

**PURCHASE OF SHARES
OF
2037881 ALBERTA LTD.
BY
OBERON URANIUM CORP.
FROM
THE SHAREHOLDERS OF
2037881 ALBERTA LTD.**

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SHARE PURCHASE AGREEMENT

April 3, 2023

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT is dated as of April 3, 2023,

AMONG:

OBERON URANIUM CORP. of [address redacted] (“**Oberon**” or the “**Purchaser**”);

AND:

2037881 ALBERTA LTD. of [address redacted] (the “**Company**”);

AND:

EACH OF THOSE ADDITIONAL PARTIES LISTED IN SCHEDULE “A” HERETO (collectively referred to as the “**Shareholders**”).

WHEREAS:

- A. The Shareholders are or will prior to the Closing Date legally and beneficially own all of the issued and outstanding equity securities of the Company; and
- B. The Shareholders desire to sell, and the Purchaser desires to buy, all of the issued and outstanding equity securities of the Company, upon the terms and conditions set forth herein;

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

ARTICLE 1 INTERPRETATION

1.1 Definitions.

Unless otherwise defined herein or the context otherwise requires, the following terms will have the following meanings in this Agreement:

“**Affiliate**” of a Person means a Person that controls, is controlled by or is under common control with the subject Person, and for the purpose of this definition, a Person will control another Person if such Person has the power to direct or cause the direction of the management and policies of the other Person, whether directly or indirectly, and whether by ownership of shares or other equity interests, the holding of voting or contractual rights, by being the managing partner of a general partnership or the general partner of a limited partnership, or otherwise.

“**Agreement**” means this Share Purchase Agreement, together with any and all Schedules attached hereto, as the same may be amended, supplemented, restated and replaced in accordance with the provisions hereof from time to time.

“**Alternative Transaction**” means a bid or offer to acquire any of the outstanding equity securities of the Company or any proposal, offer or agreement for a merger, consolidation, amalgamation, arrangement,

recapitalization, liquidation, dissolution, reorganization or similar transaction or other business combination involving the Company or any proposal, offer or agreement to acquire any of the assets of the Company other than in the Ordinary Course.

“Applicable Law” means:

- (a) any domestic or foreign statute, law (including common and civil law), code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise);
- (b) any judgement, order, writ, injunction, decision, ruling, decree or award; and
- (c) to the extent they have the force of law, policies, guidelines, notices and protocols;

of any Governmental Authority, binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the property of that Person.

“Books and Records” of a Person means all books, records, files and papers of such Person, including financial and Tax working papers, financial and Tax books and records, business reports, business plans and projections, personnel and employment records, minute and share certificate books, and all copies and recordings of the foregoing including all data and information stored on computer-related media.

“Business Day” means any day other than a Saturday, a Sunday or a day on which banks are required to be closed in Vancouver, British Columbia or Calgary, Alberta.

“Canadian Securities Laws” means, collectively, the applicable securities legislation and related rules, regulations, instruments and published policy statements of each of the applicable Provinces and Territories of Canada.

“Claim” means:

- (a) any suit, action, dispute, investigation, claim, arbitration, order, summons, citation, directive, ticket, charge, demand or prosecution, whether legal or administrative;
- (b) any other proceeding; or
- (c) any appeal or application for review;

at law or in equity or before or by any Governmental Authority.

“Closing” means the completion of the Transaction.

“Closing Date” means April 4, 2023 or such other date as may be agreed to by Oberon and the Company in writing.

“Company Assets” means all undertakings, property, assets, rights and interests of the Company of every kind and description wherever located, as further described in Schedule “B”.

“Company Business” means the business carried on currently and prior to the date of this Agreement by the Company.

“Company Intellectual Property Rights” means any statutory or common law rights of the Company in any jurisdiction in regards to the Company Assets and the Company Business, including the registration or application for registration of such rights, provided under:

- (a) patent law;
- (b) copyright law;
- (c) trade-mark law, including trade names;
- (d) design patent or industrial design law; and
- (e) any other statutory provision or common law principle applicable hereto which may provide a right in either: (i) ideas, formulae, algorithms, concepts, inventions or know-how generally, including confidential information or trade secret law; or (ii) the expression of such ideas, formulae, algorithms, concepts, inventions or know-how.

“Company Material Contracts” has the meaning attributed to such term in Section 4.2(o).

“Company Shares” means any Equity Interests in the Company.

“Confidential Information” has the meaning attributed to such term in Section 7.1(c).

“Consideration Shares” has the meaning attributed to such term in Section 2.2(a).

“Constating Documents” means, with respect to any Person, its articles or certificate of incorporation, amendment, amalgamation or continuance, memorandum of association, letters patent, supplementary letters patent, by-laws, partnership agreement, limited liability company agreement or other similar document, and all unanimous shareholder agreements, other shareholder agreements, voting trusts, pooling agreements and similar Contracts, arrangements and understandings applicable to the Person’s Equity Interests, all as amended, supplemented, restated and replaced from time to time.

“Contract” means any agreement, contract, indenture, lease, deed of trust, licence, option, undertaking, promise or any other commitment or obligation, whether oral or written, express or implied.

“Creditors’ Rights” has the meaning attributed to such term in Section 4.1(f).

“CSE” or the **“Exchange”** means the Canadian Securities Exchange.

“Direct Claim” has the meaning attributed to such term in Section 6.5(a).

“Employee Plan” means any retirement, pension, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or other employee compensation or benefit plan, arrangement, policy, program or practice (whether provided on a pre- or post-retirement basis) which is maintained, or otherwise contributed to or required to be contributed to, by a Person for the benefit of any present or former employees, officers or directors of such Person.

“Encumbrance” means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, right of

occupation, option, right of pre-emption, privilege or any matter capable of registration against title or any Contract to create any of the foregoing.

“**Equity Interests**” means, with respect to any Person, any and all present and future shares, units, trust units, partnership or other interests, participations or other equivalent rights in that Person’s equity or capital, however designated and whether voting or non-voting.

“**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial, local, regional, municipal, or other political jurisdiction, and any agency, authority, instrumentality, court, tribunal, board, commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental entity, insofar as it exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of government.

“**IFRS**” means the International Financial Reporting Standards issued or adopted as Canadian generally accepted accounting principles from time to time.

“**Increased Amount**” has the meaning attributed to such term in Section 6.10(a).

“**Indemnified Party**” has the meaning attributed to such term in Section 6.4.

“**Indemnifying Party**” has the meaning attributed to such term in Section 6.4.

“**Insolvency Proceedings**” means any formal or informal insolvency proceedings, whether in or out of court, including proceedings or steps leading to any form of bankruptcy, liquidation, administration, receivership, arrangement or scheme with creditors, moratorium, stay or limitation of creditors’ rights, interim or provisional supervision by a court or court appointee, winding-up or striking-off, or any distress, execution, commercial rent arrears recovery or other process levied or exercised or any other analogous proceedings in any other jurisdiction.

“**LOI**” means the Letter of Intent dated March 6, 2023 between Oberon and the Company regarding the Transaction.

“**Losses**” means, in respect of any matter, all Claims, demands, losses, damages, liabilities, deficiencies, costs and expenses (including all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising as a consequence of that matter, including any reduction in the value of the Purchased Shares or the Consideration Shares (as applicable) resulting from a misrepresentation or breach of warranty or covenant or other obligation, but excluding, in all cases, Tax.

“**Material**” means of such a nature or amount as would reasonably be regarded as significant in relation to the business of a Person or in relation to the capital, prospects, condition (financial or otherwise) or results of operation of such Person, and “**Materially**” has a corresponding meaning.

“**Material Adverse Change**” or “**Material Adverse Effect**” means any change or effect that individually or when taken together with all other changes or effects that have occurred during any relevant period of time before the determination of the occurrence of that change or effect is or is reasonably likely to be Materially adverse to the business, operations, assets, liabilities, capital, prospects, condition (financial or otherwise) or results of operation of a Person; except to the extent that such change or effect results from or is caused by (i) worldwide, national or local conditions or circumstances, whether they are economic, political, regulatory or otherwise, including war, armed hostilities, acts of terrorism, emergencies, crises and natural disasters, (ii) changes in the markets or industry in which such Person operates, (iii) the

announcement of this Agreement and the Transaction, or (iv) any act or omission of such Person prior to the Closing Date taken with the prior consent or at the request of another Party to this Agreement.

“**Notice**” has the meaning attributed to such term in Section 7.13(a).

“**Oberon Assets**” means all undertakings, property, assets, rights and interests of Oberon of every kind and description wherever located.

“**Oberon Business**” means the business of Oberon, as described in the Oberon Public Disclosure Record.

“**Oberon Financial Statements**” means Oberon’s financial statements included in the Oberon Public Disclosure Record.

“**Oberon Material Contracts**” has the meaning attributed to such term in Section 4.3(o).

“**Oberon Public Disclosure Record**” means all documents and information filed by Oberon on and available at www.sedar.com.

“**Oberon Shares**” means common shares in the capital of the Purchaser.

“**Ordinary Course**” means, with respect to an action taken by a Person, that the action is consistent with the past practices of the Person and is taken in the normal day-to-day operations of the Person.

“**Parties**” means, collectively, the Purchaser, the Company and the Shareholders, and “**Party**” means any one of them.

“**Permitted Encumbrances**” means (i) Encumbrances for Taxes not yet due and delinquent, and (ii) easements, encroachments and other minor imperfections of title which do not, individually or in the aggregate, detract from the value of or impair the Company Business or the Oberon Business, as applicable.

“**Person**” is to be broadly interpreted and includes any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity, however designated or constituted.

“**Property**” means the mineral claims listed in Schedule “B”.

“**Purchased Shares**” has the meaning attributed to such term in Section 2.1.

“**Purchaser’s Counsel**” means Beadle Raven LLP.

“**Representatives**” means, with respect to any Party, its Affiliates and, if applicable, its and their respective directors, officers, employees, agents and other representatives and advisors.

“**Royalty**” has the meaning attributed to such term in Section 2.2(b).

“**Royalty Agreement**” has the meaning attributed to such term in Section 2.2(b).

“**Tax Act**” or any reference to a specific provision thereof means the *Income Tax Act* (Canada) and legislation of any legislature of any province or territory of Canada and any regulations thereunder in force of like or similar effect.

