applicable Securities Laws since October 1, 2021;

“**ALCU Disclosure Letter**” means the disclosure letter executed by ALCU and delivered to CAVU concurrently with the execution of this Agreement;

“**ALCU Financial Statements**” means, collectively, the ALCU Annual Financial Statements and the ALCU Interim Financial Statements;

“**ALCU Finder Warrants**” means the outstanding finder warrants to acquire up to 394,775 ALCU Shares at a price of \$1.00 per share until February 25, 2024, which are outstanding immediately prior to the Effective Time;

“**ALCU Interim Financial Statements**” means the unaudited condensed consolidated interim financial statements of ALCU for the three and nine months ended June 30, 2022, including the notes thereto;

“**ALCU Material Contracts**” means any Contract that: (a) if terminated, breached or not renewed would or would reasonably be expected to have a Material Adverse Effect on ALCU; (b) is a Contract that contains any non-competition, non-solicitation or similar obligation that restricts in any way the business of ALCU; (c) relates to the disposition or acquisition by ALCU after the date of this Agreement of material assets or an ownership interest in a material business or pursuant to which ALCU has any material ownership or participation interest in any other Person or other business enterprise; (d) provides for obligations or entitlements or termination payments of ALCU, or which has an economic value to ALCU, whether or not on a contingent basis, in excess of either \$50,000 per annum or \$250,000 in total; (e) ALCU has filed with the Securities Authorities as a material contract in accordance with applicable Securities Laws; or (f) is a joint venture agreement, royalty agreement, power supply agreement, water supply agreement, agreement with a Governmental Entity, or any other material agreement that requires the consent of a third party in order to effect the transactions contemplated by the Arrangement;

“**ALCU Properties**” has the meaning ascribed thereto in Schedule D;

“**ALCU Shares**” means common shares in the authorized share capital of ALCU;

“ALCU Technical Report” means the technical report titled “NI 43-101 Technical Report on the Indata Project” dated August 6, 2018 as prepared for ALCU by B.L. Laird, P. Geo.;

“ALCU Warrants” means the outstanding warrants to acquire ALCU Shares which are outstanding immediately prior to the Effective Time, details of which are included in the ALCU Disclosure Letter;

“Arrangement” means an arrangement under section 288 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of this Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of ALCU and CAVU, each acting reasonably;

“Arrangement Resolution” means the special resolution of the CAVU Securityholders approving the Plan of Arrangement, which is to be considered at the CAVU Meeting substantially in the form of Schedule B hereto;

“Authorization” means any authorization, order, permit, approval, grant, licence, registration, consent, right, notification, condition, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decision, decree, bylaw, rule or regulation, of, from or required by any Governmental Entity;

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

“Business Day” means any day of the year, other than a Saturday, Sunday or any statutory or civic holiday in Vancouver, British Columbia;

“CAVU Annual Financial Statements” means the audited financial statements of CAVU for the year ended September 30, 2021 and for the period from incorporation on July 22, 2020 to September 30, 2020, including the notes thereto;

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

“CAVU Disclosure Documents” means all forms, reports, schedules, statements, certifications and other documents, including without limitation all press releases, forms, reports, schedules, financial statements and notes and schedules to such financial statements, management’s discussion and analysis of financial condition and operations, certifications, annual information forms, management information circulars, material change reports, NI 43-101 technical reports and other documents required to be publicly disclosed or filed by CAVU with the Securities Authorities pursuant to applicable Securities Laws since October 1, 2021;

“CAVU Disclosure Letter” means the disclosure letter executed by CAVU and delivered to ALCU prior to or concurrently with the execution of this Agreement;

“CAVU Fairness Opinion” means the opinion of the CAVU Financial Advisor to the effect that, as of the date of such opinion, the Consideration to be received by the CAVU Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the CAVU Shareholders;

“CAVU Financial Advisor” means Evans & Evans, Inc.;

“CAVU Financial Statements” means, collectively, the CAVU Annual Financial Statements and the CAVU Interim Financial Statements;

“CAVU Finder Warrants” means the outstanding finder warrants to acquire CAVU Shares which are outstanding immediately prior to the Effective Time, details of which are included in the CAVU Disclosure Letter;

“CAVU Interim Financial Statements” means the unaudited interim financial statements of CAVU for the nine months ended June 30, 2022, including the notes thereto;

“CAVU Material Contracts” means any Contract that: (a) if terminated, breached or not renewed would or would reasonably be expected to have a Material Adverse Effect on CAVU; (b) is a Contract that contains any non-competition, non-solicitation or similar obligation that restricts in any way the business of CAVU; (c) relates to the disposition or acquisition by CAVU after the date of this Agreement of material assets or an ownership interest in a material business or pursuant to which CAVU has any material ownership or participation interest in any other Person or other business enterprise; (d) provides for obligations or entitlements or termination payments of CAVU, or which has an economic value to CAVU, whether or not on a contingent basis, in excess of either \$50,000 per annum or \$250,000 in total; (e) CAVU has filed with the Securities Authorities as a material contract in accordance with applicable Securities Laws; or (f) is a joint venture agreement, royalty agreement, power supply agreement, water supply agreement, agreement with a Governmental Entity, or any other material agreement that requires the consent of a third party in order to effect the transactions contemplated by the Arrangement;

“CAVU Meeting” means the special meeting of CAVU Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution;

“CAVU Omnibus Plan” means the omnibus equity incentive plan of CAVU, as approved by CAVU Shareholders on April 29, 2022;

“CAVU Options” means the outstanding stock options to acquire CAVU Shares granted under the CAVU Omnibus Plan or any former stock option plan of CAVU which are outstanding immediately prior to the Effective Time;

“CAVU Properties” has the meaning ascribed thereto in Schedule C;

“CAVU Securityholder Approval” means the approval of the Arrangement Resolution by: (a) at least two-thirds of the votes cast by the CAVU Shareholders present in person or by proxy at the CAVU Meeting; (b) at least two-thirds of the votes cast by CAVU Securityholders present in person or by proxy at the Meeting, voting as a single class; and (c) if required by MI 61-101, “minority approval” in accordance with section 8.1 of MI 61-101;

“CAVU Securityholders” means, collectively, the holders of CAVU Shares, CAVU Options, CAVU Warrants and CAVU Finder Warrants;

“CAVU Shareholders” means the holders of CAVU Shares;

“CAVU Shares” means the common shares in the authorized share capital of CAVU;

“CAVU Supporting Shareholders” means, collectively, all of the senior officers and directors of CAVU;

“CAVU Technical Report” means the technical report prepared for CAVU by JP Exploration Services Inc. titled “Technical report on the Hopper Project, in the Dawson Range Copper-Gold Belt, Aishihik Lake Area, Yukon Territory, Canada”, dated February 12, 2022;

“CAVU Voting Agreements” means the voting agreements (including all amendments thereto) between ALCU and the CAVU Supporting Shareholders setting forth the terms and conditions upon which they have agreed, among other things, to vote their CAVU Shares in favour of the Arrangement Resolution;

“CAVU Warrants” means the outstanding warrants to acquire CAVU Shares which are outstanding immediately prior to the Effective Time, details of which are included in the CAVU Disclosure Letter;

“Change in Recommendation” means where, prior to CAVU having obtained the CAVU Securityholder Approval, the CAVU Board (a) fails to unanimously recommend or withdraws, amends, modifies, qualifies, or changes in a manner adverse to ALCU, or publicly proposes to or publicly states that it intends to withdraw, amend, modify, qualify or change in a manner adverse to ALCU, its approval or recommendation of the Arrangement (including, for certainty recommendation that CAVU Securityholders vote in favour of the Arrangement Resolution) or the transactions contemplated hereby; (b) fails to approve or recommend or reaffirm its approval or recommendation of the Arrangement (including, for certainty recommendation that CAVU Securityholders vote in favour of the Arrangement Resolution) within five (5) Business Days (and in any case prior to the CAVU Meeting) after having been requested in writing by ALCU to do so; or (c) in the event of a publicly announced Acquisition Proposal, CAVU fails to approve or recommend or reaffirm its approval or recommendation of the Arrangement (including, for certainty recommendation that CAVU Securityholders vote in favour of the Arrangement Resolution) within five (5) Business Days after any such announcement of an Acquisition Proposal (it being understood that the taking of a neutral position or no position with respect to an Acquisition Proposal beyond a period of five (5) Business Days after any such announcement of an Acquisition Proposal (or beyond the date which is one (1) day prior to the CAVU Meeting, if sooner) shall be considered an adverse modification);

“Circular” means the notice of the CAVU Meeting to be sent to CAVU Securityholders and the management information circular to be prepared in connection with the CAVU Meeting together with any amendments thereto or supplements thereof, and any other information circular or proxy statement which may be prepared in connection with the CAVU Meeting;

“Claim” means (a) any suit, action, proceeding, dispute, investigation, claim, arbitration, order, summons, citation, directive, charge, demand or prosecution, whether legal or administrative; or (b) any appeal or application for review; at law or in equity or by any Governmental Entity;

“Confidentiality Agreement” means the confidentiality agreement between ALCU and CAVU dated September 16, 2022;

“Consideration” means the consideration to be received pursuant to the Plan of Arrangement by CAVU Shareholders from ALCU pursuant to the Plan of Arrangement in respect of each CAVU Share that is issued and outstanding immediately prior to the Effective Time, comprising 0.7 of an ALCU Share for each CAVU Share;

“Contract” means any written contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership or other right or obligation to which a Party or any of its subsidiaries is a party or by which it or any of its subsidiaries is bound or to which any of their respective properties or assets is subject;

“Court” means the Supreme Court of British Columbia;

“CSE” means the Canadian Securities Exchange;

“Depository” has the meaning ascribed thereto in the Plan of Arrangement;

“Dissent Rights” means the rights of dissent exercisable by the registered CAVU Shareholders in respect of the Arrangement Resolution;

“Dissenting Holder” has the meaning ascribed thereto in the Plan of Arrangement;

“Effective Date” means the date upon which the Arrangement becomes effective as provided in the Plan of Arrangement;

“Effective Time” has the meaning ascribed thereto in the Plan of Arrangement;

“Employee Plans” means, with respect to either Party, all benefit, bonus, incentive, pension, retirement, savings, stock purchase, profit sharing, stock option, stock appreciation, phantom stock, termination, change of control, life insurance, medical, health, welfare, hospital, dental, vision care, drug, sick leave, disability, and similar plans, programmes, arrangements or practices relating to any current or former director, officer or employee of that Party other than benefit plans established pursuant to statute;

“Encumbrance” means any Claim, encumbrance, Lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, right of occupation, option, right of pre-emption, privilege or any matter capable of registration against title or any Contract to create any of the foregoing;

“Environment” means the natural environment (including soil, land surface or subsurface strata, surface water, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms, including human health and safety, and any other environmental medium or natural resource);

“Environmental Laws” means Laws aimed at or relating to reclamation or restoration of properties; abatement of pollution; protection of the Environment; protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural or historic resources; management, treatment, storage, disposal or control of, or exposure to, Hazardous Substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances, including ambient air, surface water and groundwater; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes;

“Final Order” means the final order of the Court pursuant to section 291 of the BCBCA in a form acceptable to ALCU and CAVU, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, approving the Arrangement, as such order may be amended by the Court (with the consent of both ALCU and CAVU, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both ALCU and CAVU, each acting reasonably) on appeal;

“Government Official” means any person qualifying as a public official or public employee under the laws of any jurisdiction in which ALCU or CAVU, as applicable, conduct or intend to conduct business, including, but not limited to, (a) a person holding an official position, such as an employee, officer or director, with any Governmental Entity or state-owned or controlled enterprise; (b) any individual “acting in an official capacity”, such as a delegation of authority from a Governmental Entity to carry out official responsibilities; and (c) an official of a Public International Organization such as the United Nations, the World Bank, the International Monetary Fund, or regional development banks;

“Governmental Entity” means (i) any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency including any taxing authority under the authority of any of the foregoing, (ii) any self-regulatory organization or stock exchange, including the CSE, (iii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;

“Hazardous Substance” means any waste or other substance that is prohibited, listed, defined, designated or classified as hazardous, radioactive, corrosive, explosive, infectious, carcinogenic, or toxic or a pollutant or a contaminant under or pursuant to, or that could result in liability under, any applicable Environment

Laws including petroleum and all derivatives thereof or synthetic substitutes therefor, hydrogen sulphide, arsenic, cadmium, lead, mercury, polychlorinated biphenyls (“**PCBs**”), mould, asbestos, asbestos-containing material, urea-formaldehyde, urea-formaldehyde-containing material and any other material substance, pollutant or contaminant regulated or defined pursuant to, or that could result in liability under, any Environmental Laws;

“**IFRS**” means International Financial Reporting Standards issued by the International Accounting Standards Board, as incorporated in the CPA Canada Handbook at the relevant time applied on a consistent basis;

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

“**Intellectual Property**” means (a) all trademarks, service marks, Internet domain names and trade names, registrations and applications for registration of the foregoing, and the goodwill associated therewith and symbolized thereby, (b) patents and patent applications, (c) confidential and proprietary information, including trade secrets and know-how, and (d) copyrights and registrations and applications for registration of the foregoing;

“**Interim Order**” means the interim order of the Court pursuant to section 291 of the BCBCA, in form and substance acceptable to ALCU and CAVU, each acting reasonably, providing for, among other things, the calling and holding of the CAVU Meeting, as such order may be amended by the Court with the consent of ALCU and CAVU, each acting reasonably, as the same may be amended;

“**Key Employee Agreements**” means the employment agreements between ALCU and the Key Employees in form and substance reasonably satisfactory to ALCU and each of the Key Employees;

“**Key Employees**” means certain key employees of CAVU to be identified by ALCU;

“**Key Regulatory Approvals**” means those sanctions, rulings, consents, orders, exemptions, permits and other approvals of Governmental Entities, necessary or deemed advisable by ALCU or CAVU, acting reasonably, to proceed with the transactions contemplated by this Agreement and the Plan of Arrangement, including but not limited to (i) in relation to ALCU, the approval of the CSE for the issuance and listing of the Consideration (and the ALCU Shares underlying the Replacement ALCU Options, CAVU Warrants and CAVU Finder Warrants), subject only to the satisfaction of standard and customary post-closing conditions of the CSE, and (ii) in relation to CAVU, the approval of the CSE in respect of the Arrangement, subject only to the satisfaction of standard and customary post-closing conditions of the CSE, and the grant of the Interim Order and the Final Order, as set out in Schedule E hereto for each of ALCU and CAVU, respectively;

“**Key Third Party Consents**” means those consents, approvals and notices required from any third party under any Contracts or required to proceed with the transactions contemplated by this Agreement and the Plan of Arrangement, as set out in Schedule E hereto for each of ALCU and CAVU, respectively;

“**Law**” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended;

“**Lien**” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise) or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

“Material Adverse Effect” means, in respect of any Person, any fact or state of facts, change, effect, event or circumstance that is, or would reasonably be expected to be, either individually or in the aggregate, material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (whether absolute, accrued, contingent, conditional or otherwise), capitalization, operations or results of operations or prospects of such Person and its subsidiaries, taken as a whole, other than any change, effect, event or circumstance relating to or affecting, as applicable (i) the Canadian economy, political conditions (including any acts of terrorism or the outbreak of war or escalation or worsening thereof), acts of God, natural disasters or securities markets or commodity prices in general, (ii) any of the industries in which a Person or any of its subsidiaries operate; (iii) any change in applicable Laws (other than orders, judgments or decrees against such Person or any of its subsidiaries) or IFRS, or (iv) a change in the market trading price or volume of that Person that is either (A) related to this Agreement and the transactions contemplated by this Agreement or the announcement thereof, or (B) primarily a result of a change, effect, event or occurrence excluded from this definition of Material Adverse Effect referred to in clause (i), (ii) or (iii) above; provided, however, that the effect referred to in clause (i), (ii) or (iii) above does not disproportionately relate to (or have the effect of disproportionately relating to) such Person and its subsidiaries, taken as a whole, or disproportionately adversely affect such Person and its subsidiaries, taken as a whole, compared to other companies of similar size operating in the industry in which such Person and its subsidiaries operate. References in this Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretive for purposes of determining whether a Material Adverse Effect has occurred;

“material change”, **“material fact”** and **“misrepresentation”** have the meanings ascribed thereto in the Securities Act;

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

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

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“ordinary course of business”, **“ordinary course of business consistent with past practice”**, or any similar reference, means, with respect to an action taken by a Person, that such action is consistent with the past practices of such Person and is taken in the ordinary course of the normal day-to-day business and operations of such Person;

“Outside Date” means January 31, 2023 or such later date as may be agreed to in writing by the Parties;

“Parties” means, collectively, ALCU and CAVU and **“Party”** means any one of them;

“Person” includes any individual, firm, partnership, limited partnership, limited liability partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, body corporate, corporation, company, unincorporated association or organization, Governmental Entity, syndicate or other entity, whether or not having legal status;

“Person of Concern” means: (a) a Government Official; (b) a political party, an official of a political party (including any member of an advisory council or executive council or a political party), or a candidate for political office; (c) an immediate family member, such as a parent, spouse or sibling, or child of a person in category (a) or (b); or (d) an agent or intermediary of any person in the foregoing categories;

“Plan of Arrangement” means the plan of arrangement of CAVU, substantially in the form of Schedule A hereto, and any amendments or variations thereto made from time to time in accordance with this

Arrangement Agreement, the Plan of Arrangement or upon the direction of the Court in the Interim Order or the Final Order with the consent of the Parties, each acting reasonably;

“Pre-Acquisition Reorganization” has the meaning ascribed thereto in Subsection 2.14(a);

“Proceeding” means any court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, investigation or inquiry before or by any Governmental Entity, or any claim, action, suit, demand, arbitration, charge, indictment, hearing, demand letter or other similar civil, quasi-criminal or criminal, administrative or investigative matter or proceeding;

“Proposed Agreement” has the meaning ascribed thereto in Section 7.3(a);

“Release” means any sudden, intermittent or gradual release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, migration, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction of a Hazardous Substance, whether accidental or intentional, into the Environment;

“Remedial Action” shall mean any investigation, feasibility study, monitoring, testing, sampling, removal (including removal of underground storage tanks), restoration, clean-up, remediation, closure, site restoration, remedial response or remedial work, in each case in relation to environmental matters;

“Replacement ALCU Options” has the meaning ascribed thereto in the Plan of Arrangement;

“Representative” means, collectively, in respect of a Person, its subsidiaries and its affiliates and its and their officers, directors, employees, consultants, advisors, agents or other representatives (including financial, legal or other advisors);

“SEC” means the United States Securities and Exchange Commission;

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

“Securities Authorities” means all applicable securities regulatory authorities, including the applicable securities commission or similar regulatory authorities in the applicable provinces of Canada, the CSE and the SEC, as applicable;

“Securities Laws” means the Securities Act, the U.S. Securities Laws, together with all other applicable state, federal and provincial securities Laws, and the rules and regulations and published policies of the securities authorities thereunder, as now in effect and as they may be promulgated or amended from time to time, and includes the rules and policies of the CSE;

“subsidiary” has the meaning ascribed thereto in the Securities Act;

“Superior Proposal” means any *bona fide* Acquisition Proposal made in writing by a third party or third parties acting jointly or in concert with one another, who deal at arm’s length to CAVU, after the date hereof that, in the good faith determination of the CAVU Board after receipt of advice from its outside financial advisor and legal counsel: (i) is reasonably capable of being completed in accordance with its terms without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal; (ii) in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be available; (iii) is not subject to a due diligence or access condition; (iv) did not result from a material breach of Article 7 by CAVU or its Representatives; (v) in the case of a transaction that involves the acquisition of common shares of CAVU, is made available to all CAVU Shareholders on the same terms and conditions; (vi) failure to recommend such Acquisition Proposal to the

CAVU Shareholders would be inconsistent with the CAVU Board's fiduciary duties; and (vii) taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), would result in a transaction more favourable to the CAVU Shareholders, taken as a whole, from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by ALCU pursuant to Section 7.3);

"Superior Proposal Notice" has the meaning ascribed thereto in Subsection 7.3(a)(ii);

"Superior Proposal Notice Period" has the meaning ascribed thereto in Subsection 7.3(a)(iii);

"Tax Act" means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

"Tax Returns" means all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes;

"Taxes" means any and all domestic and foreign federal, state, provincial, territorial, municipal and local taxes, assessments and other charges, duties and impositions imposed by any Governmental Entity, including without limitation pension plan contributions, tax instalment payments, employment insurance contributions and premiums, workers' compensation, employer health and deductions at source, including taxes based on or measured by gross receipts, income, profits, sales, capital, use, and occupation, and including goods and services, value added, harmonized sales, ad valorem, sales, capital, transfer, land transfer, franchise, non-resident withholding, customs, payroll, recapture, employment, excise and property duties and taxes, together with all interest, penalties, fines and additions imposed with respect to such amounts;

"Transaction Personal Information" has the meaning ascribed thereto in Section 9.1;

"U.S. Exchange Act" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

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

"U.S. Securities Laws" means the U.S. Securities Act, the U.S. Exchange Act, and any applicable U.S. state securities laws; and

"United States" or **"U.S."** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

1.2 Interpretation

For the purposes of this Agreement, except as otherwise expressly provided:

- (a) **"this Agreement"** means this Arrangement Agreement, including the recitals and Schedules hereto, and not any particular Article, Section, Subsection or other subdivision, recital or Schedule hereof, and includes any agreement, document or instrument entered into, made or delivered pursuant to the terms hereof, as the same may, from time to time, be supplemented or amended and in effect;

- (b) the words “**hereof**”, “**herein**”, “**hereto**” and “**hereunder**” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, Subsection, or other subdivision, recital or Appendix hereof;
- (c) all references in this Agreement to a designated “**Article**”, “**Section**”, “**Subsection**” or other subdivision, recital or “**Schedule**” hereof are references to the designated Article, Section, Subsections or other subdivision, recital or Schedule to, this Agreement;
- (d) the division of this Agreement into Articles, Sections, Subsections and other subdivisions, recitals or Schedules, the inclusion of a table of contents and the insertion of headings and captions are for convenience of reference only and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof;
- (e) a reference to a statute in this Agreement includes all regulations, rules, policies or instruments made thereunder, all amendments to the statute, regulations, rules, policies or instruments in force from time to time, and any statutes, regulations, rules, policies or instruments that supplement or supersede such statute, regulations, rules, policies or instruments; and
- (f) the word “including” is not limiting, whether or not non-limiting language (such as “without limitation” or “but not limited to” or words of similar import) is used with reference thereto.