“**Taxes**” means all forms of taxes, duties, fees, premiums, assessments, imposts, contributions, levies and other charges of any kind whatsoever imposed in Canada or elsewhere, including all interest, penalties, fines, charges, additions to tax or other additional amounts imposed in respect thereof or in respect of the failure to make any return or payment or the making of any incorrect or incomplete return or the failure to maintain records (including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, valued-added, excise, stamp, withholding, premium, business, franchising, property, employer health, payroll, employment, health, social services, education, national insurance and social security taxes, surtaxes, customs duties and import and export taxes, licence, franchise and registration fees and employment insurance, health insurance and pension plan premiums or contributions), and “**Tax**” has a corresponding meaning.

“**Tax Return**” means all returns, declarations, designations, elections, forms, schedules, reports and other documents of every nature whatsoever required to be filed with any Governmental Authority with respect to any Taxes.

“**Termination Date**” means May 1, 2023 or such other date as agreed to in writing between Oberon and the Company.

“**Third Party**” has the meaning attributed to such term in Section 6.7(c).

“**Third Party Claim**” has the meaning attributed to such term in Section 6.5(a).

“**Transaction**” means, collectively, the transactions contemplated by this Agreement.

“**Trust Agreement**” means the bare trust agreement between Sandy Loutitt and the Company dated July 23, 2019 pursuant to which Mr. Loutitt holds the Company Assets in trust for the Company.

1.2 Construction.

This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities which are to be resolved against the drafting Party will not apply to the construction or interpretation of this Agreement.

1.3 Interpretation.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) headings preceding the text, articles, sections and/or other subdivisions hereof are for convenience only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provisions hereof;
- (b) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, section or other subdivision of this Agreement;
- (c) the word “including”, when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, 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 but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;

- (d) a reference to an Article, Section, Schedule or other subdivision is a reference to the specified Article, Section, Schedule or other subdivision of this Agreement;
- (e) a reference to a statute or a section of a statute will include and will be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto;
- (f) a reference to any agreement is a reference to such agreement as amended, restated, supplemented, replaced and/or modified from time to time;
- (g) a reference to a document in the agreed form means in the form agreed among the Parties and signed by the Parties (or their respective Representatives on the date of this Agreement);
- (h) a reference to any Person will include and will be deemed to be a reference to each Person that is the successor of such Person;
- (i) words importing one gender will include each other gender and words in the singular include the plural and vice versa; and
- (j) unless otherwise specified, all dollar amounts in this Agreement, including the symbol “\$”, refer to lawful currency of Canada.

1.4 Knowledge.

In this Agreement, any reference to the knowledge of a Party means to the best of the knowledge, information and belief of the Party after reviewing all relevant records and making due inquiries regarding the relevant matter of all relevant Representatives of such Party.

1.5 Computation of Time.

In this Agreement, unless specified otherwise or the context otherwise requires:

- (a) a reference to a period of days is deemed to begin on the first day after the event that started the period and to end at 5:00 p.m. on the last day of the period, but if the last day of the period does not fall on a Business Day, the period ends at 5:00 p.m. on the next succeeding Business Day;
- (b) all references to specific dates mean 11:59 p.m. on the dates;
- (c) all references to specific times will be references to Vancouver time; and
- (d) with respect to the calculation of any period of time, references to “from” mean “from and excluding” and references to “to” or “until” mean “to and including”.

1.6 Schedules.

The Schedules to this Agreement, as listed below, are an integral part of this Agreement and are expressly incorporated into and made a part of this Agreement:

- Schedule “A” – Shareholders, Ownership of Purchased Shares, and Allocation of Consideration Shares
- Schedule “B” – Company Assets
- Schedule “C” – Form of Royalty Agreement

ARTICLE 2 PURCHASE AND SALE OF PURCHASED SHARES

2.1 Agreement to Purchase and Sell.

Subject to the terms and conditions of this Agreement, on the Closing Date the Shareholders will sell, assign and transfer to the Purchaser, and the Purchaser will purchase from the Shareholders, all issued and outstanding Company Shares, free and clear of all Encumbrances (collectively, the “**Purchased Shares**”).

2.2 Consideration.

The aggregate consideration payable to the Shareholders for the Purchased Shares will be:

- (a) 20,000,000 Oberon Shares (collectively, the “**Consideration Shares**” and each, a “**Consideration Share**”) having a deemed price per Consideration Share of \$0.2025 and a deemed aggregate value of \$4,050,000.00, such Consideration Shares to be issued by the Purchaser to the Shareholders at Closing, based on their *pro rata* interest of the Purchased Shares and in the respective amounts and to the respective Shareholders as set forth in Schedule “A”, free and clear of all Encumbrances except as contemplated in this Agreement; and
- (b) a three percent (3.0%) production royalty on the Property (the “**Royalty**”), the Company to grant such Royalty at Closing and such Royalty to be governed by the terms of a Royalty Agreement substantially in the form set forth in Schedule “C” (the “**Royalty Agreement**”) to be executed by the Company and royalty holders at Closing.

2.3 Resale Restrictions and Escrow Requirements.

The Parties acknowledge and agree that the Consideration Shares issued pursuant to the Transaction will be free of any resale restrictions and/or escrow requirements pursuant to Applicable Law, including Canadian Securities Laws, and/or the policies of any applicable stock exchange.

**ARTICLE 3
CLOSING ARRANGEMENTS**

3.1 Closing.

The Closing will take place at the offices of the Purchaser's Counsel in Vancouver, British Columbia, or at such other place as may be agreed to by the Company and the Purchaser.

3.2 Shareholders' Conditions.

The obligations of the Shareholders to complete the Transaction will be subject to the satisfaction of, or compliance with, on or before the Closing Date, each of the following conditions precedent:

- (a) the representations and warranties of the Purchaser made in Section 4.3 being true and correct in all material respects at Closing and with the same effect as if made at and as of Closing, and the Shareholders receiving a certificate executed by the Purchaser certifying that the representations and warranties of the Purchaser set forth in Section 4.3 are true and correct as at the Closing Date;
- (b) the Purchaser having performed and complied with all the obligations, covenants and agreements to be performed and complied with by the Purchaser under this Agreement;
- (c) if and as required by Applicable Law or by any applicable stock exchange, approval of the Transaction by the shareholders of the Purchaser;
- (d) approval of the Transaction by any applicable stock exchange, including without limitation the CSE;
- (e) no Material Adverse Effect having occurred with respect to the Purchaser;
- (f) no injunction or restraining order of any court or administrative tribunal of competent jurisdiction being in effect prohibiting the Transaction and no action or proceeding having been instituted or being pending before any court or administrative tribunal to restrain or prohibit the Transaction;
- (g) no inquiry or investigation (whether formal or informal) in relation to the Transaction, the Purchaser or its directors or officers having been commenced or threatened by any applicable stock exchange or any Governmental Authority, such that the outcome of such inquiry or investigation could have a Material Adverse Effect on the Purchaser after giving effect to the Transaction; and
- (h) the Company having received from the Purchaser the documentation set forth in Section 3.6.

The conditions set forth in this Section 3.2 are for the exclusive benefit of the Shareholders and may be waived by the Shareholders in writing in whole or in part on or before the Closing Date. Notwithstanding any such waiver, the completion of the Transaction by the Shareholders will not prejudice or affect in any way the rights of the Shareholders in respect of the representations and warranties of the Purchaser in this Agreement, and the representations and warranties of the Purchaser in this Agreement will survive the Closing for the applicable period set out in Section 4.4.

3.3 Purchaser's Conditions.

The obligations of the Purchaser to complete the Transaction will be subject to the satisfaction of, or compliance with, on or before the Closing Date, each of the following conditions precedent:

- (a) the representations and warranties of the Shareholders and the Company made in Sections 4.1 and 4.2 being true and correct in all material respects at Closing and with the same effect as if made at and as of Closing, and the Purchaser having received a certificate executed by each of the Shareholders and the Company certifying that the representations and warranties of such Person made in Sections 4.1 and 4.2 are true and correct as at the Closing Date;
- (b) the Shareholders and the Company having performed and complied with all of the obligations, covenants and agreements to be performed and complied with by them under this Agreement;
- (c) if and as required by Applicable Law or by any applicable stock exchange, approval of the Transaction by the shareholders of the Purchaser;
- (d) approval of the Transaction by any applicable stock exchange, including without limitation the CSE;
- (e) no Material Adverse Effect having occurred with respect to the Company;
- (f) no injunction or restraining order of any court or administrative tribunal of competent jurisdiction being in effect prohibiting the Transaction contemplated by this Agreement and no action or proceeding having been instituted or being pending before any court or administrative tribunal to restrain or prohibit the Transaction among the parties contemplated by this Agreement;
- (g) no inquiry or investigation (whether formal or informal) in relation to the Transaction, the Shareholders, the Company or their directors or officers having been commenced or threatened by any applicable stock exchange or any Governmental Authority, such that the outcome of such inquiry or investigation could have a Material Adverse Effect on the Purchaser after giving effect to the Transaction; and
- (h) the Purchaser having received from the Shareholders and the Company the documentation set forth in Sections 3.4 and 3.5.

The conditions set forth in this Section 3.3 are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in writing in whole or in part on or before the Closing Date. Notwithstanding any such waiver, the completion of the Transaction by the Purchaser will not prejudice or affect in any way the rights of the Purchaser in respect of the representations and warranties of the Shareholders or the Company in this Agreement, and the representations and warranties of the Shareholders and the Company in this Agreement will survive the Closing for the applicable period set out in Section 4.5.

3.4 Shareholders' Closing Deliveries.

At the Closing, each of the Shareholders will deliver or cause to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser:

- (a) a certificate pursuant to Section 3.3(a); and

- (b) share certificates evidencing the Purchased Shares from the Shareholders duly endorsed for transfer, if any, or all such instruments of transfer, duly executed, which in the opinion of the Purchaser acting reasonably are necessary to effect and evidence the transfer of the Purchased Shares of the Shareholders to the Purchaser.

3.5 Company's Closing Deliveries

At the Closing, the Company will deliver or cause to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser:

- (a) a certified copy of all resolutions of the board of directors of the Company: (i) approving the registration of the transfers referred to in Section 2.1; and (ii) the entering into and completion of the Transaction.
- (b) certified copies of the Constatting Documents of the Company, complete and up-to-date to (but not including) Closing;
- (c) a certificate pursuant to Section 3.3(a);
- (d) a certificate of good standing or equivalent issued by the applicable regulatory body with respect to the Company;
- (e) the Company's Books and Records; and
- (f) a copy of the Royalty Agreement duly executed by the Company and the royalty holders thereunder.