1.3 Number and Gender

In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuters and the word person.

1.4 Date for Any Action

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

1.5 Currency

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

1.6 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement in respect of ALCU or CAVU shall have the meanings attributable thereto under IFRS and all determinations of an accounting nature in respect of ALCU or CAVU required to be made shall be made in a manner consistent with IFRS consistently applied.

1.7 Knowledge

Where any representation or warranty is expressly qualified by reference to the knowledge of ALCU or CAVU, as the case may be, it shall be deemed to refer to the actual knowledge, after making reasonable inquiries regarding the relevant matter, of: (a) in respect of ALCU, Darryl Jones, President and Chief Executive Officer, and Daryn Gordon, Chief Financial Officer and Corporate Secretary; (b) in respect of CAVU, Jacob Verbaas, Chief Executive Officer, Alexander McAulay, Chief Financial Officer and Corporate Secretary, and Luke Bickerton, Vice President of Exploration.

1.8 Schedules

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

Schedule A	–	Plan of Arrangement
Schedule B	–	Arrangement Resolution
Schedule C	–	Representations and Warranties of CAVU
Schedule D	–	Representations and Warranties of ALCU
Schedule E	–	Key Regulatory Approvals and Key Third Party Consents

ARTICLE 2 THE ARRANGEMENT

2.1 Arrangement

The Parties agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.

2.2 Interim Order

As soon as reasonably practicable, CAVU shall apply to the Court in a manner acceptable to ALCU, acting reasonably, pursuant to section 291 of the BCBCA and in cooperation with ALCU, prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

- (a) for the class of Persons to whom notice is to be provided in respect of the Arrangement and the CAVU Meeting and for the manner in which such notice is to be provided;
- (b) fix the record date for the purposes of determining the CAVU Securityholders entitled to receive notice of and vote at the CAVU Meeting and that the record date will not change in respect of any adjourned CAVU Meeting;
- (c) that the requisite approval for the Arrangement Resolution shall be: (i) at least two-thirds of the votes cast by the CAVU Shareholders present in person or by proxy at the CAVU Meeting, (ii) at least two-thirds of the votes cast by CAVU Securityholders present in person or by proxy at the CAVU Meeting, voting as a single class, and (iii) if required by MI 61-101, “minority approval” in accordance with section 8.1 of MI 61-101;
- (d) that, in all other respects, the terms, conditions and restrictions of the CAVU constating documents, including quorum requirements and other matters, shall apply in respect of the CAVU Meeting;
- (e) for the grant of Dissent Rights in respect of the Arrangement Resolution only to the CAVU Shareholders who are registered CAVU Shareholders;
- (f) for the notice requirements to the CAVU Securityholders with respect to the presentation of the application to the Court for the Final Order;
- (g) that the CAVU Meeting may be adjourned or postponed from time to time by CAVU subject to the terms of this Agreement without the need for additional approval of the Court; and

- (h) for such other matters as ALCU and/or CAVU may reasonably require, subject to obtaining the prior consent of CAVU and/or ALCU, respectively, such consent not to be unreasonably withheld or delayed.

2.3 Obligations of CAVU

Subject to the terms of this Agreement:

- (a) CAVU agrees to convene and conduct the CAVU Meeting in accordance with the Interim Order, CAVU's articles, notice of articles and applicable Law as soon as reasonably practicable.
- (b) CAVU shall not, except as required for quorum purposes, as required by Law, or otherwise as permitted under this Agreement, adjourn, postpone or cancel (or propose or permit the adjournment, postponement or cancellation of) the CAVU Meeting without ALCU's prior written consent, such consent not to be unreasonably withheld or delayed, provided, however, that, if CAVU provides ALCU with a Superior Proposal Notice on a date that is less than ten (10) days prior to the CAVU Meeting, CAVU may, and shall upon the request of ALCU, adjourn the CAVU Meeting to a date that is not later than ten (10) days after the scheduled date of the CAVU Meeting.
- (c) As promptly as reasonably practicable following execution of this Agreement, but subject to Subsection 2.3(a), CAVU shall (i) prepare the Circular, together with any other documents required by applicable Laws in connection with the Arrangement Resolution, which Circular shall contain notice to the CAVU Securityholders of their right to participate at the hearing of the Court with respect to the application and issuance of the Final Order, and (ii) cause the Circular to be sent to CAVU Securityholders and filed in all jurisdictions where the same is required to be filed in accordance with all applicable Laws and by the Interim Order. CAVU shall ensure that the Circular complies in all material respects with all applicable Laws and without limiting the generality of the foregoing, that the Circular contains sufficient notice and detail to permit the CAVU Securityholders to form a reasoned judgement concerning the matters to be placed before them at the CAVU Meeting.
- (d) CAVU shall take all reasonable steps to ensure that the Circular does not contain any misrepresentation concerning CAVU (CAVU shall not be responsible to ALCU for any information relating to ALCU, including in relation to the ALCU Shares and Replacement ALCU Options, which information shall be the responsibility of ALCU).
- (e) CAVU shall give ALCU and its legal counsel and financial advisors a reasonable opportunity to review and comment on the Circular prior to the Circular being printed, and reasonable consideration shall be given to any comments made by ALCU and its counsel or financial advisors, provided that all information relating solely to ALCU included in the Circular, and any information describing the terms and conditions of this Agreement, the CAVU Voting Agreements and/or the Plan of Arrangement shall be in form and content reasonably satisfactory to ALCU, acting reasonably, before they are printed, or distributed to CAVU Securityholders or filed with any Governmental Entity, subject to any disclosure obligations imposed on CAVU by any Securities Authorities.
- (f) CAVU shall promptly notify ALCU if, at any time before the Effective Date, CAVU becomes aware that the Circular contains a misrepresentation, or otherwise requires an amendment or supplement, and the Parties shall co-operate in the preparation of any amendment or supplement to the Circular as required or appropriate, and CAVU shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Circular to CAVU Securityholders and, if required by applicable Laws, file the same with any Governmental Entity and as otherwise required.

- (g) CAVU shall disclose in the Circular:
- (i) that the CAVU Board has received the CAVU Fairness Opinion from the CAVU Financial Advisor that the Arrangement is fair, from a financial point of view, to the CAVU Shareholders;
 - (ii) a summary of the general terms of the CAVU Fairness Opinion received from the CAVU Financial Advisor and a copy of the CAVU Fairness Opinion shall be included in the Circular;
 - (iii) that the CAVU Board, has determined, after receiving financial and legal advice, that the consideration to be received by CAVU Shareholders pursuant to the Arrangement is fair from a financial point of view and that the Arrangement is in the best interests of CAVU, and the CAVU Board recommends that the CAVU Securityholders vote in favour of the Arrangement Resolution; and
 - (iv) that each CAVU Supporting Shareholder that has executed a CAVU Voting Agreement intends to vote all of such Person's CAVU Shares (including any CAVU Shares issued upon the exercise of any securities convertible, exercisable or exchangeable into CAVU Shares) in favour of the Arrangement Resolution, subject to the other terms of this Agreement and the CAVU Voting Agreements.
- (h) Subject to Article 7, CAVU shall solicit proxies from CAVU Securityholders in favour of the Arrangement Resolution and against any resolution submitted by any person that is inconsistent with, or which seeks (without ALCU's consent) to hinder or delay the Arrangement and the completion of the transactions contemplated hereby, including, if so requested by ALCU, on terms and conditions satisfactory to ALCU and at ALCU's sole cost, using the services of dealers and proxy solicitation services and permitting ALCU to otherwise assist CAVU in such solicitation, and take all other actions that are reasonably necessary or desirable to seek the approval of the Arrangement Resolution.
- (i) CAVU will advise ALCU from time to time as ALCU may reasonably request, and at least on a daily basis on each of the last ten (10) Business Days prior to the date of the CAVU Meeting, as to the aggregate tally of the proxies received by CAVU in respect of the Arrangement Resolution.
- (j) CAVU will promptly advise ALCU of any written notice of dissent or purported exercise by any CAVU Shareholder of Dissent Rights received by CAVU and any withdrawal of Dissent Rights received by CAVU and any written communications sent by or on behalf of CAVU to any CAVU Shareholder exercising or purporting to exercise Dissent Rights.
- (k) CAVU shall keep ALCU informed of any material requests or comments made by any Securities Authorities to CAVU in connection with the Circular and promptly provide ALCU with copies of any correspondence received by CAVU from, or sent by CAVU to, any Securities Authorities in connection with the Circular.
- (l) CAVU shall provide notice to ALCU of the CAVU Meeting and allow Representatives of ALCU to attend the CAVU Meeting.

2.4 Obligations of ALCU

Subject to the terms of this Agreement:

- (a) ALCU shall promptly provide to CAVU all information regarding ALCU and the ALCU Shares, including any pro forma financial statements prepared in accordance with IFRS and applicable

Laws, as required by applicable Laws or as reasonably requested by CAVU for inclusion (or, if permitted, for incorporation by reference) in the Circular or in any amendments or supplements to such Circular. If required by Law, ALCU shall also use commercially reasonable efforts to obtain any necessary consents from any of its auditors, technical consultants and any other advisors to the use of any financial, technical or other expert information required to be included or incorporated by reference in the Circular and to the identification in the Circular of each such advisor. ALCU shall take all reasonable steps to ensure that the Circular does not contain any misrepresentation concerning ALCU (ALCU shall not be responsible to CAVU for any information relating to CAVU, including in relation to the CAVU Shares and Replacement ALCU Options, which information shall be the responsibility of CAVU).

- (b) ALCU shall promptly notify CAVU if at any time before the Effective Date ALCU becomes aware that the Circular contains a misrepresentation, or otherwise requires an amendment or supplement, and the Parties shall co-operate in the preparation of any amendment or supplement to the Circular as required or appropriate.

2.5 Final Order

If the Interim Order is obtained, the Arrangement Resolution is passed at the CAVU Meeting as required by applicable Law, then, subject to the terms of this Agreement, CAVU shall forthwith apply to the Court for the Final Order pursuant to section 291 of the BCBCA approving the Arrangement on terms satisfactory to each of ALCU and CAVU acting reasonably, and after providing notice to the CAVU Securityholders of their right to participate at such hearing of the Court with respect to the application and issuance of the Final Order.

2.6 Court Proceedings

CAVU will provide ALCU and its legal counsel with a reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Interim Order and the Final Order, and will make all such reasonable and customary comments consistent with the terms of this Agreement and the Plan of Arrangement. Subject to applicable Law, CAVU will not file any material with the Court in connection with the Interim Order and the Final Order, or serve any such material, and will not agree to modify or amend materials so filed or served, except as contemplated by this Agreement, the Plan of Arrangement, or with ALCU's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that nothing herein shall require ALCU to agree or consent to any increase in Consideration or other modification or amendment to such filed or served materials that expands or increases ALCU's obligations set forth in any such filed or served materials or under this Agreement or the Plan of Arrangement. CAVU shall also provide to ALCU and to ALCU's legal counsel on a timely basis copies of any response or other Court documents served on CAVU in respect of the application for the Interim Order or the Final Order or any appeal therefrom and of any notice, whether written or oral, received by CAVU indicating any intention to oppose the granting of the Interim Order or the Final Order or to appeal the Interim Order or the Final Order. CAVU will, subject to applicable Laws, ensure that all materials filed with the Court in connection with the Interim Order and the Final Order, are consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. In addition, CAVU will not object to legal counsel to ALCU making such submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided, however, that CAVU is advised of the nature of any submissions prior to the hearing and such submissions are consistent with this Agreement and the Plan of Arrangement. CAVU will also oppose any proposal from any party that the Final Order contain any provision inconsistent with this Agreement, and, if at any time after the issuance of the Final Order and prior to the Effective Date, CAVU is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it shall do so after notice to, and in consultation and cooperation with, ALCU.

2.7 Closing and Effective Date

On the third (3rd) Business Day after the satisfaction or, where not prohibited and subject to applicable Law, the waiver of the conditions set forth in Article 6 by the applicable Party for whose benefit such conditions exist (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver of those conditions as of the Effective Date by the applicable Party for whose benefit such conditions exist), unless another time or date is agreed to in writing by the Parties, the Arrangement shall become effective at the Effective Time on the Effective Date. From and after the Effective Time, the Plan of Arrangement will have all of the effects provided by applicable Law, including the BCBCA. Each of ALCU and CAVU agrees to amend the Plan of Arrangement at any time prior to the Effective Time in accordance with Section 8.4 of this Agreement to include such other terms determined to be necessary or desirable by ALCU or CAVU, as the case may be, provided, however, that the Plan of Arrangement shall not be amended in any manner which has the effect of changing the Consideration, or which is otherwise prejudicial to the CAVU Securityholders, other parties to be bound by the Plan of Arrangement or the ALCU Shareholders or is inconsistent with the provisions of this Agreement. The closing of the Arrangement will take place at the offices of Cozen O'Connor LLP, 550 Burrard Street, Suite 1008, Vancouver, British Columbia V6C 2B5, at the Effective Time on the Effective Date, or at such other place as may be agreed to by the Parties.

2.8 Payment of Consideration

ALCU will, following receipt by CAVU of the Final Order and prior to the Effective Date deposit in escrow with the Depositary sufficient ALCU Shares to satisfy the issuance of ALCU Shares to the CAVU Shareholders.

2.9 Announcements and Consultations

ALCU and CAVU shall consult with each other with respect to issuing any press release, preparing any presentations or otherwise making any public statement with respect to this Agreement or the Arrangement and in making any filing with any Governmental Entity with respect to this Agreement or the Arrangement, except as permitted by Article 7. Each of ALCU and CAVU shall use commercially reasonable efforts to enable the other Party to review and comment on all such press releases, presentations, public statements and filings prior to the release or filing, respectively, thereof, and neither ALCU nor CAVU shall release, make or file any press release, presentation, public statements or filing without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed), provided, however, that the obligations herein shall not prevent a Party from making such disclosure as is required by applicable Laws or the rules and policies of any applicable stock exchange, and the Party making such disclosure shall use all commercially reasonable efforts to enable the other Party to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. Reasonable consideration shall be given to any comments made by the other Party and its counsel.

2.10 Withholding Taxes

The Parties, the Depositary and any Person on their behalf shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person hereunder and from all dividends, interest or other amounts payable to any Person (including, for greater certainty and as applicable, any CAVU Securityholder, any Person entitled to a "change of control" or other bonuses and any Dissenting Holder) such amounts as any of the Parties or the Depositary or any Person on their behalf may be required or reasonably believe to be required to deduct and withhold therefrom under any provision of applicable Laws in respect of Taxes; provided, however, that any of the Parties or the Depositary or any Person acting on their behalf, as applicable, shall notify such Person of its intent to withhold ten (10) days prior to making such withholding and shall permit such Person to reduce the amount withheld, if possible, including through the provision of any Tax Returns. To the extent that such amounts are so deducted and withheld, such

amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid; provided that such withheld amounts are actually remitted to the appropriate Governmental Entity. To the extent necessary, such deductions and withholdings may be effected by selling any ALCU Shares to which any such person may otherwise be entitled under the Plan of Arrangement, and any amount remaining following the sale, deduction and remittance shall be paid to the person entitled thereto as soon as reasonably practicable.

2.11 List of Securityholders

Subject to Section 9.1 and applicable Law, at the reasonable request of ALCU from time to time, CAVU shall provide ALCU with a list (in both written and/or electronic form) of (i) the registered CAVU Shareholders and holders of CAVU Options, CAVU Warrants and CAVU Finder Warrants, together with their addresses and respective holdings of CAVU Shares, CAVU Options, CAVU Warrants and CAVU Finder Warrants; (ii) the names and addresses and holdings of all Persons having any other rights issued by CAVU to acquire CAVU Shares; and (iii) a list of non-objecting beneficial owners of CAVU Shares, together with their addresses and respective holdings of CAVU Shares. CAVU shall from time to time furnish ALCU with such additional information, including updated or additional lists of CAVU Shareholders and lists of holders of CAVU Options, CAVU Warrants and CAVU Finder Warrants and other assistance as ALCU may reasonably request.

2.12 U.S. Securities Law Matters

The Parties agree that the Arrangement will be carried out with the intention that, assuming the Final Order is granted by the Court, (i) all ALCU Shares issued on completion of the Arrangement to CAVU Shareholders, (ii) all Replacement ALCU Options issued upon completion of the Arrangement to holders of CAVU Options, and (iii) all warrants and Finder Warrants deemed for purposes of the U.S. Securities Act to be issued on completion of the Arrangement to holders of CAVU Warrants and CAVU Finder Warrants, respectively, will be issued and exchanged by ALCU in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereunder.

2.13 Board of Directors and Executive Officers

- (a) ALCU shall take all necessary actions (including obtaining shareholder approval, where applicable) to ensure that upon the completion of the Arrangement, all members of the CAVU Board and senior management of CAVU shall resign as of the Effective Time and be replaced with such board members and senior management as designated by ALCU.
- (b) ALCU shall take all necessary actions (including obtaining shareholder approval, where applicable) to ensure that upon completion of the Arrangement, one individual nominated by CAVU (the "**Nominee**") and agreed upon by ALCU shall be appointed to the board of directors of ALCU. CAVU agrees that the Nominee shall not be disqualified under the BCBCA from being a director, and CAVU shall cause such individual to consent to their appointment as a director of ALCU not later than the Effective Date.
- (c) Each of CAVU and ALCU will use commercially reasonable efforts to deliver to each member of the CAVU Board and senior management who is resigning in accordance with this Section 2.13, a mutual release, each in form and substance satisfactory to the other Party, acting reasonably.

2.14 Reorganization

- (a) Subject to Sections 2.14(c) and 2.14(d), CAVU shall use its commercially reasonable efforts to effect such reorganization of its business, operations and assets or such other transactions (each, a "**Pre-Acquisition Reorganization**") as ALCU may reasonably request and to which CAVU may consent, which consent may not be unreasonably withheld, prior to the Effective Date, and the Plan

of Arrangement, if required, shall be modified accordingly; provided, however, that CAVU need not effect a Pre-Acquisition Reorganization which would (i) impede or materially delay the consummation of the Arrangement or (ii) would require CAVU to obtain the prior approval of the CAVU Securityholders in respect of such Pre-Acquisition Reorganization other than at the CAVU Meeting (provided such matter is discussed with CAVU prior to the mailing of the Circular). Without limiting the foregoing, CAVU shall use its commercially reasonable efforts to obtain all necessary consents, approvals or waivers from any persons to effect each Pre-Acquisition Reorganization, and CAVU shall cooperate with ALCU in structuring, planning and implementing any such Pre-Acquisition Reorganization.

- (b) CAVU will not be obligated to participate in any Pre-Acquisition Reorganization under Section 2.14(a) if such Pre-Acquisition Reorganization:
 - (i) cannot be completed immediately prior to or on the Effective Date and cannot be unwound in the event the Arrangement is not consummated without adversely affecting CAVU in any manner;
 - (ii) is prejudicial to CAVU, any of its officers or directors, or the CAVU Securityholders (as a whole), in any material respect;
 - (iii) requires any director or officer of CAVU to assume any personal liability;
 - (iv) unreasonably interferes in CAVU's material operations prior to the Effective Time;
 - (v) requires CAVU to contravene any applicable Laws, its organizational documents or any CAVU Material Contract; or
 - (vi) requires CAVU to take any action that could result in any Taxes being imposed on, or any adverse Tax or other consequences to, any CAVU Securityholder incrementally greater than the Taxes or other consequences to such party in connection with the consummation of the Arrangement in the absence of any Pre-Acquisition Reorganization.
- (c) ALCU agrees that it will be responsible for all costs and expenses associated with any Pre-Acquisition Reorganization, and any corporate actions contemplated by Section 2.14(a), to be carried out at its request, including any structuring and unwinding costs (including any professional fees and expenses and Tax costs) reasonably incurred in connection with any proposed or completed Pre-Acquisition Reorganization in the event the Arrangement is not consummated and shall indemnify CAVU for any adverse circumstances resulting from any Pre-Acquisition Reorganization.
- (d) ALCU acknowledges and agrees that the planning for and implementation of any Pre-Acquisition Reorganization shall not be considered a breach of any covenant under this Agreement and shall not be considered in determining whether a representation or warranty of CAVU hereunder has been breached. ALCU and CAVU shall work cooperatively and use reasonable commercial efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization and shall seek to have any such Pre-Acquisition Reorganization made effective (i) as of the last moment of the Business Day ending immediately prior to the Effective Date, (ii) on the Effective Date (as part of the Plan of Arrangement or otherwise) or (iii) as the Parties may otherwise agree in writing. For greater certainty, CAVU shall not be liable for the failure of ALCU to benefit from any anticipated Tax efficiency as a result of a Pre-Acquisition Reorganization.

**ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF CAVU**

3.1 Representations and Warranties of CAVU

Except to the extent qualified by the CAVU Disclosure Letter, CAVU represents and warrants to ALCU as set forth in Schedule C and acknowledges and agrees that ALCU is relying upon such representations and warranties in connection with the entering into of this Agreement. Any investigation by ALCU or its Representatives shall not mitigate, diminish or affect the representations and warranties of CAVU pursuant to this Agreement.

3.2 Survival of Representations and Warranties

The representations and warranties of CAVU contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

**ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF ALCU**

4.1 Representations and Warranties of ALCU

Except to the extent qualified by the ALCU Disclosure Letter, ALCU represents and warrants to CAVU as set forth in Schedule D and acknowledges and agrees that CAVU is relying upon such representations and warranties in connection with the entering into of this Agreement. Any investigation by CAVU or its Representatives shall not mitigate, diminish or affect the representations and warranties of ALCU pursuant to this Agreement.

4.2 Survival of Representations and Warranties

The representations and warranties of ALCU contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

**ARTICLE 5
COVENANTS**

5.1 Covenants of ALCU Relating to the Arrangement

ALCU shall use commercially reasonable efforts to perform all obligations required to be performed by ALCU under this Agreement, co-operate with CAVU in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and, without limiting the generality of the foregoing, ALCU shall:

- (a) apply for and use its commercially reasonable efforts to obtain all Key Regulatory Approvals relating to ALCU that are required or deemed by ALCU or CAVU to be advisable and, in doing so, keep CAVU reasonably informed as to the status of the proceedings related to obtaining the Key Regulatory Approvals, including providing CAVU with copies of all related applications and notifications, in draft form (except where such material is confidential in which case it will be provided (subject to applicable Laws) to CAVU's outside counsel on an "external counsel" basis), in order for CAVU to provide its comments thereon, which shall be given due and reasonable consideration;

- (b) use its commercially reasonable efforts to provide such information to CAVU, as may be deemed necessary or desirable by CAVU, acting reasonably, in connection with any Key Regulatory Approvals to be obtained by CAVU;
- (c) use its commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all Key Third Party Consents to be obtained by ALCU;
- (d) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against ALCU challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;
- (e) not take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of ALCU to consummate the Arrangement or the other transactions contemplated by this Agreement;
- (f) provide such assistance as may reasonably be requested by CAVU for the purposes of completing the CAVU Meeting;
- (g) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement;
- (h) subject to the terms and conditions of this Agreement and of the Plan of Arrangement and applicable Laws, issue the aggregate Consideration, on behalf of CAVU, pursuant to the Arrangement;
- (i) carry out all actions necessary to ensure, assuming that the Final Order is granted by the Court, the availability of the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the applicable ALCU securities to CAVU Securityholders pursuant to the Arrangement; and
- (j) use its commercially reasonable efforts to have (i) the ALCU Shares issued to CAVU Shareholders listed and posted for trading on the CSE following the closing of the Arrangement and (ii) the CAVU Shares underlying the Replacement ALCU Options, CAVU Warrants and CAVU Finder Warrants, reserved to be listed and posted for trading on the CSE following the exercise thereof in accordance with the applicable terms.

5.2 Covenants of ALCU Relating to the Conduct of Business

ALCU covenants and agrees that at all times prior to the Effective Time, unless CAVU shall otherwise agree in writing or as otherwise expressly contemplated or permitted by this Agreement or disclosed in the ALCU Disclosure Letter, it shall:

- (a) conduct its business and affairs and maintain its assets and not take any action except, in the usual, ordinary and regular course of business consistent with past practice and in compliance with applicable Laws;
- (b) use commercially reasonable efforts to preserve intact its present business organization, assets (including intellectual property) and goodwill, maintain its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its directors, officers and senior employees and preserve the current material relationships with suppliers, senior employees, consultants, customers and others having business relationships with it, in each case except in accordance with the usual, ordinary course of business consistent with past practices;

- (c) duly and timely file all Tax Returns required to be filed by it or any subsidiaries on or after the date hereof with the appropriate Governmental Entity and all such Tax Returns will be true, complete and correct in all respects;
- (d) duly and timely fulfilling all of its obligations in respect of all flow-through shares issued by ALCU, including incurring adequate expenses that qualify as Canadian exploration expenses, and filing obligations in connection therewith;
- (e) timely withhold, collect, and remit and pay to the appropriate Governmental Entity all Taxes which are to be withheld, collected, remitted or paid by it or any subsidiaries to the extent due and payable;
- (f) not:
 - (i) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any ALCU Shares or any securities convertible into ALCU Shares (other than in connection with the exercise, in accordance with their respective terms, of outstanding stock options or other convertible securities) or except as provided for in this Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any of the outstanding stock options or other convertible securities;
 - (ii) except as contemplated by this Agreement, amend or propose to amend its articles or notice of articles or other constating documents; or, split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of the ALCU Shares or undertake or propose to undertake any other capital reorganization or change in ALCU Shares, any other of its securities or its share capital;
 - (iii) redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any outstanding securities of ALCU; adopt a plan of liquidation or resolution providing for the liquidation or dissolution of ALCU; or enter into any agreement with respect to the foregoing;
 - (iv) sell, pledge, lease, dispose of or encumber any assets, rights or properties, except in the ordinary course of business consistent with past practice;
 - (v) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization;
 - (vi) except as contemplated by this Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;
 - (vii) enter into or complete any transaction not in the ordinary course of business consistent with past practice;
 - (viii) subject to applicable Law, fail to notify CAVU immediately orally and then promptly in writing of any material change (within the meaning of the *Securities Act* (British Columbia)) in relation to ALCU and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated);

- (ix) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;
- (x) incur, create, assume or otherwise become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligation of any other Person or make any loans, capital contribution, investments or advances except in the ordinary course of business;
- (xi) pay, discharge or satisfy any material claims, liabilities or obligations other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in the ALCU Financial Statements, incurred in the ordinary course of business consistent with past practice;
- (xii) engage in any transaction with any related parties other than in the ordinary course of business consistent with past practice;
- (xiii) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing ALCU Material Contract, material Authorization or other material document, without first advising CAVU as to any action to be taken in that regard, other than in the ordinary course of business;
- (xiv) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice (none of which actions shall be unreasonable or unusual) with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of this Agreement;
- (xv) enter into or adopt any shareholder rights plan or similar agreement or arrangement that would impeded or limit, in any manner, the consummation of the Arrangement;
- (xvi) take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any material Authorizations; or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities;
- (xvii) commence, settle or assign any rights relating to or any interest in any litigation, proceeding, claim, action, assessment or investigation that is material to ALCU and involving ALCU or its material assets without the prior written consent of CAVU;
- (xviii) fail to duly and timely file all material forms, reports, schedules, statements and other documents required to be filed pursuant to any applicable Laws;
- (xix) make any changes to existing accounting policies or internal controls other than as required by applicable Law or by IFRS;
- (xx) except as required by Law, change any method of reporting income, deductions or Tax accounting, make or change any material Tax election, file any materially amended Tax Returns, settle or compromise any material claim, action, suit, litigation, proceeding,

arbitration, investigation, audit or controversy relating to Taxes, agree to an extension or waiver of the limitation period with respect to the assessment, reassessment, or determination of Taxes or surrender any right to claim a material Tax refund;

- (xxi) take any action that would reasonably be expected to interfere with or be inconsistent with the completion of the Arrangement or the transactions contemplated in this Agreement or which would render, or which may reasonably be expected to render, untrue or inaccurate (without giving effect to, applying or taking into consideration any materiality or Material Adverse Effect qualification already contained within such representation or warranty) in any material respect any of the representations and warranties of ALCU set forth in this Agreement;
- (xxii) knowingly or to the knowledge of any director, officer, agent, employee, affiliate, consultant, or representative of ALCU (i) offer, promise, pay, authorize or take up any act in furtherance of any offer, promise, payment or authorization or payment of anything of value, directly or indirectly, to any Governmental Entity or Person of Concern for the purpose of securing discretionary action or inaction or a decision of a Governmental Entity, influence over discretionary action of a Governmental Entity, or any improper advantage; or (ii) take any action which is otherwise inconsistent with or prohibited by the substantive prohibitions or requirements of the *Corruption of Foreign Public Officials Act (Canada)*, *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)*, the United Kingdom *Bribery Act 2010*, the U.S. *Foreign Corrupt Practices Act*, or similar applications Laws of any other jurisdiction prohibiting corruption, bribery, money laundering, in connection with any of their business;
- (xxiii) announce an intention, enter into any formal or informal agreement, or otherwise make a commitment to do any of the things prohibited by any of the foregoing subsections; or
- (xxiv) set a record date for or pay any dividend or other distribution in respect of the ALCU Shares prior to the Effective Time;
- (g) use commercially reasonable efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;
- (h) promptly notify CAVU in writing of any circumstances or development that, to the knowledge of ALCU, is or would reasonably be expected to constitute a Material Adverse Effect; and
- (i) not authorize or propose, or enter into or modify any ALCU Material Contract, or material agreement, commitment or arrangement, to do any of the matters prohibited by the other Subsections of this Section 5.2.

5.3 Covenants of CAVU Relating to the Arrangement

CAVU shall use commercially reasonable efforts to perform all obligations required to be performed by CAVU under this Agreement, co-operate with ALCU in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement and, without limiting the generality of the foregoing, CAVU shall:

- (a) apply for and use its commercially reasonable efforts to obtain all Key Regulatory Approvals relating to CAVU, that are required or deemed by ALCU or CAVU to be advisable and, in doing so, keep ALCU reasonably informed as to the status of the proceedings related to obtaining the Key Regulatory Approvals, including providing ALCU with copies of all related applications and notifications, in draft form (except where such material is confidential in which case it will be provided (subject to applicable Laws) to ALCU's outside counsel on an "external counsel" basis), in order for ALCU to provide its comments thereon, which shall be given due and reasonable consideration;
- (b) use its commercially reasonable efforts to provide such information to ALCU, as may be deemed necessary or desirable by ALCU, acting reasonably, in connection with any Key Regulatory Approvals to be obtained by ALCU;
- (c) use its commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all Key Third Party Consents to be obtained by CAVU;
- (d) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against CAVU challenging or affecting this Agreement or the consummation of the transactions contemplated hereby;
- (e) not take any action that is intended to, or would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of CAVU to consummate the Arrangement or the other transactions contemplated by this Agreement;
- (f) until the earlier of the Effective Time and termination of this Agreement in accordance with its terms, subject to applicable Law, without causing undue disruption to the business of CAVU, use commercially reasonable efforts to make available and cause to be made available to ALCU and its Representatives, information reasonably requested by ALCU for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of ALCU and CAVU following the Effective Date; and
- (g) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement, take all steps as set forth in the Interim Order, and carry out all actions necessary assuming that the Final Order is granted by the Court, the availability of the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the applicable ALCU securities to CAVU Securityholders pursuant to the Arrangement.

5.4 Covenants of CAVU Relating to the Conduct of Business

CAVU covenants and agrees that at all times prior to the Effective Time, unless ALCU shall otherwise agree in writing or as otherwise expressly contemplated or permitted by this Agreement or disclosed in the CAVU Disclosure Letter, it shall:

- (a) conduct its business and affairs and maintain its assets and not take any action except, in the usual, ordinary and regular course of business consistent with past practice and in compliance with applicable Laws;
- (b) use commercially reasonable efforts to preserve intact its present business organization, assets (including intellectual property) and goodwill, maintain its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing, keep available the services of its directors, officers and senior employees and preserve the current material relationships with suppliers, senior employees, consultants, customers and others having business relationships with it, in each case except in accordance with the usual, ordinary course of business consistent with past practices;

- (c) duly and timely file all Tax Returns required to be filed by it on or after the date hereof with the appropriate Governmental Entity and all such Tax Returns will be true, complete and correct in all respects;
- (d) duly and timely fulfilling all of its obligations in respect of all flow-through shares issued by CAVU, including incurring adequate expenses that qualify as Canadian exploration expenses, and filing obligations in connection therewith;
- (e) timely withhold, collect, and remit and pay to the appropriate Governmental Entity all Taxes which are to be withheld, collected, remitted or paid by it to the extent due and payable;
- (f) not:
 - (i) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any CAVU Shares or any securities convertible into CAVU Shares (other than in connection with the exercise, in accordance with their respective terms, of outstanding CAVU Options, CAVU Warrants, CAVU Finder Warrants or other convertible securities) or except as provided for in this Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any of the outstanding CAVU Options, CAVU Warrants, CAVU Finder Warrants or other convertible securities;
 - (ii) except as contemplated by this Agreement, amend, vary or modify the CAVU Omnibus Plan or any CAVU Options;
 - (iii) except as contemplated by this Agreement, amend or propose to amend its articles or notice of articles or other constating documents; or, split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of the CAVU Shares or undertake or propose to undertake any other capital reorganization or change in CAVU Shares, any other of its securities or its share capital;
 - (iv) redeem, purchase or otherwise acquire, or offer to redeem, purchase or otherwise acquire, any outstanding securities of CAVU; adopt a plan of liquidation or resolution providing for the liquidation or dissolution of CAVU; or enter into any agreement with respect to the foregoing;
 - (v) sell, pledge, lease, dispose of or encumber any assets, rights or properties, except in the ordinary course of business consistent with past practice;
 - (vi) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization;
 - (vii) except as contemplated by this Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;
 - (viii) enter into or complete any transaction not in the ordinary course of business consistent with past practice;
 - (ix) subject to applicable Law, fail to notify ALCU immediately orally and then promptly in writing of any material change (within the meaning of the *Securities Act* (British Columbia)) in

relation to CAVU and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated);

- (x) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;
- (xi) incur, create, assume or otherwise become liable for, any indebtedness for borrowed money or any other liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for the obligation of any other Person or make any loans, capital contribution, investments or advances except in the ordinary course of business;
- (xii) pay, discharge or satisfy any material claims, liabilities or obligations other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in CAVU's Financial Statements, incurred in the ordinary course of business consistent with past practice or of fees, expenses and other charges of the CAVU Board, advisors and service providers which are or become payable in connection with the Arrangement;
- (xiii) engage in any transaction with any related parties other than in the ordinary course of business consistent with past practice;
- (xiv) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing CAVU Material Contract, material Authorization or other material document, without first advising ALCU and obtaining ALCU's consent and direction, acting reasonably, as to any action to be taken in that regard, and forthwith taking any action directed by ALCU, acting reasonably;
- (xv) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of this Agreement unless required by applicable Law, in the ordinary course of business or the prior written consent of ALCU shall have been obtained;
- (xvi) enter into or adopt any shareholder rights plan or similar agreement or arrangement that would impeded or limit, in any manner, the consummation of the Arrangement;
- (xvii) take any action or fail to take any action which action or failure to act would result in the material loss, expiration or surrender of, or the loss of any material benefit under, or reasonably be expected to cause any Governmental Entities to institute proceedings for the suspension, revocation or limitation of rights under, any material Authorizations; or fail to prosecute with commercially reasonable due diligence any pending applications to any Governmental Entities;
- (xviii) commence, settle or assign any rights relating to or any interest in any litigation, proceeding, claim, action, assessment or investigation that is material to CAVU and involving CAVU or its material assets without the prior written consent of ALCU;
- (xix) fail to duly and timely file all material forms, reports, schedules, statements and other documents required to be filed pursuant to any applicable Laws;

- (xx) make any changes to existing accounting policies or internal controls other than as required by applicable Law or by IFRS;
- (xxi) except as required by Law, change any method of reporting income, deductions or Tax accounting, make or change any material Tax election, file any materially amended Tax Returns, settle or compromise any material claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes, agree to an extension or waiver of the limitation period with respect to the assessment, reassessment, or determination of Taxes or surrender any right to claim a material Tax refund;
- (xxii) take any action that would reasonably be expected to interfere with or be inconsistent with the completion of the Arrangement or the transactions contemplated in this Agreement or which would render, or which may reasonably be expected to render, untrue or inaccurate (without giving effect to, applying or taking into consideration any materiality or Material Adverse Effect qualification already contained within such representation or warranty) in any material respect any of the representations and warranties of CAVU set forth in this Agreement;
- (xxiii) knowingly or to the knowledge of any director, officer, agent, employee, affiliate, consultant, or representative of CAVU (i) offer, promise, pay, authorize or take up any act in furtherance of any offer, promise, payment or authorization or payment of anything of value, directly or indirectly, to any Governmental Entity or Person of Concern for the purpose of securing discretionary action or inaction or a decision of a Governmental Entity, influence over discretionary action of a Governmental Entity, or any improper advantage; or (ii) take any action which is otherwise inconsistent with or prohibited by the substantive prohibitions or requirements of the *Corruption of Foreign Public Officials Act* (Canada), *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the United Kingdom *Bribery Act 2010*, the U.S. *Foreign Corrupt Practices Act*, or similar applications Laws of any other jurisdiction prohibiting corruption, bribery, money laundering, in connection with any of their business;
- (xxiv) announce an intention, enter into any formal or informal agreement, or otherwise make a commitment to do any of the things prohibited by any of the foregoing subsections; or
- (xxv) set a record date for or pay any dividend or other distribution in respect of the CAVU Shares prior to the Effective Time;
- (g) use commercially reasonable efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;
- (h) promptly notify ALCU in writing of any circumstances or development that, to the knowledge of CAVU, is or would reasonably be expected to constitute a Material Adverse Effect; and
- (i) not authorize or propose, or enter into or modify any CAVU Material Contract, or material agreement, commitment or arrangement, to do any of the matters prohibited by the other Subsections of this Section 5.4.

ARTICLE 6 CONDITIONS

6.1 Mutual Conditions Precedent

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

- (a) the Arrangement Resolution shall have been approved and adopted at the CAVU Meeting in accordance with the Interim Order;
- (b) each of the Interim Order and the Final Order shall have been obtained on terms consistent with this Agreement and satisfactory to each of ALCU and CAVU, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to ALCU or CAVU, acting reasonably, on appeal or otherwise;
- (c) there shall have been no action taken under any applicable Law or by any Governmental Entity which make it illegal or otherwise directly or indirectly restrains, enjoins or prohibits the completion of the Arrangement;
- (d) the Key Regulatory Approvals shall have been obtained;
- (e) the ALCU Shares and Replacement ALCU Options to be issued to CAVU Securityholders, as applicable, in exchange for their CAVU securities pursuant to the Arrangement, shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; and
- (f) this Agreement shall not have been terminated in accordance with its terms.

6.2 Additional Conditions Precedent in Favour of CAVU

The obligation of CAVU to complete the Arrangement is subject to the fulfillment of each of the following additional conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of CAVU and may be waived by CAVU):

- (a) all covenants of ALCU under this Agreement to be performed on or before the Effective Time which have not been waived by CAVU shall have been duly performed by ALCU in all material respects and CAVU shall have received a certificate of ALCU addressed to CAVU and dated the Effective Date, signed on behalf of ALCU by two of its senior executive officers or directors (on ALCU's behalf and without personal liability), confirming the same as of the Effective Date;
- (b) the representations and warranties of ALCU set forth in this Agreement shall be true and correct in all respects, without regard to any materiality or Material Adverse Effect qualifications contained in them as of the Effective Time, as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of all such representations and warranties to be so true and correct in all respects would not reasonably be expected to have a Material Adverse Effect; and CAVU shall have received a certificate of ALCU addressed to CAVU and dated the Effective Date, signed on behalf of ALCU by two senior executive officers or directors of ALCU (on ALCU's behalf and without personal liability), confirming the same as at the Effective Time;
- (c) CAVU shall have completed its due diligence investigation to its satisfaction, acting reasonably;

- (d) the Nominee shall have been appointed to the ALCU Board, subject to consummation of the Arrangement;
- (e) there shall not have occurred a Material Adverse Effect that has not been publicly disclosed by ALCU prior to the date hereof or disclosed to CAVU in writing prior to the date hereof, and since the date of this Agreement there shall not have occurred a Material Adverse Effect; and
- (f) CAVU shall have received from ALCU satisfactory evidence of the conditional approval for listing on the CSE of the applicable ALCU Shares that the CAVU Shareholders are entitled to receive pursuant to the Arrangement (as well as the ALCU Shares underlying the Replacement ALCU Options, CAVU Warrants and CAVU Finder Warrants), subject only to customary listing conditions of the CSE.