3.6 Purchaser's Closing Deliveries.

At Closing, the Purchaser will deliver or cause to be delivered to the Company the following in form and substance satisfactory to the Company:

- (a) a certified copy of all resolutions of the board of directors of the Purchaser approving the issuance of the Consideration Shares to the Shareholders free of all Encumbrances except as contemplated by this Agreement and the entering into of this Agreement and completion of the Transaction.
- (b) certified copies of the Constatting Documents of the Purchaser, complete and up-to-date to (but not including) Closing;
- (c) a certificate of good standing issued by the British Columbia Registrar of Companies with respect to the Purchaser dated within 2 Business Days of the Closing Date;
- (d) a certificate pursuant to Section 3.2(a); and
- (e) share certificates or DRS Statements representing the Consideration Shares registered in the name of the Shareholders.

3.7 Termination.

Unless otherwise agreed to in writing by the Parties, this Agreement will be terminated if Closing has not occurred on or before the Termination Date.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties regarding the Shareholders.

Each of the Shareholders, severally but not jointly, represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on these representations and warranties in connection with its purchase of the Purchased Shares and that the Purchaser would not purchase the Purchased Shares without these representations and warranties:

- (a) Organization and Status. If the Shareholder is a corporation, the Shareholder is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation.
- (b) Power. The Shareholder has all necessary power and authority to carry out the Transaction in accordance with the terms of this Agreement.
- (c) Authorization. All necessary action has been taken by the Shareholder or on its part to authorize its execution and delivery of any Contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations thereunder.
- (d) Consents and Approvals. There is no requirement for the Shareholder to make any filing with or give any notice to any Governmental Authority or to obtain any permit or approval, as a condition to the lawful completion of the Transaction, except for such filings or notices that have been made or will be made in due course by the Shareholder.
- (e) Absence of Conflict. The execution, delivery and performance by the Shareholder of this Agreement and the completion of the Transaction will not (whether after the passage of time or notice or both) result in:
 - (i) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligation, under:
 - (A) any Contract to which it is a party or by which any of its undertakings, property or assets is bound or affected;
 - (B) if the Shareholder is a corporation, any provision of its Constituting Documents or resolutions of its board of directors (or any committee thereof) or shareholders;
 - (C) any judgement, decree, order or award of any Governmental Authority having jurisdiction over the Shareholder;
 - (D) any approval issued to, held by or for the benefit of, the Shareholder; or
 - (E) any Applicable Law;
 - (ii) the creation or imposition of any Encumbrance over any of the Company Assets; or
 - (iii) the requirement for any approval from any Person.
- (f) Validity. This Agreement has been duly executed and delivered by the Shareholder and constitutes the legal, valid and binding obligation of the Shareholder, enforceable against the Shareholder in accordance with its terms, subject to the general qualifications that:

- (i) the enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting creditors' rights generally;
- (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
- (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgements; and
- (iv) rights to indemnity hereunder may be limited under Applicable Law;

(clauses (i), (ii), (iii) and (iv) above being collectively referred to as "**Creditors' Rights**"); and, at the Closing, all documents required hereunder to be executed and delivered by the Shareholder will have been duly authorized, executed and delivered by the Shareholder and will constitute legal, valid and binding obligations of the Shareholder, enforceable in accordance with their terms, subject to Creditors' Rights.

- (g) Bankruptcy and Insolvency. The Shareholder is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or any other Applicable Law and the Shareholder is not the subject of Insolvency Proceedings. The Shareholder is able to pay its debts as they fall due and has not stopped payment of its debts. The value of the Shareholder's assets exceeds the amount of the Shareholder's liabilities, taking into account contingent and prospective liabilities. There are no circumstances which entitle or may entitle any Person to commence any Insolvency Proceedings in relation to the Shareholder or (if applicable) any part of its assets or undertaking.
- (h) Ownership of Purchased Shares. The Shareholder is or will, on the Closing Date, be the registered and beneficial owner of the Purchased Shares listed on Schedule "A" beside the Shareholder's name, with good and marketable title thereto, free and clear of all Encumbrances, and has the exclusive right to dispose of such Purchased Shares as provided in this Agreement, and such Purchased Shares are the only securities of the Company owned, directly or indirectly, beneficially or otherwise, by the Shareholder. On Closing, Oberon will have good title to all such Purchased Shares free and clear of all Encumbrances other than Encumbrances granted by Oberon.
- (i) No Other Agreements to Purchase. No Person other than Oberon has any Contract or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract, including convertible securities, warrants or convertible obligations of any nature, for the purchase or acquisition from the Shareholder of any of the Purchased Shares listed on Schedule "A" beside the Shareholder's name.
- (j) Absence of Fees. The Shareholder has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission or other similar forms of compensation with respect to the Transaction which will be or may become the responsibility of the Company or Oberon.
- (k) Litigation. There are no Claims pending or outstanding or, to the Shareholder's knowledge, threatened against the Shareholder which could affect the Purchased Shares or the Shareholder's ability to perform its obligations under this Agreement. To the Shareholder's

knowledge there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success.

- (l) No Indebtedness to the Company. The Shareholder has no indebtedness, liability or obligation to the Company.
- (m) No Claim Against the Company. The Shareholder has no Claim against the Company, and the Company is not indebted or otherwise obligated to such Shareholder, including by reason of the entering into of this Agreement.
- (n) Residency. The Shareholder is not a “non-resident” of Canada within the meaning of section 116 of the Tax Act, or if the Shareholder is a non-resident of Canada then the Shareholder acknowledges and agrees that the issuance of Consideration Shares to it pursuant to this Agreement may be subject to statutory withholding under the Tax Act.

4.2 Representations and Warranties regarding the Company.

The Company and each of the Shareholders, jointly and severally, represent and warrant to the Purchaser as follows and acknowledge that the Purchaser is relying on these representations and warranties in connection with its purchase of the Purchased Shares from the Shareholders and that the Purchaser would not purchase the Purchased Shares without these representations and warranties:

- (a) Organization and Status. The Company is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation.
- (b) Corporate Power. The Company has all necessary corporate power and authority to carry out the Transaction in accordance with the terms of this Agreement and to own or lease the Company Assets and to carry on the Company Business as now being conducted by it.
- (c) Authorization. All necessary corporate action has been taken by the Company or on its part to authorize its execution and delivery of any Contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations thereunder.
- (d) Consents and Approvals. There is no requirement for the Company to make any filing with or give any notice to any Governmental Authority or to obtain any permit or approval, as a condition to the lawful completion of the Transaction, except for such filings or notices that have been made or will be made in due course by the Company.
- (e) Absence of Conflict. The execution, delivery and performance by the Company of this Agreement and the completion of the Transaction will not (whether after the passage of time or notice or both) result in:
 - (i) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligations, under:
 - (A) any Contract to which it is a party or by which any of its undertakings, property or assets is bound or affected;
 - (B) any provision of its Constatng Documents or resolutions of its board of directors (or any committee thereof) or shareholders;

- (C) any judgement, decree, order or award of any Governmental Authority having jurisdiction over the Company;
 - (D) any approval issued to, held by or for the benefit of, the Company; or
 - (E) any Applicable Law;
- (ii) the creation or imposition of any Encumbrance over any of the Company Assets; or
 - (iii) the requirement for any approval from any Person.
- (f) Validity. This Agreement has been duly executed and delivered by the Company and constitutes the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with its terms, subject to Creditors' Rights, and, at the Closing, all documents required hereunder to be executed and delivered by the Company will have been duly authorized, executed and delivered by the Company and will constitute legal, valid and binding obligations of the Company, enforceable in accordance with their terms, subject to Creditors' Rights.
- (g) Bankruptcy and Insolvency. The Company is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or any other Applicable Law and the Company is not the subject of Insolvency Proceedings. The Company is able to pay its debts as they fall due and has not stopped payment of its debts. The value of the Company Assets exceeds the amount of the Company's liabilities, taking into account contingent and prospective liabilities. There are no circumstances which entitle or may entitle any Person to commence any Insolvency Proceedings in relation to the Company or (if applicable) any part of its assets or undertaking.
- (h) Capitalization. The entire authorized Equity Interests in the Company consists of an unlimited number of Class A, B, C, and D common shares without nominal or par value and an unlimited number of Class E and F preferred shares without nominal or par value, of which only the Purchased Shares are currently issued and outstanding. All of the Purchased Shares have been duly authorized and validly issued and are fully paid and non-assessable. None of the Purchased Shares were issued in violation of any Applicable Law.
- (i) Absence of Rights to Acquire Equity Interests. Other than as contemplated in this Agreement, no Person has any agreement, right or option, present or future, contingent, absolute or capable of becoming an agreement, right or option or which with the passage of time or the occurrence of any event could become an agreement, right or option:
- (i) to require the Company to issue any further or other Company Shares or any other security convertible or exchangeable into Company Shares or to convert or exchange any securities into or for Company Shares;
 - (ii) for the issue or allotment of any unissued Company Shares;
 - (iii) to require the Company to purchase, redeem or otherwise acquire any of the issued and outstanding Company Shares; or
 - (iv) to acquire any Company Shares.

- (j) Company Assets and Company Business. Except for:
 - (i) those Company Assets generally described in Schedule “B”; and
 - (ii) the Company’s interest in the LOI, this Agreement and any Contracts and instruments required by any of the foregoing to be executed and delivered by the Company, and the Company’s associated conduct of the Transaction;

the Company has no other Company Assets whatsoever, and conducts no Company Business whatsoever, which are Material to the Company.

- (k) Conduct of Company Business. The Company has, in all material respects, complied with, and has conducted and is conducting the Company Business in compliance with, all Applicable Laws. The Company Assets are sufficient to permit the continued operation of the Company Business in substantially the same manner as conducted prior to Closing.
- (l) Title to Company Assets. The Company owns (with good title) the beneficial interests in all of the Company Assets, which are held in trust by Sandy Loutitt pursuant to the terms of the Trust Agreement except those that will have been acquired and disposed of in the Ordinary Course. The Company has legal and beneficial ownership of the Company Assets and Sandy Loutitt has legal ownership of the Company Assets free and clear of all Encumbrances, except for Permitted Encumbrances.
- (m) Subsidiaries. The Company has no subsidiaries and holds no shares or other ownership, equity or proprietary interest in any other Person.
- (n) Real Property and Leased Property. The Company is not the owner of any real property and does not lease any real property.
- (o) Material Contracts. Except for the Contracts described in Section 4.2(j) and any other Contracts disclosed in Schedule “B” (collectively, the “**Company Material Contracts**”), the Company is not a party to or bound by:
 - (i) any Contract which Materially adversely affects the Company Business or any of the Company Assets;
 - (ii) any Contract entered into by the Company other than in the Ordinary Course; or
 - (iii) any Contract that is Material to the Company, the Company Assets or the Company Business.
- (p) No Default Under Company Material Contracts. To its knowledge, the Company has performed all of the obligations required to be performed by it and is entitled to all benefits under, and is not in default or alleged to be in default in respect of, the Company Material Contracts. To the Company’s knowledge, each of the Company Material Contracts is in good standing and in full force and effect, and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any of the Company Material Contracts. There is no dispute between the Company and any other party under any of the Company Material Contracts. None of the Company Material Contracts has been assigned, or if applicable subleased, in whole or in part.