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

6.3 Additional Conditions Precedent in Favour of ALCU

The obligation of ALCU to complete the Arrangement is subject to the fulfillment of each of the following additional conditions precedent on or before the Effective Time (each of which is for the exclusive benefit of ALCU and may be waived by ALCU):

- (a) all covenants of CAVU under this Agreement to be performed on or before the Effective Time which have not been waived by ALCU shall have been duly performed by CAVU in all material respects and ALCU shall have received a certificate of CAVU addressed to ALCU and dated the Effective Date, signed on behalf of CAVU by two of its senior executive officers (on CAVU's behalf and without personal liability), confirming the same as of the Effective Date;
- (b) the representations and warranties of CAVU set forth in this Agreement shall be true and correct in all respects, without regard to any materiality or Material Adverse Effect qualifications contained in them as of the Effective Time, as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of all such representations and warranties to be so true and correct in all respects would not reasonably be expected to have a Material Adverse Effect; and ALCU shall have received a certificate of CAVU addressed to ALCU and dated the Effective Date, signed on behalf of CAVU by two senior executive officers of CAVU (on CAVU's behalf and without personal liability), confirming the same as at the Effective Time;
- (c) ALCU shall have completed its due diligence investigation to its satisfaction, acting reasonably;
- (d) there shall not have occurred a Material Adverse Effect that has not been publicly disclosed by CAVU prior to the date hereof or disclosed to ALCU in writing prior to the date hereof, and since the date of this Agreement there shall not have occurred a material Adverse Effect;
- (e) there shall be no suit, action or proceeding by any Governmental Entity or any other Person that has resulted in an imposition of material limitations on the ability of ALCU to acquire or hold, or exercise full rights of ownership of, any CAVU Shares;
- (f) ALCU shall have received the resignations from the CAVU Board and senior executives in a form satisfactory to ALCU, acting reasonably;
- (g) the Key Employees shall have executed and delivered the Key Employee Agreements to ALCU;

- (h) ALCU shall have received from CAVU satisfactory evidence of the conditional approval of the Arrangement from the CSE, subject only to customary conditions of the CSE; and
- (i) holders of no more than five percent (5%) of the CAVU Shares shall have exercised Dissent Rights.

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

6.4 Satisfaction of Conditions

Other than as set forth in this Subsection, the conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 shall be conclusively deemed to have been satisfied, waived or released when the Arrangement has been effected in accordance with the terms of the Final Order.

ARTICLE 7 ADDITIONAL COVENANTS

7.1 Covenant Regarding Non-Solicitation

CAVU shall, and shall, direct and cause its respective Representatives to immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion, negotiation or other activities whenever commenced with any parties with respect to any inquiry, proposal or offer that constitutes, or reasonably would be expected to lead to, an Acquisition Proposal whether or not initiated by CAVU, and CAVU shall discontinue access to any of its confidential information (and not establish or allow access to any of its confidential information or any data room, virtual or otherwise), and shall as soon as possible request the return of information regarding CAVU previously provided to such parties including through any data room (virtual or otherwise) and shall request the destruction of all materials including or incorporating any confidential information regarding CAVU. CAVU agrees not to release any third party from any confidentiality, non-disturbance, non-solicitation, standstill or similar agreement or terminate, modify, amend or waive the terms thereof (it being understood and agreed that the automatic termination of any such provision due to the announcement of the Arrangement or the entry into this Agreement shall not be a violation of this Section 7.1) and CAVU undertakes to enforce all confidentiality, non-disturbance, non-solicitation, standstill or similar covenants that it has entered into prior to the date hereof except to allow a Person to confidentially propose an Acquisition Proposal to CAVU.

7.2 Covenant Regarding Acquisition Proposal

- (a) Unless expressly permitted in this Article 7, CAVU agrees that it shall not, and shall not authorize or permit any of its Representatives, directly or indirectly, to:
 - (i) make, solicit, initiate, knowingly encourage, or otherwise facilitate, (including by way of furnishing information, permitting any visit to its facilities or properties or entering into any form of agreement, arrangement or understanding) any inquiries or the making of any proposals regarding an Acquisition Proposal or that may be reasonably be expected to lead to an Acquisition Proposal;
 - (ii) participate in any discussions or negotiations with any Person regarding, an Acquisition Proposal, provided however that CAVU may communicate and participate in discussions with a third party for the purpose of (A) clarifying the terms of any proposal in order to determine if it may reasonably be expected to result in a Superior Proposal; (B) advising such third party that an Acquisition Proposal does not constitute a Superior Proposal and cannot reasonably be expected to result in a Superior Proposal; and (C) as provided in Section 7.2(b);

- (iii) agree to, endorse, approve, recommend or remain neutral with respect to any, Acquisition Proposal or potential Acquisition Proposal, it being understood that publicly taking no position or a neutral position with respect to any Acquisition Proposal for a period of no more than five (5) Business Days after such Acquisition Proposal has been publicly announced shall not be deemed to be a violation of this section 7.2(a)(iii), provided that the CAVU Board has rejected such Acquisition Proposal and affirmed their recommendation of the Arrangement prior to the end of such five (5) Business Day period;
 - (iv) make a Change in Recommendation; or
 - (v) accept or enter into, or publicly propose to accept or enter into any arrangement, letter of intent, memorandum of understanding, agreement in principle or agreement related to any Acquisition Proposal.
- (b) Notwithstanding any other provision of this Agreement, if at any time following the date of this Agreement and prior to obtaining the CAVU Securityholder Approval, CAVU receives a request for material non-public information, or to enter into discussions, from a Person that proposes to CAVU an unsolicited bona fide written Acquisition Proposal that did not result from a breach of this Article 7 and that the CAVU Board determines in good faith after consultation with its financial advisor and outside legal counsel that such Acquisition Proposal may reasonably be expected to lead to a Superior Proposal; then CAVU may: (i) provide the Person making such Acquisition Proposal with access to material non-public information regarding CAVU; and/or (ii) enter into, participate, facilitate and maintain discussions or negotiations with, and otherwise cooperate with or assist, the Person making such Acquisition Proposal, provided that CAVU shall not, and shall not allow any of its Representatives to disclose any non-public information with respect to such Person without having (A) entered into a confidentiality agreement on substantially the same terms as the Confidentiality Agreement and provided a copy of such confidentiality agreement promptly upon execution to ALCU; and (B) provided to ALCU a list of and access to the information made or to be made available to such Person to the extent not previously provided. Any such confidentiality and standstill agreement may not include any provision calling for an exclusive right to negotiate with CAVU and may not restrict CAVU from complying with this Article 7.
- (c) CAVU shall promptly (and in any event within 24 hours) notify ALCU, at first orally and then in writing, of any proposals, offers or written inquiries relating to or constituting an Acquisition Proposal or any request for non-public information relating to CAVU. Such notice shall include a description of the terms and conditions of any proposal, inquiry or offer, the identity of the Person making such proposal, inquiry or offer and provide such other details of the proposal, inquiry or offer as ALCU may reasonably request. CAVU shall keep ALCU fully informed on a prompt basis of the status, including any change to the material terms, of any such proposal, inquiry or offer.
- (d) CAVU shall ensure that its officers, directors and employees and any financial advisors or other advisors or Representatives retained by it are aware of the provisions of this Article 7, and it shall be responsible for any breach of this Article 7 by such officers, directors, financial advisors or other advisors or Representatives. Any violation of this Article 7 by CAVU's Representatives is deemed to be a breach of such section by CAVU.

7.3 Right to Accept a Superior Proposal

- (a) If CAVU is not in material breach of Section 7.2 of this Agreement with respect thereto, CAVU may accept, approve or enter into any agreement, understanding or arrangement (a "**Proposed Agreement**") in respect of a Superior Proposal (other than a confidentiality agreement, the execution of which shall not be subject to the conditions of this Section 7.3) received prior to the date of the CAVU Securityholder Approval and terminate this Agreement if, and only if:

- (i) the CAVU Board determines, in good faith, that the Acquisition Proposal constitutes a Superior Proposal;
 - (ii) CAVU has provided ALCU with written notice (“**Superior Proposal Notice**”), that there is a Superior Proposal, together with all documentation relating to and detailing the Superior Proposal, including a copy of any Proposed Agreement relating to such Superior Proposal, such documents to be provided to ALCU not less than five (5) Business Days prior to the proposed acceptance, approval or execution of the Proposed Agreement by CAVU;
 - (iii) five (5) Business Days (the “**Superior Proposal Notice Period**”) shall have elapsed from the date ALCU received written a Superior Proposal Notice and, if ALCU has proposed to amend the terms of the Arrangement in accordance with Section 7.3(c), the CAVU Board shall have determined, in good faith, after consultation with its financial advisor and outside legal counsel, that the Acquisition Proposal remains a Superior Proposal compared to the proposed amendment to the terms of the Arrangement by ALCU; and
 - (iv) CAVU terminates this Agreement pursuant to Section 8.2(a)(iii)B.
- (b) Where at any time within ten (10) days before the CAVU Meeting, CAVU has provided ALCU with a Superior Proposal Notice, and the Superior Proposal Notice Period has not elapsed, then, subject to applicable Laws, (i) CAVU may, or (ii) at ALCU’s request, will postpone or adjourn the CAVU Meeting to a date acceptable to ALCU, acting reasonably, which shall not be later than ten (10) days after the scheduled date of the CAVU Meeting and shall, in the event that ALCU and CAVU amend the terms of this Agreement pursuant to Section 7.3(c), ensure that the details of such amended Agreement are communicated to the CAVU Securityholders prior to the resumption of the adjourned or postponed meeting.
- (c) During the Superior Proposal Notice Period, ALCU will have the right, but not the obligation, to offer to amend this Agreement and the Plan of Arrangement. The CAVU Board shall review any such offer by ALCU to amend this Agreement and the Plan of Arrangement in good faith in order to determine whether the Acquisition Proposal to which ALCU is responding would continue to be a Superior Proposal when assessed against the Arrangement as it is proposed in writing by ALCU to be amended. If the CAVU Board determines that the Acquisition Proposal no longer constitutes a Superior Proposal, the CAVU Board will cause CAVU and the ALCU Board will cause ALCU to enter into an amendment to this Agreement with ALCU incorporating the amendments to the Agreement and Plan of Arrangement as set out in the written offer to amend, and will promptly reaffirm its recommendation of the Arrangement by the prompt issuance of a press release to that effect.
- (d) Each Party also acknowledges and agrees that each successive material modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for purposes of the requirement under Section 7.3(a)(iii) and will initiate an additional five (5) Business Day notice period.
- (e) Nothing in this Agreement shall prohibit the CAVU Board from responding through a directors’ circular or otherwise as required by Law to an Acquisition Proposal that it determines is not a Superior Proposal, provided that CAVU shall provide ALCU and its outside legal counsel with a reasonable opportunity to review the form and content of such circular or other disclosure and shall consider all reasonable amendments as requested by ALCU and its counsel. In addition, nothing in this Agreement shall prohibit the CAVU Board from making a Change in Recommendation as a result of ALCU having suffered a Material Adverse Effect.

7.4 Access to Information; Confidentiality; Transition

From the date hereof until the earlier of the Effective Time and the termination of this Agreement pursuant to its terms, subject to compliance with applicable Law and the terms of any existing Contracts: (a) each of ALCU and CAVU shall, and shall cause their subsidiaries and their respective Representatives, as the case may be, to afford to the other Party and to Representatives of the other Party full access during normal business hours upon reasonable notice, to all properties, information and records relating to the other Party, including but not limited to, all related facilities, buildings, equipment, assets, intellectual property, customers, maps and diagrams, books, contracts, financial statements, forecasts, financial projections, studies, records, operating Authorizations and any other documentation (whether in writing or stored in computerized, electronic, disk, tape, microfilm or any other form) or materials of any nature whatsoever, and ALCU and CAVU acknowledge and agree that information furnished pursuant to this Section 7.4 shall be subject to the terms and conditions of the Confidentiality Agreement; (b), each of ALCU and CAVU shall promptly notify the other Party of any significant developments or material changes relating to its business, operations, assets or prospects, promptly after becoming aware of any such development or change, and (c) each of ALCU and CAVU shall, and shall cause their subsidiaries and their respective Representatives, as the case may be, to work cooperatively and in good faith to ensure an orderly transition following the Effective Time, including with respect to transitional planning, transitional services, and the retention of personnel (and any related arrangements thereto).

7.5 Insurance

- (a) Prior to the Effective Date, CAVU shall purchase customary “tail” policies of directors’ and officers’ liability insurance provided that the total cost of such tail policies of directors’ and officers’ liability insurance shall not exceed 200% of the current annual aggregate premium for directors’ and officers’ liability insurance providing protection no less favourable in the aggregate to the protection provided by the policies maintained by CAVU which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date, in each case for a claims reporting or discovery period of up to six (6) years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time and ALCU will cause CAVU to maintain such tail policies in effect without any reduction in scope or coverage.
- (b) ALCU agrees that it shall honour and shall cause CAVU to honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of CAVU and acknowledges that such rights shall survive the completion of the Plan of Arrangement.
- (c) The provisions of this Section 7.5 are intended for the benefit of, and shall be enforceable by, each insured or indemnified person, his or her heirs, executors, administrators and other legal representatives and, for such purpose, ALCU and/or CAVU, as applicable, (including any surviving corporation or entity) hereby confirms that it is acting as agent and trustee on their behalf. Furthermore, this Section 7.5 shall survive the termination of this Agreement as a result of the occurrence of the Effective Time.

7.6 Notice and Cure Provisions

- (a) Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement and the Effective Time, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:
 - (i) cause any of the representations or warranties of any Party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Effective Time (provided that this paragraph (a) shall not apply in the case of any event or state of facts resulting

from actions or omissions of a Party which are expressly permitted or required by this Agreement); or

- (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder prior to the Effective Time.
- (b) CAVU may not exercise its right to terminate this Agreement pursuant to Section 8.2(a)(iii)A and ALCU may not exercise its right to terminate this Agreement pursuant to Section 8.2(a)(iv)B unless the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfilment or the applicable condition or termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure such matter and such matter is capable of being cured, no Party may terminate this Agreement until the expiration of a period of fifteen (15) Business Days from such notice, and then only if such matter has not been cured by such date. If such notice has been delivered prior to the making of the application for the Final Order, such application shall be postponed until the expiry of such period. For greater certainty, in the event that such matter is cured within the time period referred to herein without a Material Adverse Effect, this Agreement may not be terminated as a result of the cured breach.

ARTICLE 8 TERM, TERMINATION, AMENDMENT AND WAIVER

8.1 Term

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

8.2 Termination

- (a) This Agreement may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding the CAVU Securityholder Approval having been obtained or the approval of the Arrangement by the Court):
 - (i) by mutual written agreement of ALCU and CAVU;
 - (ii) by either ALCU or CAVU, if:
 - A. the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate this Agreement under this Subsection 8.2(a)(ii)A shall not be available to any Party whose failure to fulfil any of its obligations or breach any of its covenants, representations and warranties under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date;
 - B. after the date hereof, any Governmental Entity shall have issued an order, decree or ruling or there shall be enacted or made any applicable Law that makes consummation of the Arrangement illegal or otherwise prohibited or otherwise restrains, enjoins or prohibits ALCU or CAVU from consummating the Arrangement (unless such order, decree, ruling or applicable Law has been withdrawn, reversed or otherwise made inapplicable) and such order, decree, ruling or applicable Law or injunction shall have become final and non-appealable; or

- C. CAVU Securityholder Approval shall not have been obtained at the CAVU Meeting in accordance with applicable Laws and the Interim Order.

(iii) by CAVU, if:

- A. prior to the Effective Time, subject to Section 7.6(b), including the cure period set forth therein, a representation or warranty of ALCU contained in this Agreement (without regard to any materiality or Material Adverse Effect qualifications contained in them) shall be inaccurate or shall have become inaccurate as of a date subsequent to the date of this Agreement (as if made on such subsequent date other than those representations and warranties given as of a specified date which shall be true as of such date), or a material failure to perform any covenant or agreement on the part of ALCU set forth in this Agreement shall have occurred, in each case that would cause one or more conditions set forth in Sections 6.1 or 6.2 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that CAVU is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 6.1 or 6.3 not to be satisfied; or
- B. at any time prior to receipt of the CAVU Securityholder Approval, it wishes to enter into a legally binding written agreement with respect to a Superior Proposal (other than a confidentiality and standstill agreement permitted by Section 7.2), subject to compliance with Section 7.3.

(iv) by ALCU, if

- A. prior to the Effective Time, (1) the CAVU Board shall have made a Change in Recommendation; or (2) CAVU shall have accepted or entered into or publicly proposes to accept or enter into (other than a confidentiality and standstill agreement permitted by Section 7.2) a legally binding written agreement, arrangement or understanding with respect to an Acquisition Proposal; or (3) CAVU intentionally breaches Article 7 in any material respect; or
- B. prior to the Effective Time, subject to Section 7.6(b), including the cure period set forth therein, a representation or warranty of CAVU contained in this Agreement (without regard to any materiality or Material Adverse Effect qualifications contained in them) shall be inaccurate or shall have become inaccurate as of a date subsequent to the date of this Agreement (as if made on such subsequent date other than those representations and warranties given as of a specified date which shall be true as of such date), or a material failure to perform any covenant or agreement on the part of CAVU set forth in this Agreement (other than as set forth in Sections 7.1 and 7.2) shall have occurred, in each case that would cause one or more conditions set forth in Sections 6.1 or 6.3 not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date; provided that ALCU is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 6.1 or 6.2 not to be satisfied.

- (b) The Party desiring to terminate this Agreement pursuant to this Section 8.2 (other than pursuant to Subsection 8.2(a)(i)) shall give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.
- (c) If this Agreement is terminated pursuant to this Section 8.2, this Agreement shall become void and be of no further force or effect without liability of any Party (or any shareholder, director, officer, employee, agent, consultant or Representative of such Party) to any other Party hereto, except that the provisions of Section 2.14(c), Section 7.4, this Subsection 8.2(c) and Sections 8.3, 9.1, 9.2, 9.3,

9.4, 9.6, 9.7 and 9.8 and all related definitions set forth in Section 1.1 and the provisions of the Confidentiality Agreement shall survive any termination hereof pursuant to Subsection 8.2(a) in accordance with their respective terms thereof and provided further that no Party shall be relieved of any liability for any wilful breach by it of this Agreement.

8.3 Expenses

Except as otherwise provided herein, the Parties agree that all costs and expenses of the Parties relating to the Arrangement and the transactions contemplated in this Agreement, including legal fees, accounting fees, financial advisory fees, strategic advisory fees, regulatory filing fees, stock exchange fees, all disbursements of advisors and printing and mailing costs, shall be paid by the Party incurring such expenses. Each Party represents to the other that with the exception of (a) the respective legal advisors, strategic advisors and financial advisors and their affiliates, the fees and expenses of which shall be the responsibility of the relevant Party and (b) the reasonable and customary fees payable to the ALCU Board and CAVU Board, respectively, for any meetings held by them in connection with the consideration of the Arrangement and the transactions contemplated herein or fees payable to the members of any independent committee of a board of a Party formed for the purpose of considering the Arrangement and the transactions contemplated herein, no securityholder, director, officer, employee, consultant, broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission, or to the reimbursement of any of its expenses, in connection with the Arrangement or the transactions contemplated herein except pursuant to existing consulting arrangements that were not entered into in contemplation of the Arrangements or the transactions contemplated herein.

8.4 Amendment

Subject to the provisions of the Interim Order and Final Order, the Plan of Arrangement and applicable Laws, this Agreement and the Plan of Arrangement may, at any time and from time to time prior to the Effective Time, be amended only by mutual written agreement of ALCU and CAVU, without further notice to or Authorization on the part of the ALCU Shareholders or CAVU Securityholders, and any such amendment may without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; and
- (d) waive compliance with or modify any mutual conditions precedent herein contained.

8.5 Waiver

Any Party may (a) extend the time for the performance of any of the obligations or acts of the other Party, (b) waive compliance, except as provided herein, with any of the other Party's agreements or the fulfillment of any conditions to its own obligations contained herein, or (c) waive inaccuracies in any of the other Party's representations or warranties contained herein or in any document delivered by the other Party, in each case only to the extent such obligations, agreements and conditions are intended for its benefit. No extension or waiver shall be valid unless set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived and shall not extend to any other matter or occurrence. No failure or delay in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege under this Agreement.

**ARTICLE 9
GENERAL PROVISIONS AND MISCELLANEOUS**

9.1 Privacy

Each Party shall comply with applicable privacy Laws in the course of collecting, using and disclosing personal information about identifiable individuals in connection with the transactions contemplated hereby (the “**Transaction Personal Information**”). Neither Party shall disclose Transaction Personal Information originally collected by the other Party to any Person other than to its advisors who are evaluating and advising on the transactions contemplated by this Agreement. If ALCU completes the transactions contemplated by this Agreement, ALCU shall not, following the Effective Date, without the consent of the individuals to whom such Transaction Personal Information relates or as permitted or required by applicable Law, use or disclose Transaction Personal Information originally collected by CAVU:

- (a) for purposes other than those for which such Transaction Personal Information was collected by CAVU prior to the Effective Date; and
- (b) which does not relate directly to the carrying on of the business of CAVU or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

The Parties shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure. ALCU shall cause its advisors to observe the terms of this Section 9.1 and to protect and safeguard all Transaction Personal Information in their possession. If this Agreement shall be terminated, each Party shall promptly deliver to the other Party all Transaction Personal Information originally collected by such other Party in its possession or in the possession of any of its advisors, including all copies, reproductions, summaries or extracts thereof, except, unless prohibited by applicable Law, for electronic backup copies made automatically in accordance with the usual backup procedures of the Party returning such Transaction Personal Information.