- (q) Regulatory and Third Party Approvals.
- (i) Other than any approvals or filings, notices or permits required to be obtained or made by Oberon or any Person related to Oberon, there is no requirement to make any filing with, give any notice to or obtain any permit as a condition to the lawful completion of the Transaction.
 - (ii) There is no requirement under the Company Material Contracts for any approvals from any party to that Contract or from any other Person relating to the completion of the Transaction, for which such approval has not been obtained.
- (r) Financial Statements. On Closing, the Company will have no material assets or liabilities other than the Company Assets, which are and on Closing will be held in trust for the Company pursuant to the Trust Agreement. The Company does not prepare or maintain financial statements, has no bank accounts and has filed no Tax Returns with any Government Authority.
- (s) Books and Records. The Company's Books and Records have been maintained in accordance with the requirements of Applicable Laws.
- (t) Corporate Records. The minute books of the Company contain true, accurate and complete records of all of its Constatng Documents. The share certificates, register of shareholders, register of directors and officers, central securities register and register of transfers of the Company are true, accurate and complete.
- (u) Undisclosed Liabilities. On Closing, the Company will have no liabilities, obligations, indebtedness or commitments of any nature whatsoever, whether known or unknown, due, to become due, direct, indirect, absolute, contingent or otherwise, and is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to the liabilities, obligations, indebtedness or commitments (whether accrued, absolute, contingent or otherwise) of any Person, other than pursuant to the Company Material Contracts.
- (v) Absence of Changes. Since the date of its incorporation, the Company has carried on the Company Business and conducted its operations and affairs only in the Ordinary Course and the Company has not made or suffered any Material Adverse Change.
- (w) Litigation. There are no Claims pending or, to the knowledge of the Company, threatened against or affecting, the Company or the Company Assets. To the knowledge of the Company there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success. The Company is not the plaintiff or complainant in any Claim.
- (x) Accounts and Attorneys. On the date of execution of this Agreement, the Company will provide to Oberon a true, accurate and complete list of the accounts and safety deposit boxes of the Company and sets out the name of each bank, trust company or similar institution in which the Company has accounts or safety deposit boxes, the number or designation of each such account and safety deposit box and the names of all Persons authorized to draw thereon or to have access thereto.

- (y) Non-Arm's Length Transaction. The Company has not made any payment or loan to, or borrowed any monies from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person not dealing at arm's length with the Company. The Company is not a party to any Contract with any officer, director, employee, shareholder or any other Person not dealing at arm's length with the Company.
- (z) Employees. The Company is not a party to any Contract, agreement or other commitment, whether oral or written, with any employee other than oral contracts of indefinite duration which are terminable by the Company without cause on reasonable notice as determined in accordance with Applicable Laws.
- (aa) Employee Plans. The Company has no Employee Plans.
- (bb) Union Contracts. The Company has not entered into any collective agreement with any labour union or employee association or made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future collective agreement. The Company is not aware of any current attempts to organize, establish or certify any labour union or employee association with respect to any employees of the Company, nor is any such union or association presently certified with regards to a bargaining unit.
- (cc) Insurance. The Company maintain no insurance on the Company Assets.
- (dd) Permits and Licenses. Sandy Loutitt, on behalf of the Company and pursuant to the terms of the Trust Agreement, holds all material authorizations, approvals, orders, licenses, permits or consents issued by any applicable Governmental Authority which are necessary in connection with the conduct and operation of the Company Business and the ownership, leasing or use of the Company Assets as the same are now owned, leased, used conducted or operated, the Company is not in breach of or in default under any of the terms or conditions thereof (except to the extent such breach or default would not result in a Material Adverse Effect).
- (ee) No Finder's Fees. The Company has not taken and will not take any action that would cause Oberon, the Company or the Shareholders to become liable to any Claim for a brokerage commission, finder's fee or other similar arrangement.
- (ff) Full Disclosure. Neither this Agreement or any other Contract, agreement, instrument, certificate or other document required to be delivered by or otherwise to be delivered pursuant to this Agreement by the Company nor any certificate, report, statement or other document furnished by the Company in connection with the negotiation of this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading. There has been no event, transaction or information that has come to the attention of the Company that has not been disclosed to Oberon in writing that could reasonably be expected to have a Material Adverse Effect.
- (gg) Non Infringement. The Company Intellectual Property Rights claimed and/or used by the Company do not, to the Company's knowledge, infringe any intellectual property or contractual rights of any Person. The past conduct of the Company with respect to the Company Business does not, to the Company's knowledge, infringe the intellectual property or contractual rights of any Person. There are no actions, suits, investigations, claims or proceedings ongoing, outstanding, or to the Company's knowledge pending or threatened,

which in any way relate to the Company Intellectual Property Rights or which suggest infringement of the intellectual property or contractual rights of any Person.

(hh) Regarding the Property.

- (i) Schedule “B” contains a properly and accurately described list of the only mineral claims or similar rights held by or for the Company.
- (ii) The Company is, and at Closing will be, the beneficial owner of one hundred percent (100%) of the Property free and clear of all Encumbrances, and no taxes or rentals are or will be due in respect of any of the Property. There are not any adverse Claims or challenges against or to the Company’s ownership of or title to the Property, nor to the knowledge of the Company or any Shareholder is there any basis therefor, and there are no outstanding agreements or options to acquire or to purchase the Property or any portion thereof, and other than the Royalty, no person has any royalty or other interest whatsoever in production from any of the Property.
- (iii) The Property has been duly and validly located and recorded pursuant to Applicable Laws and is in good standing with respect to all filings, fees, taxes, assessments, work commitments or other conditions on the date hereof and until the dates set opposite the respective names thereof in Schedule “B”. The Company has no notice, or knowledge of, any proposal to terminate or vary the terms of or rights attaching to the Property from any Governmental Authority.
- (iv) All work carried out with respect to the Property under the Company’s direction has been done in full compliance with all Applicable Laws, and neither the Company nor any Shareholder has knowledge that any prior work carried out with respect to the Property by third parties has not been done in full compliance with all Applicable Laws.
- (v) There is no outstanding directive or order, or similar notice issued by any Governmental Authority, including agencies responsible for environmental matters, affecting the Property or the Company, nor to the knowledge of the Company or any Shareholder is there any basis therefor or any reason to believe that such an order, directive or similar notice is pending.
- (vi) No toxic or hazardous substance or waste is or has been treated, stored, disposed of or located on the Property as a result of activities of the Company, nor to the knowledge of the Company or any Shareholder as a result of activities of the Company’s predecessors in title or interest to the Property.
- (vii) There are no pending or ongoing Claims taken by or on behalf of any native or indigenous persons with respect to the Property or any lands to which the Property pertains, to the knowledge of the Company.
- (viii) The Company is not aware of any facts relating to any of the Property which, if known to the Purchaser, could reasonably be expected to cause the Purchaser to decide not to enter into this Agreement or not to conduct the Transaction.

4.3 Representations and Warranties regarding the Purchaser.

The Purchaser represents and warrants to the Shareholders and the Company as follows and acknowledges that the Shareholders and the Company are relying on these representations and warranties in connection with the sale by the Shareholders of the Purchased Shares and the Transaction:

- (a) Organization and Status. The Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation.
- (b) Corporate Power. The Purchaser has all necessary corporate power and authority to carry out the Transaction in accordance with the terms of this Agreement and to own or lease the Oberon Assets and to carry on the Oberon Business as now being conducted by it.
- (c) Authorization. All necessary corporate action has been taken by or on the part of the Purchaser to authorize its execution and delivery of this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations hereunder and thereunder.
- (d) Consents and Approvals. Except as disclosed in the Oberon Public Disclosure Record, there is no requirement for the Purchaser to make any filing with or give any notice to any Governmental Authority or to obtain any permit or approval, as a condition to the lawful completion of the Transaction.
- (e) Absence of Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the completion of the Transaction will not (whether after the passage of time or notice or both) result in:
 - (i) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligations, under:
 - (A) any Contract to which it is a party or by which any of its undertakings, property or assets is bound or affected;
 - (B) any provision of its Constituting Documents or resolutions of its board of directors (or any committee thereof) or shareholders;
 - (C) any judgement, decree, order or award of any Governmental Authority having jurisdiction over the Purchaser;
 - (D) any approval issued to, held by or for the benefit of, the Purchaser; or
 - (E) any Applicable Law;
 - (ii) the creation or imposition of any Encumbrance over any of the Oberon Assets; or
 - (iii) the requirement for any approval from any Person.
- (f) Validity. This Agreement has been duly executed and delivered by the Purchaser and constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to Creditors' Rights, and, at the Closing, all documents required hereunder to be executed and delivered by the Purchaser will have been

duly authorized, executed and delivered by the Purchaser and will constitute legal, valid and binding obligations of the Purchaser, enforceable in accordance with their terms, subject to Creditors' Rights.

- (g) Bankruptcy and Insolvency. Oberon is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or any other Applicable Law and Oberon is not the subject of Insolvency Proceedings. Oberon is able to pay its debts as they fall due and has not stopped payment of its debts. The value of the Oberon Assets exceeds the amount of Oberon's liabilities, taking into account contingent and prospective liabilities. There are no circumstances which entitle or may entitle any Person to commence any Insolvency Proceedings in relation to Oberon or (if applicable) any part of its assets or undertaking.
- (h) Authorized and Issued Capital. The Oberon Public Disclosure Record sets out the authorized and issued shares of the Purchaser. All of the shares indicated in the Oberon Public Disclosure Record as being issued and outstanding have been validly issued and are outstanding as fully paid and non-assessable shares and were not issued in violation of the pre-emptive rights of any Person or any Contract or Applicable Law by which the Purchaser was bound at the time of the issuance. There are no shareholders agreements, voting trusts, pooling agreements or other Contracts, arrangements or understandings in respect of the voting of any of the shares of the Purchaser. True, accurate and complete copies of the Constatng Documents and other organizational documents of the Purchaser have been provided to the Company.
- (i) Absence of Rights to Acquire Securities. Other than as contemplated in this Agreement or disclosed in the Oberon Public Disclosure Record, no Person has any agreement, right or option, present or future, contingent, absolute or capable of becoming an agreement, right or option or which with the passage of time or the occurrence of any event could become an agreement, right or option:
 - (i) to require the Purchaser to issue any further or other shares in its capital or any other security convertible or exchangeable into Oberon Shares or to convert or exchange any securities into or for Oberon Shares;
 - (ii) for the issue or allotment of any unissued Oberon Shares;
 - (iii) to require the Purchaser to purchase, redeem or otherwise acquire any of the issued and outstanding Oberon Shares; or
 - (iv) to acquire any Oberon Shares.
- (j) Consideration Shares. As of the Closing Date and upon completion of the Transaction, the Consideration Shares will be validly issued as fully paid and non-assessable.
- (k) Conduct of Oberon Business. The Purchaser has, in all material respects, complied with, and has conducted and is conducting the Oberon Business in compliance with, all Applicable Laws. The Oberon Assets are sufficient to permit the continued operation of the Oberon Business in substantially the same manner as conducted prior to Closing.
- (l) Title to Oberon Assets. The Purchaser owns (with good title) all of the Oberon Assets reflected as being owned by the Purchaser in the Oberon Financial Statements, except those that have been acquired and disposed of in the Ordinary Course. The Purchaser has legal and beneficial

ownership of the Oberon Assets free and clear of all Encumbrances, except for Permitted Encumbrances.

- (m) Subsidiaries. Except as may be disclosed in the Oberon Public Disclosure Record, the Purchaser has no subsidiaries and holds no shares or other ownership, equity or proprietary interest in any other Person.
- (n) Real Property and Leased Property. Except as may be disclosed in the Oberon Public Disclosure Record, the Purchaser is not the owner of any real property and does not lease any real property.
- (o) Material Contracts. Except for the Contracts described in the Oberon Public Disclosure Record (the “**Oberon Material Contracts**”), the Purchaser is not a party to or bound by:
 - (i) any Contract which Materially adversely affects the Oberon Business or any of the Oberon Assets;
 - (ii) any Contract entered into by the Purchaser other than in the Ordinary Course; or
 - (iii) any Contract that is Material to the Purchaser, the Oberon Assets or the Oberon Business.
- (p) No Default Under Material Contracts. To its knowledge, the Purchaser has performed all of the obligations required to be performed by it and is entitled to all benefits under and is not in default or alleged to be in default in respect of, the Oberon Material Contracts. To the Purchaser’s knowledge, each of the Oberon Material Contracts is in good standing and in full force and effect, and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any of the Oberon Material Contracts. There is no dispute between the Purchaser and any other party under any of the Oberon Material Contracts. None of the Oberon Material Contracts has been assigned, or if applicable subleased, in whole or in part.
- (q) Regulatory and Third Party Approvals.
 - (i) Other than any approvals or filings, notices or permits required to be obtained or made by the Company, the Shareholders or any Person related to any of them, there is no requirement to make any filing with, give any notice to or obtain any permit as a condition to the lawful completion of the Transaction, except for the filings, notifications and permits described in the Oberon Public Disclosure Record.
 - (ii) Except as disclosed in the Oberon Public Disclosure Record, there is no requirement under the Oberon Material Contracts for any approvals from any party to that Contract or from any other Person relating to the completion of the Transaction, for which such approval has not been obtained.
- (r) Financial Statements. The Oberon Financial Statements have been prepared in accordance with IFRS. The Oberon Financial Statements fairly, completely and accurately present the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Purchaser as at the date to which they were prepared and of the profit and loss of the Purchaser in the financial year ended on the date of such Oberon Financial Statements.

- (s) Books and Records. The Purchaser's Books and Records have been maintained in accordance with the requirements of Applicable Laws.
- (t) Corporate Records. The minute books of the Purchaser contain true, accurate and complete records of all of its Constatting Documents. The share certificates, register of shareholders, register of directors and officers, central securities register and register of transfers of the Purchaser are true, accurate and complete.
- (u) Undisclosed Liabilities. The Purchaser has no liabilities, obligations, indebtedness or commitments of any nature whatsoever, whether known or unknown, due, to become due, direct, indirect, absolute, contingent or otherwise, and is not a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to the liabilities, obligations, indebtedness or commitments (whether accrued, absolute, contingent or otherwise) of any Person, that are not disclosed in the Oberon Financial Statements or in the Oberon Public Disclosure Record.
- (v) Absence of Changes. Except as disclosed in the Oberon Public Disclosure Record, since the date of the Oberon Financial Statements, the Purchaser has carried on the Oberon Business and conducted its operations and affairs only in the Ordinary Course and the Purchaser has not made or suffered any Material Adverse Change.
- (w) Litigation. There are no Claims pending or, to the knowledge of the Purchaser, threatened against or affecting, the Purchaser. To the knowledge of the Purchaser there is not any factual or legal basis on which any such Claim might be commenced with any reasonable likelihood of success. The Purchaser is not the plaintiff or complainant in any Claim.
- (x) Non-Arm's Length Transaction. The Purchaser has not made any payment or loan to, or borrowed any monies from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person not dealing at arm's length with the Purchaser, except as disclosed in the Oberon Public Disclosure Record. The Purchaser is not a party to any Contract with any officer, director, employee, shareholder or any other Person not dealing at arm's length with the Purchaser, except for any employment agreements with the employees of the Purchaser or as described in the Oberon Public Disclosure Record.
- (y) Employees. The Purchaser is not a party to any Contract, agreement or other commitment, whether oral or written, with any employee other than oral contracts of indefinite duration which are terminable by the Purchaser without cause on reasonable notice as determined in accordance with Applicable Laws. The Oberon Financial Statements include adequate accruals or reserves, for all accrued and unpaid salaries, wages, bonuses or other remuneration, vacation pay, CPP, EI and other employee related accruals, including for any severance or termination payments in respect of any employees whose employment was terminated or who were laid off by the Purchaser on or before the date of such statements.
- (z) Employee Plans. The Purchaser has no Employee Plans.
- (aa) Union Contracts. The Purchaser has not entered into any collective agreement with any labour union or employee association or made any commitments to or conducted any negotiations with any labour union or employee association with respect to any future collective agreement. The Purchaser is not aware of any current attempts to organize, establish or certify any labour union or employee association with respect to any employees of the Purchaser, nor is any such union or association presently certified with regard to a bargaining unit.

- (bb) Insurance. The Purchaser maintains insurance in force against loss on such assets, against such risks, in such amounts and to such limits as is in accordance with prudent business practices prevailing in its business and having regard to the location, age and character of the Oberon Assets.
- (cc) Permits and Licenses. The Purchaser holds all material authorizations, approvals, orders, licenses, permits or consents issued by any applicable government or Governmental Authority, or any municipal, regional or other authority, or any regulatory body or agency, including any governmental department, commission, bureau, board or administrative agency, which are necessary in connection with the conduct and operation of the Oberon Business and the ownership, leasing or use of the Oberon Assets as the same are now owned, leased, used conducted or operated, the Purchaser is not in breach of or in default under any of the terms or conditions thereof (except to the extent such breach or default would not result in a Material Adverse Effect), and all such authorizations, approvals, orders, licences, permits and consent are described in the Oberon Public Disclosure Record.
- (dd) No Finder's Fees. The Purchaser has not taken and will not take any action that would cause the Purchaser, the Company or the Shareholders to become liable to any Claim for a brokerage commission, finder's fee or other similar arrangement.
- (ee) Taxes. The Purchaser has paid all Taxes which are due and payable within the time required by Applicable Law and has paid all assessments and reassessments it has received in respect of Taxes. The Purchaser has made full and adequate provision in its Books and Records and the Oberon Financial Statements for all Taxes which are not yet due and payable, but which relate to periods ending on or before the Closing Date. The Purchaser has withheld and collected all amounts required by Applicable Law to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Authority within the time prescribed under any Applicable Law. The Purchaser has filed or caused to be file all Tax Returns which are required to be filed by it and such Tax Returns are correct and complete, and the Purchaser has made complete and accurate disclosure in its Tax Returns and in all materials accompanying such Tax Returns, except in respect of a particular Tax Return to the extent that it may have been modified in a subsequent Tax Return.
- (ff) Full Disclosure. Neither this Agreement or any other Contract, agreement, instrument, certificate or other document required to be delivered by or otherwise to be delivered pursuant to this Agreement by the Purchaser nor any certificate, report, statement or other document furnished by the Purchaser in connection with the negotiation of this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading. There has been no event, transaction or information that has come to the attention of the Purchaser that has not been disclosed to the Company in writing that could reasonably be expected to have a Material Adverse Effect.

4.4 Survival of Representations, Warranties and Covenants of the Shareholders and/or the Company.

- (a) The representations and warranties of the Shareholders and/or the Company contained in this Agreement and in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement will survive Closing and continue in full force and effect until the first anniversary of the Closing Date, notwithstanding the Closing, any investigation made by or on behalf of the Purchaser or any knowledge of the Purchaser.

- (b) The covenants and other obligations of the Shareholders and/or the Company contained in this Agreement and in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been fully performed on or prior to the Closing Date, will survive Closing and will continue for the benefit of the Purchaser for the applicable limitation period imposed by Applicable Law notwithstanding Closing.
- (c) Notwithstanding Section 4.4(a), a Claim for any breach of any of the indemnities, covenants, representations and warranties contained in this Agreement or in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud or fraudulent misrepresentations may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

4.5 Survival of the Representations, Warranties and Covenants of the Purchaser.

- (a) The representations and warranties of the Purchaser contained in this Agreement and in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement will survive Closing and continue in full force and effect until the first anniversary of the Closing Date, notwithstanding the Closing, any investigation made by or on behalf of the Shareholders and/or the Company or any knowledge of the Shareholders and/or the Company.
- (b) The covenants and other obligations of the Purchaser contained in this Agreement and in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been fully performed on or prior to the Closing Date, will survive Closing and will continue for the benefit of the Shareholders and/or the Company for the applicable limitation period imposed by Applicable Law notwithstanding Closing.
- (c) Notwithstanding Section 4.5(a), a Claim for any breach of any of the representations and warranties contained in this Agreement or in any Contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud or fraudulent misrepresentations may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

4.6 Termination of Liability.

After the times referred to in Section 4.4 and Section 4.5 (as applicable), no Party will have any liability or obligations to another Party in respect of any inaccuracy in or breach of any representation or warranty contained in this Agreement and any Contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, except for (and only to the extent of) any Claim in respect of which the other Party has provided notice to the Party making that representation and warranty in accordance with Section 6.5 prior to the expiry of those time limits, and in that event, only on the terms and conditions of and to the extent provided for in Article 6.