9.2 Notices

All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed to have been duly given and received on the day it is delivered, provided, however, that it is delivered on a Business Day prior to 4:30 p.m. Vancouver time in the place of delivery or receipt. However, if notice is delivered after 4:30 p.m. Vancouver time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day. Notice shall be sufficiently given if delivered (either in Person, by courier service or other personal method of delivery), or if transmitted by email to the Parties at the following addresses (or at such other addresses as shall be specified by any Party by notice to the other given in accordance with these provisions):

- (a) if to ALCU:

Alpha Copper Corp.
595 Burrard Street
Vancouver, BC
V7X 1L4

Attention: Darryl Jones
Email: darryl@alphacopper.com

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

Cozen O'Connor LLP
Suite 1008, 550 Burrard Street
Vancouver, BC
V6C 2B5

Attention: Lucy Schilling
Email: [personal information redacted]

(b) if to CAVU:

CAVU Energy Metals Corp.
Suite 1050 – 400 Burrard Street
Vancouver, BC
V6C 3A6

Attention: Jacob Verbaas
Email: [personal information redacted]

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

Segev LLP
6th Floor, 905 West Pender Street
Vancouver, BC
V6C 1L6

Attention: Aadam Tejpar
Email: [personal information redacted]

9.3 Governing Law

This Agreement shall be governed, including as to validity, interpretation and effect, by the Laws of the Province of British Columbia and the Laws of Canada applicable therein, without giving effect to any principles of conflict of Laws thereof which would result in the application of the Laws of any other jurisdiction. Each of the Parties hereby irrevocably attorns to the exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters arising under and in relation to this Agreement and the Arrangement.

9.4 Injunctive Relief

The Parties acknowledge and agree that irreparable harm would occur for which money damages would not be an adequate remedy at Law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, the Parties agree that, in the event of any breach or threatened breach of this Agreement by a Party, the non-breaching Party will be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance, and the Parties shall not object to the granting of injunctive or other equitable relief on the basis that there exists an adequate remedy at Law. Such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at Law or equity to each of the Parties.

9.5 Time of Essence

Time shall be of the essence in this Agreement.

9.6 Entire Agreement, Binding Effect and Assignment

This Agreement (including the exhibits and schedules hereto and the ALCU Disclosure Letter and the CAVU Disclosure Letter) and the Confidentiality Agreement constitute the entire agreement, and supersede all other prior agreements and understandings, both written and oral, among the Parties, or any of them, with respect to the subject matter hereof and thereof and, except as expressly provided herein, this Agreement is not intended to and shall not confer upon any Person other than the Parties any rights or remedies hereunder. This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any of the Parties without the prior written consent of the other Parties.

9.7 No Liability

No director or officer of ALCU shall have any personal liability whatsoever to CAVU under this Agreement, or any other document delivered in connection with the transactions contemplated hereby on behalf of ALCU. No director or officer of CAVU shall have any personal liability whatsoever to ALCU under this Agreement, or any other document delivered in connection with the transactions contemplated hereby on behalf of CAVU.

9.8 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule or Law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

9.9 Counterparts, Execution

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

[Remainder of page left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement as of the date first written above by their respective officers thereunto duly authorized.

ALPHA COPPER CORP.

Per: /s/ Darryl Jones
Name: Darryl Jones
Title: Chief Executive Officer

CAVU ENERGY METALS CORP.

Per: /s/ Jacob Verbaas
Name: Jacob Verbaas
Title: Chief Executive Officer

SCHEDULE A

PLAN OF ARRANGEMENT

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

ARTICLE 1 INTERPRETATION

1.1 In this Plan of Arrangement, any capitalized term used herein and not defined in this Section 1.1 will have the meaning ascribed thereto in the Arrangement Agreement. Unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

“**ALCU**” means Alpha Copper Corp., a corporation existing under the laws of the Province of British Columbia;

“**ALCU Shareholders**” means the holders of ALCU Shares;

“**ALCU Shares**” means common shares in the authorized share capital of ALCU;

“**Arrangement**” means the arrangement under section 288 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of Section 8.4 of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of ALCU and CAVU, each acting reasonably.

“**Arrangement Agreement**” means the arrangement agreement dated September 30, 2022 between ALCU and CAVU, including all schedules annexed thereto and the disclosure letters provided in connection therewith, with respect to the Arrangement, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

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

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any statutory or civic holiday in Vancouver, British Columbia;

“**CAVU**” means CAVU Energy Metals Corp., a corporation existing under the laws of the Province of British Columbia;

“**CAVU FINDER WARRANTS**” means the outstanding finder warrants to acquire CAVU Shares which are outstanding immediately prior to the Effective Time;

“**CAVU Meeting**” means the special meeting of CAVU Securityholders, including any adjournment or postponement thereof, at which the Arrangement was approved by the CAVU Securityholders;

“**CAVU Omnibus Plan**” means the omnibus equity incentive plan of CAVU, as approved by CAVU Shareholders on April 29, 2022;

“**CAVU Option In-The-Money-Amount**” in respect of a CAVU Option means the amount, if any, by which the total fair market value of the CAVU Shares that a holder is entitled to acquire on exercise of the CAVU Option immediately before the Effective Time exceeds the aggregate exercise price to acquire such CAVU Shares at that time;

“CAVU Options” means the outstanding stock options to acquire CAVU Shares granted under the CAVU Omnibus Plan which are outstanding immediately prior to the Effective Time;

“CAVU Securityholders” means, collectively, the holders of CAVU Shares, CAVU Options, CAVU Warrants and CAVU Finder Warrants;

“CAVU Shareholders” means the registered holders of CAVU Shares;

“CAVU Shares” means the common shares in the authorized share capital of CAVU;

“CAVU Warrants” means the outstanding warrants to acquire CAVU Shares which are outstanding immediately prior to the Effective Time;

“Consideration” means the consideration to be received pursuant to the Plan of Arrangement by CAVU Shareholders from ALCU in respect of each CAVU Share that is issued and outstanding immediately prior to the Effective Time, comprising 0.7 of an ALCU Share for each CAVU Share;

“Court” means the Supreme Court of British Columbia;

“Depositary” means any trust company, bank or financial institution agreed to between ALCU and CAVU for the purpose of, among other things, exchanging certificates representing CAVU Shares for the Consideration in connection with the Arrangement;

“Dissent Rights” has the meaning ascribed thereto in Section 5.1;

“Dissenting Holder” means a registered holder of CAVU Shares who has validly exercised Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights as of the Effective Time, but only in respect of the CAVU Shares in respect of which Dissent Rights are validly exercised by such holder;

“Effective Date” means the date designated by CAVU and ALCU by notice in writing as the effective date of the Arrangement, after all of the conditions of the Arrangement Agreement and the Final Order have been satisfied or waived;

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

“Exchange Ratio” means 0.7;

“Final Order” means the final order of the Court pursuant to section 291 of the BCBCA in a form acceptable to ALCU and CAVU, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, approving the Arrangement, as such order may be amended by the Court (with the consent of both ALCU and CAVU, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both ALCU and CAVU, each acting reasonably) on appeal;

“Former CAVU Shareholders” means the holders of CAVU Shares immediately prior to the Effective Time;

“Interim Order” means the interim order of the Court pursuant to section 291 of the BCBCA, in form and substance acceptable to the ALCU and CAVU, each acting reasonably, providing for, among other things, the calling and holding of the CAVU Meeting, as such order may be amended by the Court with the consent of ALCU and CAVU, each acting reasonably, as the same may be amended;

“Letter of Transmittal” means the Letter of Transmittal for use by CAVU Shareholders to be delivered in connection with the Arrangement;

“Plan” or **“Plan of Arrangement”** means this plan of arrangement as amended or supplemented from time to time in accordance with the terms hereof and Section 8.4 of the Arrangement Agreement, this Plan of Arrangement or at the direction of the Court in the Interim Order or the Final Order with the consent of the Parties, each acting reasonably;

“Replacement ALCU Option In-The-Money Amount” in respect of a Replacement ALCU Option means the amount, if any, by which the total fair market value of the ALCU Shares that a holder is entitled to acquire on exercise of the Replacement ALCU Option at and from the Effective Time exceeds the aggregate exercise price to acquire such ALCU Shares at that time;

“Replacement ALCU Options” means the options to purchase ALCU Shares to be issued in exchange for CAVU Options pursuant to this Plan of Arrangement; and

“Tax Act” means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time;

- 1.2 The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.
- 1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles, sections, subsections and subparagraphs are to articles, sections, subsections and subparagraphs of this Plan of Arrangement, and use of the terms “herein”, “hereof” and “hereunder” and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion of this Plan of Arrangement.
- 1.4 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa; words importing any gender shall include all genders; and words importing persons shall include individuals, partnerships, associations, corporations, funds, unincorporated organizations, governments, regulatory authorities, and other entities.
- 1.5 In the event that the date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a Business Day in such place.
- 1.6 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.
- 1.7 In this Plan of Arrangement, unless otherwise stated, all references to sums of money are expressed in lawful money of Canada.
- 1.8 This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the law of the Province of British Columbia and the laws of Canada applicable therein.

ARTICLE 2 ARRANGEMENT AGREEMENT

- 2.1 This Plan of Arrangement constitutes an arrangement as referred to in section 288 of the BCBCA and is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein.

- 2.2 This Plan of Arrangement and the Arrangement will become effective on, and be binding on and after, the Effective Time on: the CAVU Securityholders, CAVU, ALCU, and the Dissenting Holders.

ARTICLE 3 ARRANGEMENT

- 3.1 Commencing at the Effective Time, each of the following events or transactions shall occur and shall be deemed to occur in the following sequence without any further act or formality:
- (a) each CAVU Warrant outstanding immediately prior to the Effective Time shall remain outstanding and exercisable for ALCU Shares in accordance with the adjustment provisions contained in the terms of the CAVU Warrants, as amended pursuant hereto, and each holder of CAVU Warrants shall be deemed to receive notice of such adjustment pursuant to subsection 4.3 of the certificates representing the CAVU Warrants; provided that if the foregoing would result in the issuance of a fraction of a ALCU Share on any particular exercise, then the number of ALCU Shares otherwise issuable shall be rounded down to the nearest whole number of ALCU Shares;
 - (b) each CAVU Finder Warrant outstanding immediately prior to the Effective Time shall remain outstanding and exercisable for ALCU Shares in accordance with the adjustment provisions contained in the terms of the CAVU Finder Warrants, as amended pursuant hereto, and each holder of CAVU Finder Warrants shall be deemed to receive notice of such adjustment pursuant to subsection 4.3 of the certificates representing the CAVU Finder Warrants; provided that if the foregoing would result in the issuance of a fraction of a ALCU Share on any particular exercise, then the number of ALCU Shares otherwise issuable shall be rounded down to the nearest whole number of ALCU Shares;
 - (c) each CAVU Share held by an Dissenting Holder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to ALCU, in consideration for a claim against ALCU in an amount determined and payable in accordance with Article 5, and the name of such holder will be removed from the central securities register as a holder of CAVU Shares and such CAVU Shares shall be recorded as cancelled;
 - (d) each CAVU Share outstanding immediately prior to the Effective Time held by a CAVU Shareholder (other than any Dissenting Holder), shall be transferred by the holder thereof to ALCU in exchange for the Consideration and the name of such holder will be removed from the central securities register as a holder of CAVU Shares and ALCU shall be recorded as the registered holder of the CAVU Shares so transferred and shall be deemed to be the legal owner of such CAVU Shares;
 - (e) each CAVU Option outstanding immediately prior to the Effective Time shall be exchanged by the holder thereof, without any further act or formality and free and clear of all liens, claims and encumbrances, for a Replacement ALCU Option to acquire from ALCU. All CAVU Options shall, in accordance with the provisions of the stock option plan pursuant to which they were granted, vest immediately on completion of the Arrangement. Other than as provided herein, the number of ALCU Shares equal to the product obtained when (A) the number of CAVU Shares subject to such CAVU Option immediately before the Effective Time, is multiplied by (B) the Exchange Ratio, provided that if the foregoing would result in the issuance of a fraction of a ALCU Share on any particular exercise of Replacement ALCU Options, then the number of ALCU Shares otherwise issuable shall be rounded down to the nearest whole number of ALCU Shares. The exercise price per ALCU Share subject to a Replacement ALCU Option shall be an amount equal to the quotient obtained when (A) the exercise price per CAVU Share subject to each such CAVU Option immediately prior to the Effective Time is divided by (B) the Exchange Ratio, provided that the aggregate exercise price payable on any particular exercise of Replacement ALCU Options shall be rounded up to the nearest whole cent. It is intended that the provisions of

subsection 7(1.4) of the Tax Act apply to the exchange of a CAVU Option for a Replacement ALCU Option. Therefore, in the event that the Replacement ALCU Option In-The-Money Amount in respect of a Replacement ALCU Option exceeds the CAVU Option In-The-Money Amount in respect of the CAVU Option for which it is exchanged, the number of ALCU Shares which may be acquired on exercise of the Replacement ALCU Option at and after the Effective Time will be adjusted accordingly, with effect at and from the Effective Time, to ensure that the Replacement ALCU Option In-The-Money Amount in respect of the Replacement ALCU Option does not exceed the CAVU Option In-The-Money Amount in respect of the CAVU Option and the ratio of the amount payable to acquire such shares to the value of such shares to be acquired shall be unchanged. Except as set out above, term to expiry, conditions to and manner of exercise (provided any Replacement ALCU Option shall be exercisable at the offices of ALCU) and other terms and conditions of each of the Replacement ALCU Options shall be the same as the terms and conditions of the CAVU Option for which it is exchanged, except that the ALCU Options shall be governed by the terms of the stock option plan of ALCU ratified by ALCU shareholders on March 15, 2022. Notwithstanding the foregoing, no such Replacement ALCU Option shall expire due to the holder ceasing to hold office or ceasing to be a director, employee or consultant and each such Replacement ALCU Option shall terminate on the earlier of (i) the date of expiry of the CAVU Option for which it was exchanged and (ii) the date that is 12 months after the Effective Date. Any document previously evidencing a CAVU Option shall thereafter evidence and be deemed to evidence such Replacement ALCU Option and no certificates evidencing Replacement ALCU Options shall be issued;

- (f) each CAVU Securityholder, with respect to each step set out above applicable to such holder, will be deemed, at the time such step occurs, to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer or amend such CAVU Shares, CAVU Options, CAVU Warrants or CAVU Finder Warrants, as the case may be, in accordance with such step; and
- (g) the foregoing matters will be deemed to occur on the Effective Date, notwithstanding that certain of the procedures related thereto are not completed until after the Effective Date.

- 3.2 The Consideration and the Exchange Ratio will be adjusted to reflect fully the effect of any stock split, reverse split, consolidation, reorganization or recapitalization with respect to CAVU Shares or ALCU Shares effected in accordance with the terms of the Arrangement Agreement occurring after the date of the Arrangement Agreement and prior to the Effective Time.

ARTICLE 4 OUTSTANDING CERTIFICATES AND FRACTIONAL SECURITIES

- 4.1 From and after the Effective Time, any certificates representing CAVU Shares held by Former CAVU Shareholders shall represent only the right to receive the Consideration to which the holders are entitled under the Arrangement, or as to those held by Dissenting Holders, to receive the fair value of the CAVU Shares represented by such certificates.
- 4.2 From and after the Effective Time, ALCU shall honour and shall cause CAVU to honour all rights and obligations under the Replacement ALCU Options, CAVU Warrants and CAVU Finder Warrants and such rights shall survive the completion of the Plan of Arrangement.
- 4.3 ALCU, as soon as practicable following the later of the Effective Date and the date of deposit by a Former CAVU Shareholder of a duly completed Letter of Transmittal and the certificates representing the CAVU Shares held by such Former CAVU Shareholder, will either:
 - (a) forward or cause to be forwarded by first class mail (postage prepaid) to such Former CAVU Shareholder at the address specified in the Letter of Transmittal, or

- (b) if requested by such Former CAVU Shareholder in the Letter of Transmittal, make available or cause to be made available at the Depository for pickup by such Former CAVU Shareholder certificates,

representing the number of ALCU Shares issued to such holder under the Arrangement.

- 4.4 If any certificate which immediately prior to the Effective Time represented an interest in outstanding CAVU Shares that were transferred or cancelled pursuant to Section 3.1 has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, the Depository shall issue and deliver in exchange for such lost, stolen or destroyed certificate the Consideration to which the holder is entitled pursuant to the Arrangement (and any dividends or distributions with respect thereto). Unless otherwise agreed to by ALCU, the person who is entitled to receive such Consideration shall, as a condition precedent to the receipt thereof, give a bond to ALCU and the Depository, which bond is in form and substance satisfactory to ALCU and the Depository, or shall otherwise indemnify ALCU and its transfer agent against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.
- 4.5 All dividends and distributions made after the Effective Time with respect to any ALCU Shares allotted and issued pursuant to this Arrangement but for which a certificate has not been issued shall be paid or delivered to the Depository to be held by the Depository in trust for the registered holder of such ALCU Shares. All monies received by the Depository shall be invested by it in interest-bearing trust accounts upon such terms as the Depository may reasonably deem appropriate. Subject to this Section 4.5, the Depository shall pay and deliver to any such registered holder, as soon as reasonably practicable after application therefor is made by the registered holder to the Depository in such form as the Depository may reasonably require, such distributions and any interest thereon to which such holder is entitled, net of any applicable withholding and other taxes.
- 4.6 Any certificate which immediately prior to the Effective Time represented ALCU Shares that is not deposited with all other documents as required by this Plan of Arrangement on or before the (6th) sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and, for greater certainty, the right of the Former CAVU Shareholder of such CAVU Shares to receive the Consideration shall be deemed to be surrendered to ALCU together with all dividends, distributions or cash payments thereon held for such holder. For greater certainty, on such date, any certificate formerly representing CAVU Shares shall cease to represent a claim or interest of any kind or nature against ALCU or CAVU.
- 4.7 In no event shall any holder of CAVU Shares be entitled to a fractional ALCU Share. Where the aggregate number of ALCU Shares to be issued to a CAVU Shareholder as Consideration under the Arrangement would result in a fraction of a ALCU Share being issuable, the number of ALCU Shares to be received by such CAVU Shareholder shall be rounded down to the nearest whole ALCU Share. In calculating fractional interests, all CAVU Shares, as the case may be, registered in the name of or beneficially held by a CAVU Shareholder or its nominee shall be aggregated. All calculations and determinations made by ALCU, CAVU or the Depository, as applicable, for the purposes of this Plan of Arrangement shall be conclusive, final, and binding.
- 4.8 ALCU, CAVU and the Depository and any person acting on their behalf shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any person pursuant to the Arrangement and from all dividends or other distributions otherwise payable to any former CAVU Securityholders such amounts as ALCU, CAVU or the Depository may be required to deduct and withhold therefrom under any provision of applicable laws in respect of taxes including without limitation any amounts payable to Dissenting Holders or payable in respect of CAVU Options, CAVU Warrants or CAVU Finder Warrants; provided, however, that any of ALCU, CAVU and/or the Depository or any person acting on their behalf, as applicable, shall notify such person of its intent to withhold ten (10) days prior to making such withholding and shall permit such person to reduce the amount withheld, if possible, including through the provision of any tax forms,

information, reports or certificates. To the extent that such amounts are so deducted, withheld and remitted, such amounts shall be treated for all purposes under this Plan of Arrangement as having been paid to the person to whom such amounts would otherwise have been paid; provided that such withheld amounts are actually remitted to the appropriate governmental entity.

- 4.9 Each of ALCU, CAVU and the Depositary and any person acting on their behalf is hereby authorized to sell or otherwise dispose of such portion of ALCU Shares payable as Consideration to CAVU Shareholders as is necessary to provide sufficient funds to ALCU, CAVU or the Depositary, as the case may be, to enable it to implement such deduction or withholding, and ALCU, CAVU or the Depositary will notify the holder thereof and remit to the holder any unapplied balance of the net proceeds of such sale.

ARTICLE 5 DISSENTING HOLDERS

- 5.1 Pursuant to the Interim Order, each registered CAVU Shareholder may exercise rights of dissent ("**Dissent Rights**") under Section 238 of the BCBCA and in the manner set forth in Sections 242 to 247 of the BCBCA, all as modified by this Article 5 as the same may be modified by the Interim Order or the Final Order in respect of the Arrangement, provided that the written objection to the Arrangement Resolution contemplated by Section 242 of the BCBCA must be sent to and received by CAVU not later than 5:00 p.m. (Vancouver time) on the Business Day that is two (2) Business Days before the CAVU Meeting.
- 5.2 CAVU Shareholders who duly exercise such rights of dissent and who:
- (a) are ultimately determined to be entitled to be paid fair value from ALCU, for the Dissenting Shares in respect of which they have exercised Dissent Rights, notwithstanding anything to the contrary contained in Section 245 of the BCBCA, will be deemed to have irrevocably transferred such Dissenting Shares to ALCU for cancellation pursuant to Section 3.1(c) in consideration of such fair value; or
 - (b) are ultimately not entitled, for any reason, to be paid fair value for the Dissenting Shares in respect of which they have exercised Dissent Rights, will be deemed to have participated in the Arrangement on the same basis as a CAVU Shareholder who has not exercised Dissent Rights, as at and from the time specified in Section 3.1, and be entitled to receive only the consideration set forth in Section 3.1,

but in no case will CAVU or ALCU or any other person be required to recognize such holders as holders of CAVU Shares after the completion of the steps set forth in Section 3.1, and each Dissenting CAVU Shareholder will cease to be entitled to the rights of a CAVU Shareholder in respect of the CAVU Shares in relation to which such Dissenting CAVU Shareholder has exercised Dissent Rights and the central securities register of CAVU will be amended to reflect that such former holder is no longer the holder of such CAVU Shares as and from the completion of the steps in Section 3.1.