ARTICLE 5 COVENANTS

5.1 Negative Covenants of the Shareholders and the Company.

- (a) The Shareholders and the Company will not, and will cause their respective Representatives to not, do or permit to occur any of the following, either directly or indirectly:
 - (i) solicit, initiate, encourage, facilitate the making of, engage in or respond to (other than to decline) any inquiries or proposals regarding any Alternative Transaction;
 - (ii) encourage or participate in any discussions or negotiations regarding any Alternative Transaction; or
 - (iii) enter into any agreement, letter of intent or similar document contemplating or otherwise related to any Alternative Transaction.
- (b) The Shareholders and the Company will, and will cause their respective Representatives to, immediately cease and cause to be terminated any existing discussions or negotiations with any Persons with respect to any Alternative Transaction. The Shareholders and the Company will immediately request the return or destruction of all information provided to any Person that has entered into a confidentiality agreement relating to any Alternative Transaction and will use their reasonable best efforts to ensure that such requests are honoured.
- (c) The Shareholders and the Company will not make available, after the date hereof, any information to any Person in connection with any potential or actual Alternative Transaction on or before the Termination Date.

5.2 Conduct of Business Prior to Closing.

Except as otherwise contemplated or permitted by this Agreement, during the period from the date of this Agreement to the Closing Date, each of the Company and the Purchaser will:

- (a) Conduct Business in Ordinary and Usual Course. Conduct the Company Business or the Oberon Business, as the case may be, in the Ordinary Course thereof and not, without the prior written consent of the other Party (that is, either the Purchaser or the Company, as the case may be), enter into any transaction which would constitute a breach of its representations, warranties or agreements contained herein;
- (b) Continue Insurance. Continue in force all existing policies of insurance, if any, presently maintained by it;
- (c) Perform Obligations. Comply with all Applicable Laws affecting the operation of the Company Business or the Oberon Business, as the case may be, and pay all required Taxes;
- (d) Pay Liabilities. Pay and discharge all of its liabilities or obligations in the Ordinary Course, except for such liabilities or obligations as may be contested by it in good faith;
- (e) No Breach. Not take any action or omit to take any action which would, or would reasonably be expected to, result in a breach of or render untrue any representation, warranty, covenant, or other obligation of it contained herein;

- (f) Preserve Business. Preserve intact the Company Business and the Company Assets, operations and affairs of the Company, or the Oberon Business and the Oberon Assets, operations and affairs of the Purchaser, as the case may be, and carry on the business and the affairs of the Company or of the Purchaser, as the case may be, as currently conducted, and promote and preserve the goodwill of its suppliers, its customers and others having business relations with it; and
- (g) Necessary Steps. Take all necessary actions, steps and proceedings that are necessary or desirable to approve or authorize, or to validly and effectively undertake, the execution and delivery of this Agreement and the completion of the Transaction.

5.3 Access to Books and Records.

For the longer of (i) a period of two years from the Closing Date, and (ii) a period ending upon the final resolution of any disputes pursuant to this Agreement, each Party will retain all of its original accounting Books and Records relating to it that are part of its Books and Records existing on the Closing Date, but will not be responsible or liable for or as a result of any accidental loss or destruction or damage to any such Books and Records. So long as any such Books and Records are retained by a Party pursuant to this Agreement, the other Parties will have the reasonable right to inspect and to make copies (at their own expense) of such Books and Records as they relate to any period prior to the Closing Date at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the retaining Party. The retaining Party will have the right to have its Representatives present during any such inspection.

5.4 Further Assurances.

From time to time after the Closing Date, each Party will, at the request of any other Party, execute and deliver such additional conveyances, transfers and other assurances as may be reasonably required to carry out the intent of this Agreement.

ARTICLE 6 INDEMNIFICATION

6.1 Indemnification by the Shareholders.

Subject to this Article 6 and Section 4.4, each Shareholder will severally but not jointly indemnify and save harmless the Purchaser from any and all Losses suffered or incurred by the Purchaser as a result of or arising directly or indirectly out of or in connection with:

- (a) any inaccuracy of or any breach by such Shareholder of any representation or warranty regarding such Shareholder contained in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, including the representations and warranties of the Shareholder contained in Section 4.1, except that the Shareholder will not be required to indemnify and save harmless Oberon in respect of any inaccuracy or breach of any such representation or warranty unless Oberon will have provided notice to such Shareholder in accordance with Section 6.5 on or prior to the expiration of the applicable time period related to that representation and warranty set out in Section 4.4;
- (b) any breach or non-performance by such Shareholder of any covenant or other obligation to be performed by it contained in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement; and

- (c) any failure by such Shareholder to transfer good and valid title of its Purchased Shares to the Purchaser, free and clear of all Encumbrances.

6.2 Indemnification by the Company and the Shareholders.

Subject to this Article 6 and Section 4.4, the Company and the Shareholders will jointly and severally indemnify and save harmless the Purchaser from any and all Losses suffered or incurred by the Purchaser as a result of or arising directly or indirectly out of or in connection with:

- (a) any inaccuracy of or any breach by the Company or the Shareholders of any representation or warranty regarding the Company contained in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, including the representations and warranties of the Company and the Shareholders contained in Section 4.2, except that the Company and the Shareholders will not be required to indemnify and save harmless the Purchaser in respect of any inaccuracy or breach of any such representation or warranty unless the Purchaser will have provided notice to the Company in accordance with Section 6.5 on or prior to the expiration of the applicable time period related to that representation and warranty set out in Section 4.4; and
- (b) any breach or non-performance by the Company of any covenant or other obligation to be performed by it contained in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

6.3 Indemnification by the Purchaser.

Subject to this Article 6 and Section 4.5, the Purchaser will indemnify and save harmless the Shareholders and the Company from any and all Losses suffered or incurred by the Shareholders and the Company as a result of or arising directly or indirectly out of or in connection with:

- (a) any inaccuracy of or any breach by the Purchaser of any representation or warranty of the Purchaser contained in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, including the representations and warranties of the Purchaser contained in Section 4.3, except that the Purchaser will not be required to indemnify or save harmless the Shareholders and the Company in respect of any inaccuracy or breach of any representation or warranty unless the indemnified party will have provided notice to the Purchaser in accordance with Section 6.5 on or prior to the expiration of the time period set out in Section 4.5; and
- (b) any breach or non-performance by the Purchaser of any covenant or other obligation to be performed by it contained in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

6.4 Obligation to Reimburse.

A Party providing indemnification under this Agreement (the “**Indemnifying Party**”) will be obligated to reimburse to a Party being indemnified under this Agreement (the “**Indemnified Party**”) the amount of any Losses suffered or incurred by the Indemnified Party, as of the date that the Indemnified Party incurs any such Losses, that payment being made without prejudice to the Indemnifying Party’s right to contest the basis of the Indemnified Party’s Claim for indemnification.

6.5 Notice of Claim.

- (a) Promptly on becoming aware of any circumstances which have given or could give rise to a Claim of indemnification under this Article 6, the Party will notify the other Parties of those circumstances. That notice will specify whether the Losses arise as a result of a Claim by a Person against the Indemnified Party (a “**Third Party Claim**”) or whether the Losses do not so arise (a “**Direct Claim**”) and will also specify with reasonable particularity (to the extent the information is available) the factual basis for the Claim and the amount of the Losses, if known.
- (b) If, through the fault of the Indemnified Party, the Indemnifying Party does not receive notice of any Claim in time to effectively contest the determination of any liability susceptible of being contested, the Indemnifying Party will be entitled to set off against the amount claimed by the Indemnified Party the amount of any Losses incurred by the Indemnifying Party resulting from the Indemnified Party’s failure to give that notice on a timely basis.

6.6 Direct Claims.

With respect to any Direct Claim, following receipt of notice from the Indemnified Party of the Direct Claim, the Indemnifying Party will have 60 calendar days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of that investigation, the Indemnified Party will make available to the Indemnifying Party the information relied on by the Indemnified Party to substantiate the Direct Claim, together with such information as the Indemnifying Party may reasonably request. If the Parties agree at or prior to the expiry of this 60 calendar day period (or agree to any extension of this period) to the validity and amount of that Direct Claim, the Indemnifying Party will immediately pay to the Indemnified Party the full amount as agreed to by the Parties of the Direct Claim. For clarity, the Indemnified Party will be deemed to have incurred or suffered Losses as of and from the Closing Date as a consequence of any reduction in the value of either the Purchased Shares (where the Indemnifying Party is a Shareholder or the Company) and the Consideration Shares (where the Indemnifying Party is Oberon) resulting from an inaccuracy or breach of any representation or warranty by the Indemnifying Party under this Agreement.

6.7 Third Party Claims.

- (a) With respect to any Third Party Claim, the Indemnifying Party will be entitled (but not required), at its expense, to participate in or assume the conduct of the negotiations, settlement or defence of the Third Party Claim and, in that event, the Indemnifying Party will reimburse the Indemnified Party for all of the Indemnified Party’s reasonable out-of-pocket expenses incurred in connection with the negotiations, settlement or defence of the Third Party Claim prior to the Indemnifying Party’s assumption of the conduct of the negotiations, settlement or defence of the Third Party Claim.
- (b) If the Indemnifying Party elects to assume the conduct of the negotiations, settlement or defence of the Third Party Claim, the Indemnifying Party will be entitled to retain counsel on behalf of the Indemnified Party who is acceptable to the Indemnified Party, acting reasonably, to represent the Indemnified Party of that Third Party Claim. In any Third Party Claim for which the Indemnifying Party elects to assume that conduct, the Indemnified Party will have the right to participate in the negotiation, settlement or defence of that Third Party Claim and to retain separate counsel to act on its behalf, but the fees and disbursements of that counsel will be at the expense of the Indemnified Party unless:

- (i) the Indemnified Party determines, acting reasonably and on the written advice of external counsel, that actual or potential conflicts of interests exist which make representation chosen by the Indemnifying Party not advisable (such as where the named parties to that Third Party Claim include both the Indemnifying Party and the Indemnified Party, and the defences available to the Indemnified Party are different or in addition to those available to the Indemnifying Party); or
 - (ii) the Indemnifying Party has authorized the retention of that counsel.
- (c) If the Indemnifying Party, having elected to assume that conduct, thereafter fails to defend the Third Party Claim within a reasonable time, the Indemnified Party will be entitled to assume that conduct, and the Indemnifying Party will be bound by the results obtained by the Indemnified Party with respect to that Third Party Claim. If any Third Party Claim is of a nature such that the Indemnified Party is required by Applicable Law to make a payment to any Person (a “**Third Party**”) with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party will provide prior written notice of that payment to the Indemnifying Party and thereafter may make that payment and the Indemnifying Party will, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for that payment. If the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which that payment was made, as finally determined, is less than the amount that was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party will, forthwith after receipt of the difference from the Third Party, pay the amount of that difference to the Indemnifying Party.