- 5.3 For greater certainty, in addition to any other restrictions in the BCBCA, no person who has voted in favour of the Arrangement shall be entitled to dissent with respect to the Arrangement.

ARTICLE 6 AMENDMENTS

- 6.1 ALCU and CAVU may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be: (a) set out in writing; (b) filed with the Court and, if made following the CAVU Meeting, approved by the Court; and (c) communicated to CAVU Securityholders if and as required by the Court.

- 6.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by ALCU and CAVU at any time prior to or at the CAVU Meeting with or without any other prior notice or communication, and if so proposed and accepted by the persons voting at the CAVU Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- 6.3 Any amendment, modification or supplement to this Plan of Arrangement that is approved by the Court following the CAVU Meeting shall be effective only if (a) it is consented to by each of ALCU and CAVU; and (b) if required by the Court or applicable law, it is consented to by CAVU Securityholders, as applicable.
- 6.4 Each of ALCU and CAVU shall, from time to time, and at all times hereafter, at the request of the other of them, but without further consideration, do, or cause to be done, all such other acts and execute, or cause to be made, done, executed and delivered, all such further acts, deeds, agreements, transfers, elections, assurances, instruments or documents as may reasonably be required by any of them in order to implement this Plan of Arrangement and to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

SCHEDULE B

ARRANGEMENT RESOLUTION

The text of the Arrangement Resolution which the CAVU Securityholders will be asked to pass at the CAVU Meeting is as follows:

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- (1) the arrangement (the “**Arrangement**”) under section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) involving CAVU Energy Metals Corp. (“**CAVU**”) and Alpha Copper Corp. (“**ALCU**”) and securityholders of CAVU, all as more particularly described and set forth in the management information circular (the “**Circular**”) of CAVU dated [●], 2022 accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted;
- (2) the arrangement agreement (the “**Arrangement Agreement**”) between ALCU and CAVU dated September 30, 2022 and all the transactions contemplated therein, the actions of the directors of CAVU in approving the Arrangement and the actions of the directors and officers of CAVU in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved;
- (3) the plan of arrangement (the “**Plan of Arrangement**”) of CAVU implementing the Arrangement, the full text of which is attached as Schedule [●] to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted;
- (4) notwithstanding that this resolution has been passed (and the Arrangement approved) by the securityholders of CAVU or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of CAVU are hereby authorized and empowered, without further notice to, or approval of, the securityholders of CAVU to:
 - a. amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or
 - b. subject to the terms of the Arrangement Agreement, not proceed with the Arrangement;
- (5) any one or more directors or officers of CAVU is hereby authorized and directed for and on behalf of CAVU to execute, whether under corporate seal of CAVU or otherwise, such documents as are necessary or desirable, to the Registrar under the BCBCA in accordance with the Arrangement Agreement; and
- (6) any one or more directors or officers of CAVU is hereby authorized, for and on behalf and in the name of CAVU, to execute and deliver, whether under corporate seal of CAVU or otherwise, all such agreements, forms, waivers, notices, certificate, confirmations and other documents and instruments, and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:
 - a. all actions required to be taken by or on behalf of CAVU, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

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

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

SCHEDULE C

REPRESENTATIONS AND WARRANTIES OF CAVU

CAVU hereby represents and warrants to ALCU as follows, and acknowledges and agrees that ALCU is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Organization and Corporate Capacity. CAVU has been organized and is validly existing and in good standing under the BCBCA and has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets.
- (b) No Subsidiaries. CAVU has no subsidiaries and is not a party to any agreement, option or commitment to acquire, or exercise control or direction over, directly or indirectly, any interest in any other Person.
- (c) Qualification to Do Business. CAVU is duly qualified to carry on business in all jurisdictions in which the character of its properties or assets owned, leased or operated by it, or the nature of its business activities, makes such qualification necessary.
- (d) Dissolution. No act or proceeding by or against CAVU has been taken or made in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of CAVU or for the appointment of a trustee, receiver, manager or other administrator of CAVU or any of its properties or assets and no such act or proceeding, to the knowledge of CAVU, has been threatened. CAVU has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation.
- (e) Authority Relative to this Agreement. CAVU has the requisite corporate power and authority to enter into this Agreement (and subject to obtaining CAVU Securityholder Approval), to perform its obligations hereunder and to complete the Arrangement. The execution and delivery of this Agreement and the performance by CAVU of its obligations under this Agreement have been duly authorized by the CAVU Board and no other corporate proceedings on the part of CAVU are necessary to authorize the execution and delivery by it of this Agreement or, subject to obtaining CAVU Securityholder Approval, the completion by CAVU of the Arrangement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by CAVU and constitutes a valid and binding obligation of CAVU, enforceable against CAVU in accordance with its terms, subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.
- (f) No Violation. Subject to the receipt of the Key Regulatory Approvals and Key Third Party Consents, the execution and delivery by CAVU of this Agreement and the performance by it of its covenants hereunder and the completion of the Arrangement do not and will not:
 - (i) violate, conflict with or result in a breach of:
 - (A) any provision of CAVU's articles, notice of articles or comparable organizational documents;
 - (B) any CAVU Material Contract or material Authorization to which CAVU is a party or otherwise bound; or
 - (C) any Law to which CAVU is subject or otherwise bound;

- (ii) give rise to any right of termination, or the acceleration of any indebtedness, under any CAVU Material Contract or material Authorization;
 - (iii) result in the creation or imposition of any Encumbrance upon any of the material properties or assets of CAVU; or
 - (iv) give rise to any rights of first refusal or rights of first offer or trigger any change in control provisions or similar provisions or any restriction or limitation under any such Contract or Authorization.
- (g) Regulatory Approvals and Consents. Other than the Key Regulatory Approvals and the submission of the Interim Order and the Final Order to the Court and the filing of such documents as are necessary or desirable to effect the Arrangement under the BCBCA, such filings and other actions required under applicable Securities Laws and the approval of the CSE, no Authorization, consent or approval of, or filing with, any Governmental Entity is necessary on the part of CAVU in connection with the execution and delivery of this Agreement or the completion by it of the transactions contemplated by this Agreement.
- (h) Third Party Consents and Approvals. The Key Third Party Consents for CAVU disclosed in Schedule E hereto are the only material consents, approvals and notices required from any third party under any CAVU Material Contract in order for CAVU to proceed with the execution and delivery of this Agreement or the completion by it of the transactions contemplated by this Agreement.
- (i) Capitalization. The authorized share capital of CAVU consists of an unlimited number of CAVU Shares. As at the date of this Agreement there are: (i) 35,907,166 CAVU Shares validly issued and outstanding as fully-paid and non-assessable shares of CAVU; (ii) 2,965,000 CAVU Options outstanding; (iii) 19,671,666 CAVU Warrants outstanding; and (iv) 361,528 CAVU Finder Warrants outstanding. Other than the CAVU Options, CAVU Warrants and CAVU Finder Warrants, details of which are disclosed in the CAVU Disclosure Letter (including (A) the number of CAVU Shares issuable upon exercise; (B) the purchase price payable; (C) the date of grant; (D) the date of expiry; (E) the name of the registered holder and identifying whether such holder is an employee of CAVU; (F) the extent to which the CAVU Options are vested and are exercisable; and (G) whether vesting or exercise of the CAVU Options, CAVU Warrants or CAVU Finder Warrants may be accelerated as a result, either alone or together with another event or occurrence, of the Arrangement), there are no other securities convertible or exercisable for CAVU Shares. All outstanding CAVU Shares to be issued on the exercise of CAVU Options, CAVU Warrants and CAVU Finder Warrants have been duly authorized and will be, when duly issued and paid for, validly issued and outstanding as fully paid and non-assessable shares, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. No holder of securities issued by CAVU has any right to compel CAVU to register or otherwise qualify securities for public sale in Canada, the United States or elsewhere.
- (j) Shareholders. To the knowledge of CAVU, no person beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the votes attached to the CAVU Shares. CAVU is not party to any shareholder, pooling, voting, or other similar arrangement or agreement relating to the ownership or voting of any of the CAVU Shares or pursuant to which any Person may have any right or claim in connection with any existing or past equity interest in CAVU and CAVU is not a party to a shareholder rights plan or any other similar plan or agreement.
- (k) Securities Laws Matters.
 - (i) The CAVU Shares are listed and posted for trading on the CSE, the OTCQB over-the-counter market and the Frankfurt Stock Exchange and, except for such listing and trading, no securities of CAVU are listed or quoted for trading on any other stock or securities exchange or market. No order, ruling or determination having the effect of ceasing or suspending trading in any securities of CAVU has been issued and no proceedings for

such purpose are pending or threatened. Other than as a result of this Agreement, CAVU has not taken any action which would be reasonably expected to result in the delisting or suspension of CAVU Shares on or from the CSE.

- (ii) CAVU is a “reporting issuer” in each of the Provinces of British Columbia and Ontario (as that term is defined under applicable Canadian Securities Laws), is not included in a list of defaulting reporting issuers (or equivalent) maintained by the applicable Securities Authorities in such provinces and CAVU is not in default of any material provision of applicable Canadian Securities Laws.
 - (iii) CAVU has filed with the Securities Authorities, as applicable, a true and complete copy of all CAVU Disclosure Documents. The CAVU Disclosure Documents at the time filed or, if amended, as of the date of such amendment: (A) did not contain any misrepresentation; and (B) complied in all material respects with the requirements of applicable Securities Laws and the rules, policies and instruments of all Securities Authorities having jurisdiction over CAVU, except where such misrepresentation or non-compliance has not had and would not reasonably be expected to have a Material Adverse Effect on CAVU. CAVU has not filed any confidential material change or other report or other document with any Securities Authorities or other self-regulatory authority which at the date hereof remains confidential.
 - (iv) Except as set forth above, CAVU is not subject to continuous disclosure or other public reporting requirements under any Securities Laws or any securities Laws, including, without limitation, the securities laws of the United States.
- (l) Absence of Cease Trade Orders. No order ceasing or suspending trading in the CAVU Shares (or any of them) or any other securities of CAVU is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of CAVU, are pending, contemplated or threatened.
 - (m) Corporate Records. The minute books and records of CAVU made available to ALCU in connection with its due diligence investigation of CAVU are true and correct in all material respects.
 - (n) Due Diligence Information. To the knowledge of CAVU, all information provided to ALCU in the data site of CAVU or in relation to ALCU’s due diligence requests is true and correct in all material respects and does not contain any material omissions as at its respective date as stated therein and has not been amended except as provided to ALCU.
 - (o) Financial Statements. The CAVU Financial Statements have been prepared in accordance with IFRS applied on a basis consistent with those of previous periods and in accordance with applicable Laws except (i) as otherwise stated in the notes to such statements or, in the case of the CAVU Annual Financial Statements, in the auditor’s report therein; and (ii) that the CAVU Interim Financial Statements are subject to normal period-end adjustments and may omit notes which are not required by applicable Securities Laws or IFRS. The CAVU Financial Statements present fairly and correctly in all material respects, the financial position of CAVU as at the dates thereof and the results of the operations and cash flows of CAVU for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of CAVU.
 - (p) Auditors. There has not been a reportable disagreement (within the meaning of Section 4.11 of NI 51-102) with CAVU’s auditors.
 - (q) Absence of Certain Changes. Since June 30, 2022, except as disclosed in the CAVU Disclosure Documents or in accordance with the provisions of this Agreement: (i) there has been no material change in respect of CAVU, and the debt, business and material property of CAVU conform in all material respects to the description thereof contained in the CAVU Disclosure Documents; (ii)

CAVU has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding CAVU Shares; (iii) CAVU has not materially increased the compensation paid or payable to its employees or changed any benefit to which its employees or former employees are entitled under any employee benefit plan or arrangement or created any new employee benefit plan or arrangement or modified, amended or terminated any employee benefit plan for any such employees; and (iv) there has been no dividend or distribution of any kind declared, paid or made by CAVU on any CAVU Shares.

- (r) Litigation. There are no Proceedings against or involving CAVU or affecting the CAVU Properties (whether in progress or, to the knowledge of CAVU, threatened). There is no judgment, writ, decree, injunction, rule, award or order of any Governmental Entity outstanding against CAVU in respect of its businesses, properties or assets.
- (s) Internal Controls. CAVU maintains a system of internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorizations of management and directors of CAVU; and (iii) are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that could have a material effect on the annual or interim financial statements.
- (t) Undisclosed Liabilities. CAVU has no material liabilities and is not subject to any significant Encumbrances or any material Claim that has not been disclosed in the CAVU Financial Statements.
- (u) Off Balance Sheet Arrangements. CAVU is not party to or bound by any “off-balance sheet” transactions or arrangements.
- (v) Taxes.
 - (i) All Taxes due and payable by CAVU have been paid.
 - (ii) All Tax Returns required to be filed by CAVU have been filed on a timely basis with each appropriate Governmental Entity and all such Tax Returns are true, complete and correct.
 - (iii) No examination of any Tax Return of CAVU is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by CAVU, other than those that would not result in a Material Adverse Effect on CAVU.
 - (iv) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any Claim with respect to Taxes for, or the period for the collection or assessment or reassessment of, Taxes due from CAVU for any taxable period and no request for any such waiver or extension is currently pending.
 - (v) CAVU is not a party to any indemnification, allocation or sharing agreement with respect to Taxes that could give rise to a payment or indemnification obligation.
 - (vi) No Claim with respect to Taxes has been made by any Governmental Entity in a jurisdiction where CAVU does not file Tax Returns that CAVU is or may be subject to Tax by that jurisdiction.

- (vii) CAVU has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to withhold, collect or remit such amounts would not have a Material Adverse Effect.
 - (viii) CAVU is not a non-resident of Canada within the meaning of the Tax Act and has, at all relevant times, been and is a “taxable Canadian corporation” within the meaning of the Tax Act.
 - (ix) Except as disclosed in the CAVU Financial Statements, CAVU has not claimed any reserves in computing its income for purposes of the Tax Act.
 - (x) To the knowledge of CAVU, no circumstances exist or could reasonably be expected to arise as a result of matters existing before the date hereof that may result in CAVU being subject to the application of section 160 of the Tax Act.
 - (xi) CAVU is not a “United States real property holding corporation” within the meaning of Section 897(c) of the U.S. Tax Code, and CAVU does not own any “United States real property interest” within the meaning of Section 897(c) of the U.S. Tax Code.
 - (xii) None of sections 78, 80, 80.01, 80.02, 80.03 or 80.04 of the Tax Act, or any equivalent provision of the Tax legislation of any province or any other jurisdiction, have applied to CAVU at any time up to and including the Effective Date.
 - (xiii) CAVU has not applied for any Canada Emergency Wage Subsidy or Canada Emergency Rent Subsidy, in each case as provided for under section 125.7 of the Tax Act, or any analogous or similar COVID-19 relief measures enacted by the Government of Canada or any province or territory thereof.
 - (xiv) As of September 30, 2022, no “Canadian exploration expenditures” (“CEE”) are required to be incurred by CAVU on or before December 31, 2022 to holders of “flow-through shares” issued by CAVU in 2021.
 - (xv) As of September 30, 2022, no CEE are required to be incurred by CAVU on or before December 31, 2023 to holders of “flow-through shares” issued by CAVU in 2022.
 - (xvi) CAVU is not, and has never been, in default of any of its legal obligations in respect of any “flow-through” share financings previously undertaken by CAVU.
- (w) No Breach of Contracts. CAVU has performed all material obligations required to be performed by it to date under the CAVU Material Contracts. CAVU is not in material breach or default (nor does there exist any condition which, with the passage of time or the giving of notice or both, would result in such a material breach or default under) that has not been cured under any CAVU Material Contract to which it is a party or bound. CAVU does not know of, or has not received written notice of, any material breach or default under any such CAVU Material Contract by any other party thereto. All CAVU Material Contracts: (i) are legal, valid, binding and in full force and effect and are enforceable by CAVU in accordance with their respective terms (subject to bankruptcy, insolvency and other applicable Laws affecting creditors’ rights generally, and to general principles of equity), and (ii) do not, by their terms, require the consent of any parties thereto to permit the Arrangement or any of the transactions contemplated by this Agreement to proceed or be consummated.
- (x) Non-Arm’s Length Transactions. Except as contemplated in this Agreement or as disclosed in the CAVU Financial Statements, there are no current Contracts, commitments, agreements, arrangements or other transactions (including relating to indebtedness by CAVU) between CAVU on the one hand, and any (i) officer or director of CAVU, (ii) any holder of record or beneficial owner

of 10% or more of the CAVU Shares, or (iii) any affiliate or associate of any officer, director or beneficial owner mentioned in (i) or (ii) on the other hand.

- (y) No Broker Fees. There is no Person acting or purporting to act at the request of CAVU who is entitled to any brokerage, agency or other fiscal advisory or similar fee is payable in connection with the Arrangement, except fees to the CAVU Financial Advisor.
- (z) Insurance. All insurance policies of CAVU are disclosed in the CAVU Disclosure Letter and are in full force and effect. All premiums due and payable under all such policies have been paid and CAVU is otherwise in compliance in all material respects with the terms of such policies. CAVU has not received any notice of cancellation or termination with respect to any such policy. There has been no denial of material claims nor material claims disputed by CAVU's insurers.
- (aa) Authorizations. CAVU has obtained all material Authorizations necessary as at the date hereof for the operation of the business carried on by CAVU, and each Authorization is valid, subsisting, in full force and effect, enforceable in accordance with its terms in good standing and CAVU is not in material default or breach of any Authorization. There are no Claims pending, or to the knowledge of CAVU, threatened to revoke, or limit any Authorization.
- (bb) Compliance with Laws.
 - (i) CAVU has conducted and is conducting its business in compliance in all material respects with all applicable Laws.
 - (ii) Neither CAVU nor, to the knowledge of CAVU, any director, officer, agent, employee, affiliate or other person acting on behalf of CAVU is aware of or has taken any action, directly or indirectly, that has resulted or would result in a violation by any such person of the Corruption of Foreign Public Officials Act (Canada) (the "**CFPOA**"), the United States Foreign Corrupt Practice Act (the "**FCPA**"), including any offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA. To the knowledge of CAVU, CAVU has conducted its business in compliance with the CFPOA and the FCPA and has instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to ensure, continued compliance with the CFPOA and FCPA.
 - (iii) The operations of CAVU are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the *Canadian Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, as amended, the U.S. Currency and Foreign Transactions Reporting Act of 1970, as amended, and the money laundering statutes of all other applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity (collectively, "**Money Laundering Laws**") and no Claim by or before any Governmental Entity involving CAVU with respect to the Money Laundering Laws is pending or, to the knowledge of CAVU, threatened.
- (cc) Intellectual Property Rights. CAVU owns or has the right to use all material Intellectual Property required to carry on its business as currently conducted. To the knowledge of CAVU, there has been no claim of infringement by CAVU or breach by CAVU of any material Intellectual Property or industrial rights of any other person, and CAVU has not received any notice that the conduct of its business infringes on any material Intellectual Property rights or industrial rights of any other person.
- (dd) Operational Matters.

- (i) All rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or required to be performed, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of CAVU, have been, in all material respects: (A) duly paid; (B) duly performed; or (C) provided for prior to the date of this Agreement.
 - (ii) All costs, expenses, and liabilities required to be paid on or prior to the date of this Agreement under the terms of any Contracts and agreements to which CAVU is directly or indirectly bound have been properly and timely paid in all material respects, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.
 - (iii) To the knowledge of CAVU, all exploration, development and mining operations conducted by CAVU on the CAVU Properties, including all operations and activities relating to the CAVU Properties, have been conducted in all material respects in accordance with good exploration, development and engineering practices and all applicable workers' compensation and health and safety and workplace laws, regulations and policies have been complied with in all material respects. There are no material environmental audits, evaluations, assessments, studies or tests relating to CAVU except for ongoing assessments conducted by or on behalf of CAVU in the ordinary course.
- (ee) Authorizations.
- (i) Any and all of the Authorizations pursuant to which CAVU holds an interest in the CAVU Properties are valid and subsisting permits, certificates, agreements, leases, licenses, documents or instruments in full force and effect, enforceable in accordance with the terms thereof.
 - (ii) All Authorizations of CAVU are in good standing and there has been no default under any such Authorizations, and all fees and other amounts required to be paid with respect to such Authorizations to the date hereof have been paid. There are no actions, proceedings or investigations, pending or, to the knowledge of CAVU, threatened, against CAVU that could reasonably be expected to result in the suspension, loss or revocation of any such Authorization.
 - (iii) CAVU is in compliance with all Authorizations relating to the CAVU Properties, and there are no other Authorizations necessary to conduct its current business at the CAVU Properties as it is now being conducted (as described in the CAVU Disclosure Documents).
- (ff) Interest in Properties.
- (i) CAVU is the sole legal and beneficial owner, and has valid and sufficient right, title and interest, free and clear of any Lien: (A) to its concessions, claims, leases, licences, and all other rights relating in any manner whatsoever to the interest in, or exploration for minerals on the CAVU Properties and, in each case, as are necessary to perform the operation of its business as presently owned and conducted; (B) to its real property interests including fee simple estate of and in real property, licences (from landowners and authorities permitting the use of land by CAVU), leases, rights of way, occupancy rights, surface rights, mineral rights, easements and all other real property interests and, in each case, as are necessary to perform the operation of its business as presently owned and conducted; and (C) to, or is entitled to the benefits of, all of its properties and assets of any nature whatsoever and to all benefits derived therefrom and mineral rights including all the properties and assets reflected in the balance sheet forming part of the CAVU Disclosure Documents (collectively, the "**CAVU Properties**"), except as indicated in the CAVU Disclosure Documents and such properties and assets are not subject to any material Lien

except as is specifically identified on title or in the public registry or in the CAVU Disclosure Documents.