6.8 Settlement of Third Party Claims.

- (a) If the Indemnifying Party undertakes the defence of the Third Party Claim, the Indemnifying Party will not be bound by any determination of the Third Party Claim or any compromise or settlement of the Third Party Claim effected without the consent of the Indemnifying Party (which consent may not be unreasonably withheld or delayed).
- (b) Whether or not the Indemnifying Party assumes conduct of the negotiation, settlement or defence of any Third Party Claim, the Indemnifying Party will not settle any Third Party Claim without the written consent of the Indemnified Party, which consent cannot be unreasonably withheld or delayed, except that the liability of the Indemnifying Party will be limited to the proposed amount if any such consent, which cannot be unreasonably withheld or delayed, is not obtained and the Indemnified Party will indemnify and save harmless the Indemnifying Party from and against any Losses resulting from or arising out of the failure of the Indemnified Party to consent to that settlement.

6.9 Co-Operation.

The Indemnified Party and the Indemnifying Party will co-operate fully with each other with respect to Third Party Claims, and will keep each other fully advised with respect to that Third Party Claim (including supplying copies of all relevant documentation promptly as it becomes available). Where the defence of a Third Party Claim is being undertaken and conducted by the Indemnifying Party, the Indemnified Party will use all reasonable efforts to make available to the Indemnifying Party, at the request and expense of the Indemnifying Party, those employees of the Indemnified Party whose assistance, testimony or presence is reasonably necessary to assist the Indemnifying Party in evaluating and defending that Third Party Claim.

6.10 Gross-up.

- (a) If an amount paid or payable pursuant this Article 6 is subject to Tax, whether by deduction from or withholding from such amount or upon receipt of or entitlement to receipt of such amount, after taking into account any offsetting deduction or tax credit available in respect of the applicable Losses, then the amount payable by the Indemnifying Party will be increased by an amount (the “**Increased Amount**”) such that the Indemnified Party will be in the same position after paying Tax on the amount paid or payable or after such withholding has occurred, including any Taxes payable on the Increased Amount, as the Indemnified Party would have been in had the Losses giving rise to such payment not arisen and had such amount not been payable.
- (b) The recipient or expected recipient of a payment under this Article 6 will claim from the appropriate Tax authority any exemption, rate reduction, refund, credit or similar benefit (including pursuant to any relevant double tax treaty) to which it is entitled in respect of any deduction or withholding in respect of which a payment has been or would otherwise be required to be made pursuant to Section 6.10(a) and, for such purposes will, within any applicable time limits, submit any claims, notices, returns or applications and send a copy of them to the Indemnifying Party.
- (c) If the Indemnified Party receives a refund of any Tax payable by it then it will reimburse the Indemnifying Party such part of such Increased Amount paid to it pursuant to Section 6.10(a) as the Indemnified Party certifies to the Indemnifying Party will leave it (after such reimbursement) in no better and no worse position that it would have been if the Indemnifying Party had not been required to make such deduction or withholding or the Indemnified Party had not suffered Tax on receipt of such amount.

6.11 Exclusivity.

Unless otherwise provided in this Agreement, the provisions of this Article 6 will apply to any Claim for breach of covenants, representation, warranty or other obligation or provision of this Agreement or any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement (other than a Claim for specific performance or injunctive relief) and to any and all other indemnities provided in this Agreement or in any Contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement with the intent that unless otherwise provided all such Claims and indemnities will be brought only in accordance with the specific provisions of this Article 6.

6.12 General Indemnification Rules

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

- (a) without limiting the generality of Sections 6.1, 6.2 and 6.3, any Claim for breach of any representation, warranty or covenant will be subject to Section 4.4 and 4.5;
- (b) the Indemnifying Party’s obligation to indemnify the Indemnified Party will only apply to the extent that the Claims in respect of which the Indemnifying Party has given an indemnity, in the aggregate, exceed \$50,000. Once the aggregate of all Claims exceeds \$50,000, the Indemnifying Party will only be liable for any amounts in excess thereof;

- (c) notwithstanding anything to the contrary in this Agreement, the aggregate liability of a Shareholder under this Agreement will be limited to 100% of the value of the Consideration Shares received by such Shareholder, it being understood that for such purpose the value assigned to each Consideration Share will be \$0.2025;
- (d) a Shareholder who is an Indemnifying Party may, at its option, elect to satisfy any Claim for which it is determined to be liable by either (i) payment of the amount of such Claim in cash, or (ii) by transferring to the Purchaser for cancellation such number of Consideration Shares owned by such Shareholder as is equal to the value of such Claim, it being understood that for such purpose the value assigned to each Consideration Share will be \$0.2025. For greater certainty, if such Shareholder elects to satisfy such Claim by transferring Consideration Shares to the Purchaser for cancellation, the Purchaser will have no recourse whatsoever to any other property, assets, rights or interests of such Shareholder for the purpose of satisfying such Claim; and
- (e) in no event will any Indemnifying Party be liable to any Indemnified Party for any exemplary, punitive, incidental, consequential, special or indirect damages, including loss of future revenue, income or profit, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any Claim based on any type of multiple (including, without limitation, multiple of earnings or multiple of cash flow methodologies).

ARTICLE 7 GENERAL

7.1 Confidentiality of Information.

- (a) For the purposes of this Section 7.1, “**Confidential Information**” of a Party at any time means all information relating to that Party which at the time is of a confidential nature (whether or not specifically identified as confidential), and has been or is from time to time made known to or is otherwise learned by the relevant other Party or any of its Representatives as a result of the matters provided for in this Agreement, and includes:
 - (i) the terms of this Agreement and of any other Contract, agreement, instrument, certificate or other document to be entered into as contemplated by this Agreement;
 - (ii) a Party’s business records;
 - (iii) all information regarding a Party’s business operations; and
 - (iv) all trade secrets or confidential or proprietary information of the Parties.
- (b) Notwithstanding the foregoing, Confidential Information does not include any information that at the time has become generally available to the public other than as a result of a disclosure by the other Party or any of its Representatives, any information that was available to the other Party or its Representatives on a non-confidential basis before the date of this Agreement or any information that becomes available to the other Party or its Representatives on a non-confidential basis from a Person (other than the Party to which the information relates or any of its Representatives) who is not, to the knowledge of the other Party or its Representatives, otherwise bound by confidentiality obligations to the Party to which the

information relates in respect of the information or otherwise prohibited from transmitting the information to the other Party or its Representatives.

- (c) Each Party will (and will cause each of its Representatives to) hold in strictest confidence and not use in any manner, other than as expressly contemplated by this Agreement, all Confidential Information of the other Parties.
- (d) Subject to Section 7.2, Section 7.1(c) will not apply to the disclosure of any Confidential Information where that disclosure is pursuant to the Party's duties as an officer, director, or employee of a Party, or is required by Applicable Law. In the case of disclosure required by Applicable Law, the Party required to disclose (or whose Representative is required to disclose) will, as soon as possible in the circumstances, notify the other Parties of the requirement of the disclosure including the nature and extent of the disclosure and the provision of Applicable Law pursuant to which the disclosure is required. To the extent possible, the Party required to make the disclosure will, before doing so, provide to the other Parties the text of any disclosure. On receiving the notification, the other Parties may take any reasonable action to challenge the requirement, and the affected Party will (or will cause the applicable Representative to), at the expense of the other Parties, assist the other Parties in taking that reasonable action.

7.2 Public Announcements.

- (a) No Shareholder will make any further public statement or issue any further press release concerning this Agreement or the Transaction except as agreed by the Parties acting reasonably or as may be necessary, in the opinion of counsel to the Shareholder making that disclosure, to comply with the requirements of all Applicable Law.
- (b) Neither the Company nor the Purchaser will make any further public statement or issue any further press release concerning this Agreement or the Transaction except as agreed by the other Party acting reasonably or as may be necessary, in the opinion of counsel to the Party making that disclosure, to comply with the requirements of all Applicable Law. If any public statement or release is so required, the Party making the disclosure will consult with the other Party before making that statement or release, and the Company and the Purchaser will use all reasonable efforts, acting in good faith, to agree on a text for the statement or release that is satisfactory to them and for such statement or release to be made in a timely manner.

7.4 Expenses.

The Purchaser shall reimburse the Company for its reasonable legal expenses, taxes and disbursements incurred by it in respect of the Transaction contemplated herein, inclusive of the authorization, negotiation, preparation, execution and performance of this Agreement, to a maximum amount of \$7,000.

7.5 No Third Party Beneficiary.

This Agreement is solely for the benefit of the Parties and no third parties will accrue any benefit, Claim or right of any kind pursuant to, under, by or through this Agreement.

7.6 Entire Agreement.

This Agreement, together with the other agreements to be entered into as contemplated by this Agreement or respecting the Transaction, constitute the entire agreement among the Parties pertaining to the subject

matter of this Agreement and supersede all prior correspondence, agreements, negotiations, discussions and understandings, written or oral, including the LOI. Except as specifically set out in this Agreement, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement or which induced any Party to enter into this Agreement. No reliance is placed on any representation, warranty, opinion, advice or assertion of fact made either prior to, concurrently with, or after entering into, this Agreement, or any amendment or supplement thereto, by any Party to this Agreement or its Representatives, to any other Party or its Representatives, except to the extent the representation, warranty, opinion, advice or assertion of fact has been reduced to writing and included as a term in this Agreement, and none of the Parties to this Agreement has been induced to enter into this Agreement or any amendment or supplement by reason of any such representation, warranty, opinion, advice or assertion of fact. There will be no liability, either in tort or in contract, assessed in relation to the representation, warranty, opinion, advice or assertion of fact, except as contemplated in this Section 7.6.