- (ii) All mineral property claims in which CAVU has an interest or right, including the CAVU Properties, have been validly located and recorded in accordance with all Laws and are valid and subsisting. CAVU has all necessary surface rights, access rights and other rights and interests relating to its mineral properties, granting CAVU the right and ability to conduct its business as currently conducted as disclosed in the CAVU Disclosure Documents, with only such exceptions as do not materially interfere with the use made by CAVU of the rights or interests so held, and each of the property interests or rights and each of the documents, agreements, instruments and obligations relating thereto and referred to above is currently in good standing in the name of CAVU.
- (iii) CAVU has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by CAVU under any material agreement pertaining to their respective CAVU Properties and each such material agreement is enforceable and in full force and effect.
- (iv) Except as disclosed in the CAVU Disclosure Letter, (A) CAVU has the exclusive right to deal with the CAVU Properties; (B) no person or entity of any nature whatsoever other than CAVU has any interest in the CAVU Properties or any right to acquire or otherwise obtain any such interest; (C) there are no back-in rights, earn-in rights, rights of first refusal, off-take rights or obligations, royalty rights, streaming rights, or other rights of any nature whatsoever which would affect CAVU's interests in the CAVU Properties, and no such rights are threatened; (D) CAVU has not received any written notice from any Governmental Entity or any other person of any revocation or intention to revoke, diminish or challenge its interest in the CAVU Properties; and (E) the CAVU Properties are in good standing under and comply in all material respects with all Laws and all work required to be performed has been performed and all taxes, fees, expenditures and all other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.
- (v) There are no adverse claims, demands, actions, suits or proceedings that have been commenced or are pending or, to the knowledge of CAVU, that are threatened, affecting or which would have a Material Adverse Effect on CAVU's right, title or interest in the CAVU Properties or the ability of CAVU to explore or develop the CAVU Properties, including the title to or ownership by CAVU of the foregoing.
- (vi) None of the directors or officers of CAVU holds any right, title or interest in, nor has taken any action to obtain, directly or indirectly, any right, title and interest in any of the CAVU Properties or in any permit, concession, claim, lease, licence or other right to explore for, exploit, develop, mine or produce minerals from or in any manner in relation to the CAVU Properties and any other properties located within 20 kilometres of any of the CAVU Properties.
- (vii) CAVU has provided ALCU with access to full and complete copies of all exploration information and data within its possession or control including, without limitation, all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the CAVU Properties and CAVU has the sole right, title and ownership of all such information, data, reports and studies.
- (gg) Expropriation. None of the CAVU Properties has been taken or expropriated by any Governmental Entity nor has any notice or proceeding in respect thereof been given or commenced nor, to the

knowledge of CAVU, is there any intent or proposal to give any such notice or to commence any such proceeding.

(hh) CAVU Technical Report.

- (i) The CAVU Technical Report complied in all material respects with the requirements of NI 43-101 at the time of filing thereof. CAVU does not have knowledge of any change to the facts and assumptions underlying the estimates in the CAVU Technical Report that would reasonably be expected to result a material adverse change in any relevant information in the CAVU Technical Report since the date of such report.
- (ii) CAVU made available to the authors of the CAVU Technical Report, prior to the issuance thereof, for the purpose of preparing such report, all information requested by them, and none of such information contained any misrepresentation at the time such information was so provided.
- (iii) The information set forth in the CAVU Disclosure Documents pursuant to NI 43-101 has been prepared by CAVU and its' consultants in accordance with methods generally applied in the mining industry and conforms to the requirements of NI 43-101 and Securities Laws.
- (iv) CAVU is in compliance in all material respects with the provisions of NI 43-101, has filed all technical reports required thereby, and there has been no change of which CAVU is or should be aware that would disaffirm or change any aspect of the CAVU Technical Report or that would require the filing of a new technical report under NI 43-101, including but not limited to, in connection with the transactions contemplated in this Agreement.

- (ii) Description of the CAVU Properties. The description of the CAVU Properties as disclosed in the CAVU Disclosure Documents constitutes an accurate description of the CAVU Properties, and no other property or assets are necessary for the conduct of the business of CAVU as currently conducted, and CAVU does not know of any claim or the basis for any claim, including a claim with respect to aboriginal or native rights, that might or could have a Material Adverse Effect on the right thereof to use, transfer or otherwise explore for mineral deposits on the CAVU Properties.

(jj) Environmental Matters.

- (i) CAVU has carried on their operations in compliance with all applicable Environmental Laws and the CAVU Properties and assets comply with all applicable Environmental Laws, except to the extent that a failure to be in such compliance, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on CAVU. CAVU has taken all requested or necessary steps and actions to comply with any notice, action, or proceeding with respect to any material non-compliance.
- (ii) CAVU is not subject to any contingent or other liability relating to (a) the restoration or rehabilitation of land, water or any other part of the Environment, or (b) non-compliance with Environmental Laws.
- (iii) The CAVU Properties have not been used to generate, manufacture, refine, treat, recycle, transport, store, handle, dispose of, transfer, produce or process Hazardous Substances, except to the extent that such non-compliance would not reasonably be expected to have a Material Adverse Effect on CAVU. CAVU has not caused or permitted the Release of any Hazardous Substances at, in, on, under or from any CAVU Property, except where the failure to be in such compliance would not be reasonably be expected to have a Material Adverse Effect on CAVU. All Hazardous Substances handled, recycled, disposed of, treated or stored on or off site of the CAVU Properties by CAVU have been handled, recycled, disposed of, treated and stored in material compliance with all Environmental

Laws, except to the extent that a failure to be in such compliance would not be reasonably likely to have a Material Adverse Effect on CAVU. To the knowledge of CAVU, there are no Hazardous Substances at, in, on, under or migrating from any CAVU Property, except to the extent that such non-compliance would not reasonably be expected to have a Material Adverse Effect on CAVU.

- (iv) To the knowledge of CAVU, CAVU has not treated or disposed of, or arranged for the treatment or disposal of, any Hazardous Substances at any location: (A) listed on any list of hazardous sites or sites requiring Remedial Action issued by any Governmental Entity; (B) to the knowledge of CAVU, proposed for listing on any list issued by any Governmental Entity of hazardous sites or sites requiring Remedial Action, or any similar federal, state or provincial lists; or (C) which is the subject of enforcement actions by any Governmental Entity that creates the reasonable potential for any proceeding, action, or other claim against CAVU. To the knowledge of CAVU, no site or facility now or previously owned, operated or leased by CAVU is listed or, to the knowledge of CAVU, is proposed for listing on any list issued by any Governmental Entity of hazardous sites or sites requiring Remedial Action or is the subject of Remedial Action.
- (v) CAVU has not caused or permitted the Release of any Hazardous Substances on or to any CAVU Property in such a manner as: (A) would reasonably be expected to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property, except to the extent that such liability would not reasonably be expected to have a Material Adverse Effect on CAVU; or (B) would be reasonably expected to result in imposition of a material lien, charge or other encumbrance or the expropriation of any CAVU Property or any of the assets of CAVU.
- (vi) CAVU has not received from any Person or Governmental Entity any notice of any material proceeding, material action or other material claim, liability or potential liability arising under any Environmental Law that is pending as of the date of this Agreement.
- (kk) First Nations Claims. There are no claims or any legal actions with respect to native, indigenous or other aboriginal rights currently or, to the knowledge of CAVU, after due inquiry, pending or threatened with respect to any of the CAVU Properties, and no dispute between CAVU and any native, indigenous or other aboriginal group exists or, to the knowledge of CAVU, is threatened or imminent with respect to any activities thereon.
- (ll) NGOs and Community Groups. No dispute between CAVU and any non-governmental organization, community, or community group exists or, to the knowledge of CAVU, is threatened or imminent with respect to any of the CAVU Properties or operations.
- (mm) Restrictions on Business Activity. Neither CAVU nor any of its properties or assets is subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of CAVU to conduct its business in all material respects as it has been carried on prior to the date hereof, or that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (nn) Employee Plans. CAVU does not have any Employee Plans or benefit plans required or intended to be qualified under applicable Law or registered or approved by a Governmental Entity. The CAVU Omnibus Plan has been maintained in material compliance with its terms and in accordance with all applicable Laws.
- (oo) Employment Matters.

- (i) There are no outstanding or, to the knowledge of CAVU, threatened labour tribunal proceedings of any kind, including unfair labour practice proceedings or any proceedings which, to the knowledge of CAVU, could result in certification of a trade union as bargaining agent for any employees of CAVU.
 - (ii) CAVU is not subject to any claim for wrongful dismissal, constructive dismissal or any other claim, written complaint or litigation relating to employment, discrimination or termination of employment of any current or former employee of CAVU.
 - (iii) To the knowledge of CAVU, CAVU is in compliance with all terms and conditions of employment and Law respecting employment and labor, including pay equity, wages, hours of work, termination of employment, overtime pay, human rights and occupational health and safety and workers' compensation, except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.
 - (iv) All employees engaged or employed by CAVU are engaged pursuant to a written contract of employment or provision of services and copies of all such contracts have been made available to ALCU in the data site of CAVU;
 - (v) All material current assessments under applicable workers compensation legislation have been paid or accrued by CAVU, as applicable, and CAVU is not subject to any material special or penalty assessment under such legislation which has not been paid.
 - (vi) There are no collective agreements that exist, either directly or by operation of law, between CAVU and any trade union or association which may qualify as a trade union and CAVU is not currently negotiating any such agreements. To the knowledge of CAVU, there are no threatened or apparent union organizing activities involving employees of CAVU.
 - (vii) To the knowledge of CAVU, except for payments due pursuant to applicable Law and payments due pursuant to contracts that are consistent with the payments due pursuant to the standard form employment agreement of CAVU, all other change of control, bonus payments, severance payments or termination payments, including the acceleration of the vesting or the time to exercise of any outstanding stock option or employee or director awards of CAVU, that CAVU is obligated to pay under existing contracts to all persons including, without limitation, consultants, directors, officers, employees or agents, are as disclosed in the CAVU Disclosure Documents.
 - (viii) There are no change of control payments, bonus payments, severance payments or termination payments due to any director, officer or employee that CAVU is obligated to pay in connection with completion of the Arrangement or the transactions contemplated by this Agreement.
- (pp) Health and Safety. To the knowledge of CAVU, CAVU has operated in all material respects in accordance with all applicable Laws with respect to employment and labour, including employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights, labour relations and privacy, and there are no current, pending, or to the knowledge of CAVU, threatened proceedings before any Governmental Entity with respect to any such matters, which if determined adversely to CAVU would result in a Material Adverse Effect.
- (qq) Employment Withholdings. To the knowledge of CAVU, CAVU has withheld from each payment made to any of its present or former employees, officers or directors, or to other persons, all material amounts required by Law or administrative practice to be withheld by it on account of income taxes, pension plan contributions, employment insurance premiums, employer health taxes and similar taxes and levies, and has remitted such withheld amounts within the required time to the appropriate Governmental Entity.

- (rr) Arrangement with Securityholders. CAVU does not have any agreement, arrangement or understanding (whether written or oral) with respect to CAVU or any of its securities, business or operations, with any shareholder of CAVU, any interested party of CAVU or any related party of any interested party of CAVU, or any joint actor with any such persons (and for this purpose, the terms “interested party”, “related party” and “joint actor” shall have the meaning ascribed to such terms in MI 61-101).
- (ss) United States Securities Laws. No class of securities of CAVU are, or are required to be, registered pursuant to Section 12 of the U.S. Exchange Act, nor does CAVU have a reporting obligation pursuant to Section 15(d) of the U.S. Exchange Act. CAVU is a “foreign private issuer” as that term is defined under Rule 3b-4 promulgated under the U.S. Exchange Act. CAVU is not registered or required to be registered as an “investment company” under the United States Investment Company Act of 1940, as amended.
- (tt) Fairness Opinion. The CAVU Board has received an oral opinion (to be confirmed in writing) from the CAVU Financial Advisor that the Arrangement is fair from a financial point of view to the CAVU Shareholders, which opinion has not been modified, amended, qualified or withdrawn. A true and complete copy of the written CAVU Fairness Opinion will be provided by CAVU to ALCU promptly following delivery by the CAVU Financial Advisor.
- (uu) CAVU Board Approval. The CAVU Board, at a meeting duly called and held, upon consultation with legal and financial advisors has unanimously determined that this Agreement and the Arrangement are fair, from a financial point of view, to the CAVU Securityholders and are in the best interests of CAVU, have unanimously approved the execution and delivery of this Agreement and the transactions contemplated by this Agreement and have unanimously resolved to recommend that the CAVU Securityholders vote in favour of the Arrangement Resolution.
- (vv) HSR Act. CAVU (and all entities “controlled by” CAVU for purposes of the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended) does not hold assets located in the United States with a fair market value of greater than US\$101 million and has not made aggregate sales in or into the United States of greater than US\$101 million in its most recent fiscal year.

SCHEDULE D

REPRESENTATIONS AND WARRANTIES OF ALCU

ALCU hereby represents and warrants to CAVU as follows, and acknowledges and agrees that CAVU is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) Organization and Corporate Capacity. ALCU has been organized and is validly existing and in good standing under the BCBCA and has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets.
- (b) No Subsidiaries. ALCU has no subsidiaries and is not a party to any agreement, option or commitment to acquire, or exercise control or direction over, directly or indirectly, any interest in any other Person.
- (c) Qualification to Do Business. ALCU is duly qualified to carry on business in all jurisdictions in which the character of its respective properties or assets owned, leased or operated by it, or the nature of its business activities, makes such qualification necessary.
- (d) Dissolution. No act or proceeding by or against ALCU has been taken or made in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of ALCU or for the appointment of a trustee, receiver, manager or other administrator of ALCU or any of its properties or assets and no such act or proceeding, to the knowledge of ALCU, has been threatened. ALCU has not sought protection under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation.
- (e) Authority Relative to this Agreement. ALCU has the requisite corporate power and authority to enter into this Agreement, to perform its obligations hereunder and to complete the Arrangement. The execution and delivery of this Agreement and the performance by ALCU of its obligations under this Agreement have been duly authorized by the ALCU Board and no other corporate proceedings on the part of ALCU are necessary to authorize the execution and delivery by it of this Agreement or the completion by ALCU of the Arrangement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by ALCU and constitutes a valid and binding obligation of ALCU, enforceable against ALCU in accordance with its terms, subject however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.
- (f) No Violation. Subject to the receipt of the Key Regulatory Approvals and Key Third Party Consents, the execution and delivery by ALCU of this Agreement and the performance by it of its covenants hereunder and the completion of the Arrangement do not and will not:
 - (i) violate, conflict with or result in a breach of:
 - (A) any provision of ALCU's articles, notice of articles or comparable organizational documents;
 - (B) any ALCU Material Contract or material Authorization to which ALCU is a party or otherwise bound; or
 - (C) any Law to which ALCU is subject or otherwise bound;
 - (ii) give rise to any right of termination, or the acceleration of any indebtedness, under any ALCU Material Contract or material Authorization;

- (iii) result in the creation or imposition of any Encumbrance upon any of the material properties or assets of ALCU; or
 - (iv) give rise to any rights of first refusal or rights of first offer or trigger any change in control provisions or similar provisions or any restriction or limitation under any such Contract or Authorization.
- (g) Regulatory Approvals and Consents. Other than the Key Regulatory Approvals, such filings and other actions required under applicable Securities Laws and the approval of the CSE (if applicable), no Authorization, consent or approval of, or filing with, any Governmental Entity is necessary on the part of ALCU in connection with the execution and delivery of this Agreement or the completion by it of the transactions contemplated by this Agreement.
- (h) Third Party Consents and Approvals. The Key Third Party Consents for ALCU disclosed in Schedule E hereto are the only material consents, approvals and notices required from any third party under any ALCU Material Contract in order for ALCU to proceed with the execution and delivery of this Agreement or the completion by it of the transactions contemplated by this Agreement.
- (i) Capitalization. The authorized share capital of ALCU consists of an unlimited number of ALCU Shares. As at the date of this Agreement there are: (i) 57,749,849 ALCU Shares validly issued and outstanding as fully-paid and non-assessable shares of ALCU; (ii) 4,430,000 stock options outstanding to purchase ALCU Shares; (iii) 31,577,723 common share purchase warrants exercisable to acquire ALCU Shares; and (iv) 394,775 broker warrants exercisable to acquire ALCU Shares. Other than the stock options, common share purchase warrants and broker warrants, there are no other securities convertible or exercisable for ALCU Shares. All outstanding ALCU Shares to be issued on the exercise of stock options, common share purchase warrants and broker warrants have been duly authorized and will be, when duly issued and paid for, validly issued and outstanding as fully paid and non-assessable shares, and are not and will not be subject to, or issued in violation of, any pre-emptive rights. No holder of securities issued by ALCU has any right to compel ALCU to register or otherwise qualify securities for public sale in Canada, the United States, or elsewhere.
- (j) Shareholders. To the knowledge of ALCU, no person beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the votes attached to ALCU Shares. ALCU is not party to any shareholder, pooling, voting, or other similar arrangement or agreement relating to the ownership or voting of any of ALCU Shares or pursuant to which any Person may have any right or claim in connection with any existing or past equity interest in ALCU and ALCU is not a party to a shareholder rights plan or any other similar plan or agreement.
- (k) Securities Laws Matters.
- (i) The ALCU Shares are listed and posted for trading on the CSE, Frankfurt Stock Exchange and OTC Markets, and except for such listing and trading, ALCU has not made arrangements for any securities of ALCU to be listed or quoted for trading on any other stock or securities exchange or market. No order, ruling or determination having the effect of ceasing or suspending trading in any securities of ALCU has been issued and no proceedings for such purpose are pending or threatened. ALCU has not taken any action which would be reasonably expected to result in the delisting or suspension of ALCU Shares on or from the CSE.
 - (ii) ALCU is a “reporting issuer” in each of the Provinces of British Columbia, Alberta and Ontario (as that term is defined under applicable Canadian Securities Laws), is not included in a list of defaulting reporting issuers (or equivalent) maintained by the applicable Securities Authorities in such provinces and ALCU is not in default of any material provision of applicable Canadian Securities Laws.

- (iii) ALCU has filed with the Securities Authorities, as applicable, a true and complete copy of all ALCU Disclosure Documents. The ALCU Disclosure Documents at the time filed or, if amended, as of the date of such amendment: (A) did not contain any misrepresentation; and (B) complied in all material respects with the requirements of applicable Securities Laws and the rules, policies and instruments of all Securities Authorities having jurisdiction over ALCU, except where such misrepresentation or non-compliance has not had and would not reasonably be expected to have a Material Adverse Effect on ALCU. ALCU has not filed any confidential material change or other report or other document with any Securities Authorities or other self-regulatory authority which at the date hereof remains confidential.
- (iv) Except as set forth above, ALCU is not subject to continuous disclosure or other public reporting requirements under any Securities Laws or any securities Laws, including, without limitation, the securities laws of the United States.
- (l) Absence of Cease Trade Orders. No order ceasing or suspending trading in the ALCU Shares (or any of them) or any other securities of ALCU is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of ALCU, are pending, contemplated or threatened.
- (m) Corporate Records. The minute books and records of ALCU made available to CAVU in connection with its due diligence investigation of ALCU are true and correct in all material respects.
- (n) Due Diligence Information. To the knowledge of ALCU, all information provided to CAVU in the data site of ALCU or in relation to CAVU's due diligence requests is true and correct in all material respects and does not contain any material omissions as at its respective date as stated therein and has not been amended except as provided to CAVU.
- (o) Financial Statements. The ALCU Financial Statements have been prepared in accordance with IFRS applied on a basis consistent with those of previous periods and in accordance with applicable Laws except (i) as otherwise stated in the notes to such statements or, in the case of the ALCU Annual Financial Statements, in the auditor's report therein; and (ii) that the ALCU Interim Financial Statements are subject to normal period-end adjustments and may omit notes which are not required by applicable Securities Laws or IFRS. The ALCU Financial Statements present fairly and correctly in all material respects, the financial position of ALCU as at the dates thereof and the results of the operations and cash flows of ALCU for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of ALCU.
- (p) Auditors. There has not been a reportable disagreement (within the meaning of Section 4.11 of NI 51-102) with ALCU's auditors.
- (q) Absence of Certain Changes. Since June 30, 2022, except as disclosed in the ALCU Disclosure Documents or in accordance with the provisions of this Agreement: (i) there has been no material change in respect of ALCU, and the debt, business and material property of ALCU conform in all material respects to the description thereof contained in the ALCU Disclosure Documents; (ii) ALCU has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding ALCU Shares; (iii) ALCU has not materially increased the compensation paid or payable to its employees or changed any benefit to which its employees or former employees are entitled under any employee benefit plan or arrangement or created any new employee benefit plan or arrangement or modified, amended or terminated any employee benefit plan for any such employees; and (iv) there has been no dividend or distribution of any kind declared, paid or made by ALCU on any ALCU Shares.
- (r) Litigation. There are no Proceedings against or involving ALCU, or affecting the ALCU Properties (whether in progress or, to the knowledge of ALCU, threatened). There is no judgment, writ, decree,

injunction, rule, award or order of any Governmental Entity outstanding against ALCU in respect of its businesses, properties or assets.

- (s) Internal Controls. ALCU maintains a system of internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorizations of management and directors of ALCU; and (iii) are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that could have a material effect on the annual or interim financial statements.
- (t) Undisclosed Liabilities. ALCU has no material liabilities and is not subject to any significant Encumbrances or any material Claim that has not been disclosed in the ALCU Financial Statements.
- (u) Off Balance Sheet Arrangements. ALCU is not party to or bound by any “off-balance sheet” transactions or arrangements.
- (v) Taxes.
 - (i) All Taxes due and payable by ALCU have been paid.
 - (ii) All Tax Returns required to be filed by ALCU have been filed on a timely basis with each appropriate Governmental Entity and all such Tax Returns are true, complete and correct.
 - (iii) No examination of any Tax Return of ALCU is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by ALCU, other than those that would not result in a Material Adverse Effect on ALCU.
 - (iv) There are no outstanding agreements extending or waiving the statutory period of limitations applicable to any Claim with respect to Taxes for, or the period for the collection or assessment or reassessment of, Taxes due from ALCU for any taxable period and no request for any such waiver or extension is currently pending.
 - (v) ALCU is not a party to any indemnification, allocation or sharing agreement with respect to Taxes that could give rise to a payment or indemnification obligation.
 - (vi) No Claim with respect to Taxes has been made by any Governmental Entity in a jurisdiction where ALCU does not file Tax Returns that ALCU is or may be subject to Tax by that jurisdiction.
 - (vii) ALCU has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity when required by Law to do so, except where the failure to withhold, collect or remit such amounts would not have a Material Adverse Effect.
 - (viii) ALCU is not a non-resident of Canada within the meaning of the Tax Act and has, at all relevant times, been and is a “taxable Canadian corporation” within the meaning of the Tax Act.

- (ix) ALCU has not claimed any reserves in computing its income for purposes of the Tax Act.
 - (x) To the knowledge of ALCU, no circumstances exist or could reasonably be expected to arise as a result of matters existing before the date hereof that may result in ALCU being subject to the application of section 160 of the Tax Act.
 - (xi) ALCU has not acquired by purchase any capital stock of CAVU during the twenty-four month period preceding the date hereof and ALCU will not acquire any additional capital of stock other than pursuant to the Arrangement Agreement.
 - (xii) ALCU is not, and has never been, in default of any of its legal obligations in respect of any "flow-through" share financings previously undertaken by ALCU.
- (w) No Breach of Contracts. ALCU has performed all material obligations required to be performed by it to date under the ALCU Material Contracts. ALCU is not in material breach or default (nor does there exist any condition which, with the passage of time or the giving of notice or both, would result in such a material breach or default under) that has not been cured under any ALCU Material Contract to which it is a party or bound. ALCU does not know of, and has not received written notice of, any material breach or default under any such ALCU Material Contract by any other party thereto. All ALCU Material Contracts: (i) are legal, valid, binding and in full force and effect and are enforceable by ALCU in accordance with their respective terms (subject to bankruptcy, insolvency and other applicable Laws affecting creditors' rights generally, and to general principles of equity), and (ii) do not, by their terms, require the consent of any parties thereto to permit the Arrangement or any of the transactions contemplated by this Agreement to proceed or be consummated.
- (x) Non-Arm's Length Transactions. Except as contemplated in this Agreement or as disclosed in the ALCU Financial Statements, there are no current Contracts, commitments, agreements, arrangements or other transactions (including relating to indebtedness by ALCU) between ALCU on the one hand, and any (i) officer or director of ALCU, (ii) any holder of record or beneficial owner of 10% or more of the ALCU Shares, or (iii) any affiliate or associate of any officer, director or beneficial owner mentioned in (i) or (ii) on the other hand.
- (y) Broker Fees. There is no Person acting or purporting to act at the request of ALCU who is entitled to any brokerage, agency or other fiscal advisory or similar fee is payable in connection with the Arrangement.
- (z) Insurance. All insurance policies of ALCU are disclosed in the ALCU Disclosure Letter and are in full force and effect. All premiums due and payable under all such policies have been paid and ALCU is otherwise in compliance in all material respects with the terms of such policies. ALCU has not received any notice of cancellation or termination with respect to any such policy. There has been no denial of material claims nor material claims disputed by ALCU's insurers.
- (aa) Authorizations. ALCU has obtained all material Authorizations necessary as at the date hereof for the operation of the business carried on by ALCU, and each Authorization is valid, subsisting, in full force and effect, enforceable in accordance with its terms in good standing and ALCU is not in material default or breach of any Authorization. There are no Claims pending, or to the knowledge of ALCU, threatened to revoke, or limit any Authorization.
- (bb) Compliance with Laws.
- (i) ALCU has conducted and is conducting its business in compliance in all material respects with all applicable Laws.
 - (ii) Neither ALCU nor, to the knowledge of ALCU, any director, officer, agent, employee, affiliate or other person acting on behalf of ALCU is aware of or has taken any action,

directly or indirectly, that has resulted or would result in a violation by any such person of the CFPOA, the FCPA, including any offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA. To the knowledge of ALCU, ALCU has conducted its business in compliance with the CFPOA and the FCPA and has instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to ensure, continued compliance with the CFPOA and FCPA.

- (iii) The operations of ALCU are and have been conducted at all times in compliance with applicable Money Laundering Laws and no Claim by or before any Governmental Entity involving ALCU with respect to the Money Laundering Laws is pending or, to the knowledge of ALCU, threatened.
- (cc) Intellectual Property Rights. ALCU owns or has the right to use all material Intellectual Property required to carry on its business as currently conducted. To the knowledge of ALCU, there has been no claim of infringement by ALCU or breach by ALCU of any material Intellectual Property or industrial rights of any other person, and ALCU has not received any notice that the conduct of its business infringes on any material Intellectual Property rights or industrial rights of any other person.
- (dd) Operational Matters.
 - (i) All rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or required to be performed, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any direct or indirect assets of ALCU, have been, in all material respects: (A) duly paid; (B) duly performed; or (C) provided for prior to the date of this Agreement.
 - (ii) All costs, expenses, and liabilities required to be paid on or prior to the date of this Agreement under the terms of any Contracts and agreements to which ALCU is directly or indirectly bound have been properly and timely paid in all material respects, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.
 - (iii) To the knowledge of ALCU, all exploration, development and mining operations conducted by ALCU on the ALCU Properties, including all operations and activities relating to the ALCU Properties, have been conducted in all material respects in accordance with good exploration, development and engineering practices and all applicable workers' compensation and health and safety and workplace laws, regulations and policies have been complied with in all material respects. There are no material environmental audits, evaluations, assessments, studies or tests relating to ALCU except for ongoing assessments conducted by or on behalf of ALCU in the ordinary course.
- (ee) Authorizations.
 - (i) Any and all of the Authorizations pursuant to which ALCU holds an interest in the ALCU Properties are valid and subsisting permits, certificates, agreements, leases, licenses, documents or instruments in full force and effect, enforceable in accordance with the terms thereof.
 - (ii) All Authorizations of ALCU are in good standing and there has been no default under any such Authorizations, and all fees and other amounts required to be paid with respect to such Authorizations to the date hereof have been paid. There are no actions, proceedings

or investigations, pending or, to the knowledge of ALCU, threatened, against ALCU that could reasonably be expected to result in the suspension, loss or revocation of any such Authorization.

- (iii) ALCU is in compliance with all Authorizations relating to the ALCU Properties, and there are no other Authorizations necessary to conduct its current business at the ALCU Properties as it is now being conducted (as described in the ALCU Disclosure Documents).

(ff) Interest in Properties.

- (i) ALCU is the sole legal and beneficial owner, and has valid and sufficient right, title and interest, free and clear of any Lien: (A) to its concessions, claims, leases, licences, and all other rights relating in any manner whatsoever to the interest in, or exploration for minerals on the ALCU Properties and, in each case, as are necessary to perform the operation of its business as presently owned and conducted; (B) to its real property interests including fee simple estate of and in real property, licences (from landowners and authorities permitting the use of land by ALCU), leases, rights of way, occupancy rights, surface rights, mineral rights, easements and all other real property interests and, in each case, as are necessary to perform the operation of its business as presently owned and conducted; and (C) to, or is entitled to the benefits of, all of its properties and assets of any nature whatsoever and to all benefits derived therefrom and mineral rights including all the properties and assets reflected in the balance sheet forming part of the ALCU Disclosure Documents (collectively, the “**ALCU Properties**”), except as indicated in the ALCU Disclosure Documents and such properties and assets are not subject to any material Lien except as is specifically identified on title or in the public registry or in the ALCU Disclosure Documents.
- (ii) All mineral property claims in which ALCU has an interest or right, including the ALCU Properties, have been validly located and recorded in accordance with all Laws and are valid and subsisting. ALCU has all necessary surface rights, access rights and other rights and interests relating to its mineral properties, granting ALCU the right and ability to conduct its business as currently conducted as disclosed in the ALCU Disclosure Documents, with only such exceptions as do not materially interfere with the use made by ALCU of the rights or interests so held, and each of the property interests or rights and each of the documents, agreements, instruments and obligations relating thereto and referred to above is currently in good standing in the name of ALCU.
- (iii) ALCU has duly and timely satisfied all of the obligations required to be satisfied, performed and observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by ALCU under any material agreement pertaining to their respective ALCU Properties and each such material agreement is enforceable and in full force and effect.
- (iv) Except as disclosed in the ALCU Disclosure Documents, (A) ALCU has the exclusive right to deal with the ALCU Properties; (B) no person or entity of any nature whatsoever other than ALCU has any interest in the ALCU Properties or any right to acquire or otherwise obtain any such interest; (C) there are no back-in rights, earn-in rights, rights of first refusal, off-take rights or obligations, royalty rights, streaming rights, or other rights of any nature whatsoever which would affect ALCU’s interests in the ALCU Properties, and no such rights are threatened; (D) ALCU has not received any written notice from any Governmental Entity or any other person of any revocation or intention to revoke, diminish or challenge its interest in the ALCU Properties; and (E) the ALCU Properties are in good standing under and comply in all material respects with all Laws and all work required to be performed has been performed and all taxes, fees, expenditures and all other payments

in respect thereof have been paid or incurred and all filings in respect thereof have been made.

- (v) There are no adverse claims, demands, actions, suits or proceedings that have been commenced or are pending or, to the knowledge of ALCU, that are threatened, affecting or which would have a Material Adverse Effect on ALCU's right, title or interest in the ALCU Properties or the ability of ALCU to explore or develop the ALCU Properties, including the title to or ownership by ALCU of the foregoing.
 - (vi) Except as disclosed in the ALCU Disclosure Letter, none of the directors or officers of ALCU holds any right, title or interest in, nor has taken any action to obtain, directly or indirectly, any right, title and interest in any of the ALCU Properties or in any permit, concession, claim, lease, licence or other right to explore for, exploit, develop, mine or produce minerals from or in any manner in relation to the ALCU Properties and any other properties located within 20 kilometres of any of the ALCU Properties.
 - (vii) ALCU has provided CAVU with access to full and complete copies of all exploration information and data within its possession or control including, without limitation, all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the ALCU Properties and ALCU has the sole right, title and ownership of all such information, data, reports and studies.
- (gg) Expropriation. None of the ALCU Properties has been taken or expropriated by any Governmental Entity nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of ALCU, is there any intent or proposal to give any such notice or to commence any such proceeding.
- (hh) ALCU Technical Report.
- (i) The ALCU Technical Report complied in all material respects with the requirements of NI 43-101 at the time of filing thereof. ALCU does not have knowledge of any change to the facts and assumptions underlying the estimates in the ALCU Technical Report that would reasonably be expected to result a material adverse change in any relevant information in the ALCU Technical Report since the date of such report.
 - (ii) ALCU made available to the authors of the ALCU Technical Report, prior to the issuance thereof, for the purpose of preparing such report, all information requested by them, and none of such information contained any misrepresentation at the time such information was so provided.
 - (iii) The information set forth in the ALCU Disclosure Documents pursuant to NI 43-101 has been prepared by ALCU and its' consultants in accordance with methods generally applied in the mining industry and conforms to the requirements of NI 43-101 and Securities Laws.
 - (iv) ALCU is in compliance in all material respects with the provisions of NI 43-101, has filed all technical reports required thereby, and there has been no change of which ALCU is or should be aware that would disaffirm or change any aspect of the ALCU Technical Report or that would require the filing of a new technical report under NI 43-101, including but not limited to, in connection with the transactions contemplated in this Agreement.
- (ii) Description of the ALCU Properties. The description of the ALCU Properties as disclosed in the ALCU Disclosure Documents constitutes an accurate description of the ALCU Properties, and no other property or assets are necessary for the conduct of the business of ALCU as currently conducted, ALCU does not know of any claim or the basis for any claim, including a claim with

respect to aboriginal or native rights, that might or could have a Material Adverse Effect on the right thereof to use, transfer or otherwise explore for mineral deposits on the ALCU Properties.

(jj) Environmental Matters.

- (i) ALCU has carried on their operations in compliance with all applicable Environmental Laws and the ALCU Properties and assets comply with all applicable Environmental Laws, except to the extent that a failure to be in such compliance, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect on ALCU. ALCU has taken all requested or necessary steps and actions to comply with any notice, action, or proceeding with respect to any material non-compliance.
- (ii) Except as disclosed in the ALCU Disclosure Documents, ALCU is not subject to any contingent or other liability relating to (a) the restoration or rehabilitation of land, water or any other part of the Environment, or (b) non-compliance with Environmental Laws.
- (iii) The ALCU Properties have not been used to generate, manufacture, refine, treat, recycle, transport, store, handle, dispose of, transfer, produce or process Hazardous Substances, except to the extent that such non-compliance would not reasonably be expected to have a Material Adverse Effect on ALCU. ALCU has not caused or permitted the Release of any Hazardous Substances at, in, on, under or from any ALCU Property, except where the failure to be in such compliance would not be reasonably be expected to have a Material Adverse Effect on ALCU. All Hazardous Substances handled, recycled, disposed of, treated or stored on or off site of the ALCU Properties by ALCU have been handled, recycled, disposed of, treated and stored in material compliance with all Environmental Laws, except to the extent that a failure to be in such compliance would not be reasonably likely to have a Material Adverse Effect on ALCU. To the knowledge of ALCU, there are no Hazardous Substances at, in, on, under or migrating from any ALCU Property, except to the extent that such non-compliance would not reasonably be expected to have a Material Adverse Effect on ALCU.
- (iv) To the knowledge of ALCU, ALCU has not treated or disposed of, or arranged for the treatment or disposal of, any Hazardous Substances at any location: (A) listed on any list of hazardous sites or sites requiring Remedial Action issued by any Governmental Entity; (B) to the knowledge of ALCU, proposed for listing on any list issued by any Governmental Entity of hazardous sites or sites requiring Remedial Action, or any similar federal, state or provincial lists; or (C) which is the subject of enforcement actions by any Governmental Entity that creates the reasonable potential for any proceeding, action, or other claim against ALCU. To the knowledge of ALCU, no site or facility now or previously owned, operated or leased by ALCU is listed or, to the knowledge of ALCU, is proposed for listing on any list issued by any Governmental Entity of hazardous sites or sites requiring Remedial Action or is the subject of Remedial Action.
- (v) ALCU has not caused or permitted the Release of any Hazardous Substances on or to any ALCU Property in such a manner as: (A) would reasonably be expected to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property, except to the extent that such liability would not reasonably be expected to have a Material Adverse Effect on ALCU; or (B) would be reasonably expected to result in imposition of a material lien, charge or other encumbrance or the expropriation of any ALCU Property or any of the assets of ALCU.
- (vi) ALCU has not received from any Person or Governmental Entity any notice of any material proceeding, material action or other material claim, liability or potential liability arising under any Environmental Law that is pending as of the date of this Agreement.

- (kk) First Nations Claims. There are no claims or any legal actions with respect to native, indigenous or other aboriginal rights currently or, to the knowledge of ALCU, after due inquiry, pending or threatened with respect to any of the ALCU Properties, and no dispute between ALCU and any native, indigenous or other aboriginal group exists or, to the knowledge of ALCU, is threatened or imminent with respect to any activities thereon.
- (ll) NGOs and Community Groups. No dispute between ALCU and any non-governmental organization, community, or community group exists or, to the knowledge of ALCU, is threatened or imminent with respect to any of the ALCU Properties or operations.
- (mm) Restrictions on Business Activity. Neither ALCU nor any of its properties or assets is subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of ALCU to conduct its business in all material respects as it has been carried on prior to the date hereof, or that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect or would reasonably be expected to prevent or significantly impede or materially delay the completion of the Arrangement.
- (nn) Employee Plans. Each Employee Plan of ALCU has been maintained in material compliance with its terms and in accordance with all applicable Laws and has been publicly disclosed (including any accrued or contingent liability in respect thereto) to the extent required by applicable Securities Laws. All required employer contributions under such Employee Plans have been made in accordance with the terms thereof. Each ALCU benefit plan that is required or intended to be qualified under applicable Law or registered or approved by a Governmental Entity has been so qualified, registered or approved by the appropriate governmental agency or authority, and nothing has occurred since the date of the last qualification, registration or approval to adversely affect, or cause, the appropriate Governmental Entity to revoke such qualification, registration or approval.
- (oo) Employment Matters.
- (i) There are no outstanding or, to the knowledge of ALCU, threatened labour tribunal proceedings of any kind, including unfair labour practice proceedings or any proceedings which, to the knowledge of ALCU, could result in certification of a trade union as bargaining agent for any employees of ALCU.
- (ii) All material current assessments under applicable workers compensation legislation have been paid or accrued by ALCU, as applicable, and ALCU is not subject to any material special or penalty assessment under such legislation which has not been paid.
- (iii) There are no collective agreements that exist, either directly or by operation of law, between ALCU and any trade union or association which may qualify as a trade union and ALCU is not currently negotiating any such agreements. To the knowledge of ALCU, there are no threatened or apparent union organizing activities involving employees of ALCU.
- (iv) To the knowledge of ALCU, except for payments due pursuant to applicable Law and payments due pursuant to contracts that are consistent with the payments due pursuant to the standard form employment agreement of ALCU, all other change of control, bonus payments, severance payments or termination payments, including the acceleration of the vesting or the time to exercise of any outstanding stock option or employee or director awards of ALCU, that ALCU is obligated to pay under existing contracts to all persons including, without limitation, consultants, directors, officers, employees or agents, are as disclosed in the ALCU Disclosure Documents.
- (v) There are no change of control payments, bonus payments, severance payments or termination payments due to any director, officer or employee that ALCU is obligated to

pay in connection with completion of the Arrangement or the transactions contemplated by this Agreement.

- (pp) Health and Safety. To the knowledge of ALCU, ALCU has operated in all material respects in accordance with all applicable Laws with respect to employment and labour, including employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights, labour relations and privacy, and there are no current, pending, or to the knowledge of ALCU, threatened proceedings before any Governmental Entity with respect to any such matters, which if determined adversely to ALCU would result in a Material Adverse Effect.
- (qq) Employment Withholdings. To the knowledge of ALCU, ALCU has withheld from each payment made to any of its present or former employees, officers or directors, or to other persons, all material amounts required by Law or administrative practice to be withheld by it on account of income taxes, pension plan contributions, employment insurance premiums, employer health taxes and similar taxes and levies, and has remitted such withheld amounts within the required time to the appropriate Governmental Entity.
- (rr) Arrangement with Securityholders. ALCU does not have any agreement, arrangement or understanding (whether written or oral) with respect to ALCU or any of its securities, business or operations, with any shareholder of ALCU, any interested party of ALCU or any related party of any interested party of ALCU, or any joint actor with any such persons (and for this purpose, the terms "interested party", "related party" and "joint actor" shall have the meaning ascribed to such terms in MI 61-101).
- (ss) United States Securities Laws. The ALCU Shares are not and are not required to be registered pursuant to Section 12 of the U.S. Exchange Act. ALCU is a "foreign private issuer" as that term is defined under Rule 3b-4 promulgated under the U.S. Exchange Act. ALCU is not registered or required to be registered as an "investment company" under the United States Investment Company Act of 1940, as amended.
- (tt) ALCU Board Approval. The ALCU Board, at a meeting duly called and held, upon consultation with legal and financial advisors, has unanimously determined that this Agreement and the Arrangement is fair to ALCU and are in the best interests of ALCU, have unanimously approved the execution and delivery of this Agreement and the transactions contemplated by this Agreement.
- (uu) Investment Canada Act. ALCU is not a non-Canadian within the meaning of the *Investment Canada Act*.

SCHEDULE E

KEY REGULATORY APPROVALS AND KEY THIRD PARTY CONSENTS

Set out below are the Key Regulatory Approvals.

Key Regulatory Approvals:

1. Interim Order
2. Final Order
3. CSE approval of the Arrangement and issuance of the Consideration (and the ALCU Shares underlying the Replacement ALCU Options, CAVU Warrants and CAVU Finder Warrants)
4. CAVU Securityholder Approval

Set out below are the Key Third Party Consents of each of ALCU and CAVU.

ALCU Key Third Party Consents:

None.

CAVU Key Third Party Consents:

None.