7.7 Non-Merger.

Except as otherwise provided in this Agreement, the covenants, representations and warranties set out in this Agreement do not merge but survive Closing and, notwithstanding such Closing or any investigation by or on behalf of a Party, continue in full force and effect. Closing does not prejudice any right of one Party against another Party in respect of any remedy in connection with anything done or omitted to be done under this Agreement.

7.8 Time of Essence.

Time is of the essence of this Agreement.

7.9 Amendment.

No amendment, addition, deletion or other modification to this Agreement will be effective unless in writing and signed by each Party.

7.10 Waiver of Rights.

Any waiver or consent will be effective only in the instance and for the purpose for which it is given. A failure to enforce any breach of this Agreement by any Party does not constitute a waiver of such breach or any provision of this Agreement by such Party.

7.11 Jurisdiction.

Each Party irrevocably and unconditionally attorns to the exclusive jurisdiction of the courts of the Province of British Columbia.

7.12 Governing Law.

This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein, and each Party irrevocably attorns to the courts of the Province of British Columbia, which jurisdiction will be the sole and exclusive jurisdiction for any disputes or claims in relation to this Agreement and all matters related hereto.

7.13 Notices.

- (a) All notices, requests, demands, claims, and other communications required or permitted hereunder (each, a “**Notice**”) will be in writing and will be delivered by (i) personal delivery, (ii) certified or registered mail (first class postage pre-paid), (iii) guaranteed overnight delivery by recognized national courier, or (iv) by e-mail, addressed to the address for a Party indicated on page 1 or Schedule “A” hereof (or to such other addresses which such Party will subsequently designate by like notice to the other Parties).
- (b) Any Notice made or given by personal delivery, courier or e-mail to the Party to whom it is addressed as provided above will be deemed to have been given and received on the day it is so delivered at such address or, in the case of an e-mail, the day in which transmission is confirmed. If such day is not a Business Day, or if the Notice is received after 4:00 p.m. (addressee’s local time), then the Notice will be deemed to have been given and received on the next Business Day. Any Notice sent by prepaid registered mail will be deemed to have been given and received on the fifth Business Day following the date of its mailing. Notices sent to an e-mail address will be deemed to be received upon the sender’s receipt of an automatic or other written acknowledgement from the intended recipient.
- (c) Any Notice required or permitted to be delivered to one or more Shareholders hereunder may be delivered to the Company on behalf of such one or more Shareholders.

7.14 Assignment.

This Agreement may not be assigned, transferred or otherwise conveyed by any Party in whole or in part without the express prior written consent of the other Party.

7.15 Severability.

Any provision of this Agreement that is or becomes unenforceable will be unenforceable to the extent of such unenforceability without invalidating the remaining provisions hereof. To the extent permitted by Applicable Law, each of the Parties hereby waives any provision of law that renders any provision hereof unenforceable in any respect.

7.16 Successors.

This Agreement will enure to the benefit of and be binding upon the Parties and their heirs, executors, administrators, personal representatives, respective successors and permitted assigns.

7.17 Counterparts.

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by facsimile or electronic means will be equally effective as delivery of a manually executed counterpart thereof.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

OBERON URANIUM CORP.

By: "Lawrence Hay"
Authorized Signatory

2037881 ALBERTA LTD.

By: "Sandy Loutit"
Authorized Signatory

THE SHAREHOLDERS:

1262430 ALBERTA LTD.

By: "*Johannas Kingma*"
Authorized Signatory

SOTO ENTERPRISES LTD.

By: "*Sandy Loutitt*"
Authorized Signatory

1292046 B.C. LTD.

By: "*Dean Quashie*"
Authorized Signatory

1358531 B.C. LTD.

By: "*Yee-Sing Cheng*"
Authorized Signatory

MEUS MANAGEMENT INC.

By: "*Jerry Lai*"
Authorized Signatory

**WILD MOUNTAIN CONSULTING
CORP.**

By: "*Luke Montaine*"
Authorized Signatory

**HILLSIDE CONSULTING & MEDIA
INC.**

By: "*Steven Giberson*"
Authorized Signatory

FAIRVIEW INC.

By: "*Matthew Shull*"
Authorized Signatory

THE LK BLOCKCHAIN INC.

By: "*Shane Lowry*"
Authorized Signatory

ESN INVESTMENT CORP.

By: "*Erickson Chiu*"
Authorized Signatory

SCHEDULE “A”

Shareholders, Ownership of Purchased Shares, and Allocation of Consideration Shares

Shareholder Name, Address and Email Address	Purchased Shares	Consideration Shares
1262430 ALBERTA LTD. <i>[address redacted]</i>	3,000,000 Class E preferred shares	3,000,000
SOTO ENTERPRISES LTD. <i>[address redacted]</i>	2,000,000 Class E preferred shares	2,000,000
1292046 B.C. LTD. <i>[address redacted]</i>	1,199,800 Class A common shares	1,199,800
1358531 B.C. LTD. <i>[address redacted]</i>	85,700 Class A common shares	85,700
MEUS MANAGEMENT INC. <i>[address redacted]</i>	42,850 Class A common shares	42,850
WILD MOUNTAIN CONSULTING CORP. <i>[address redacted]</i>	3,000,000 Class A common shares	3,000,000
HILLSIDE CONSULTING & MEDIA INC. <i>[address redacted]</i>	2,356,750 Class A common shares	2,356,750
FAIRVIEW INC. <i>[address redacted]</i>	1,928,250 Class A common shares	1,928,250
THE LK BLOCKCHAIN INC. <i>[address redacted]</i>	2,571,000 Class A common shares	2,571,000
ESN INVESTMENT CORP. <i>[address redacted]</i>	3,815,650 Class A common shares	3,815,650
Total:	5,000,000 Class E preferred shares and 15,000,000 Class A common shares	20,000,000

SCHEDULE "B"
COMPANY ASSETS

The Company Assets consist of:

- (a) 23 claims, totaling 20,064 hectares or 49,579.224 acres, as further described below; and
- (b) a uranium extraction technology using a method of in-situ leaching of uranium deposits located in non-porous, impermeable underground formations, as further described in the LOI respecting the Transaction.

Disposition #	Type	Status	Holder(s)	Total Area	Issuance Date	Review Date	Work Req	Avail Expenditures
S-107903	Mineral Claim	Active	Sandy Loutitt 100.000	4840.000	12/10/2004	12/9/2022	\$121,000.00	\$876,040.55
CBS 7827	Mineral Claim	Active	Sandy Loutitt 100.000	858.000	3/13/1997	3/12/2023	\$21,450.00	\$150,150.00
S-102825	Mineral Claim	Active	Sandy Loutitt 100.000	1200.000	5/5/1994	5/4/2023	\$30,000.00	\$240,000.00
S-103668	Mineral Claim	Active	Sandy Loutitt 100.000	1140.000	7/30/2008	7/9/2022	\$28,500.00	\$27,360.00
S-105209	Mineral Claim	Active	Sandy Loutitt 100.000	1464.000	12/10/2004	12/9/2022	\$36,600.00	\$191,784.00
S-106101	Mineral Claim	Active	Sandy Loutitt 100.000	2472.000	12/10/2004	12/9/2022	\$61,800.00	\$571,032.00
S-107390	Mineral Claim	Active	Sandy Loutitt 100.000	975.000	4/14/2004	4/13/2023	\$24,375.00	\$203,775.00
S-107906	Mineral Claim	Active	Sandy Loutitt 100.000	1653.000	12/10/2004	12/9/2022	\$41,325.00	\$299,193.00
S-108031	Mineral Claim	Active	Sandy Loutitt 100.000	994.000	9/22/2005	8/9/2023	\$24,850.00	\$80,544.09
S-108053	Mineral Claim	Active	Sandy Loutitt 100.000	170.000	2/7/2006	12/12/2022	\$4,250.00	\$45,220.00
S-106537	Mineral Claim	Active	Sandy Loutitt 100.000	1468.000	10/27/2000	10/26/2022	\$36,700.00	\$202,584.00
S-107788	Mineral Claim	Active	Sandy Loutitt 100.000	449.000	11/8/2004	11/7/2022	\$11,225.00	\$105,066.00
S-107789	Mineral Claim	Active	Sandy Loutitt 100.000	9.000	3/15/2005	1/19/2023	\$400.00	\$1,084.00
S-107899	Mineral Claim	Active	Sandy Loutitt 100.000	497.000	12/10/2004	12/9/2022	\$12,425.00	\$65,107.00
S-107900	Mineral Claim	Active	Sandy Loutitt 100.000	359.000	12/10/2004	12/9/2022	\$8,975.00	\$86,231.66
S-107901	Mineral Claim	Active	Sandy Loutitt 100.000	93.000	12/10/2004	12/9/2022	\$2,325.00	\$16,833.00
S-107902	Mineral Claim	Active	Sandy Loutitt 100.000	23.000	12/10/2004	12/9/2022	\$575.00	\$4,163.00
S-107441	Mineral Claim	Active	Sandy Loutitt 100.000	225.000	6/21/2004	6/20/2023	\$5,625.00	\$55,575.00
S-107442	Mineral Claim	Active	Sandy Loutitt 100.000	38.000	8/17/2004	8/16/2023	\$950.00	\$9,386.00
S-107609	Mineral Claim	Active	Sandy Loutitt 100.000	264.000	10/22/2004	10/21/2022	\$6,600.00	\$35,376.00
S-107610	Mineral Claim	Active	Sandy Loutitt 100.000	454.000	10/22/2004	10/21/2022	\$11,350.00	\$123,488.00
S-107611	Mineral Claim	Active	Sandy Loutitt 100.000	142.000	11/8/2004	11/7/2022	\$3,550.00	\$38,624.00
S-107787	Mineral Claim	Active	Sandy Loutitt 100.000	277.000	11/8/2004	11/7/2022	\$6,925.00	\$75,344.00

SCHEDULE "C"
FORM OF ROYALTY AGREEMENT

See attached.

ROYALTY AGREEMENT

THIS ROYALTY AGREEMENT is dated as of April 13, 2023 (the “**Effective Date**”),

BETWEEN:

1262430 ALBERTA LTD. of *[address redacted]*

(“**1262430**”)

SOTO ENTERPRISES LTD. of *[address redacted]*

(“**Soto**”, and collectively with 1262430, the “**Holder**”)

AND:

2037881 ALBERTA LTD. of *[address redacted]*

(the “**Payor**”)

WHEREAS:

- (A) The Holder and the Payor are entering into this Agreement in connection with a Share Purchase Agreement dated as of April 3, 2023, pursuant to which Oberon Uranium Corp. (“**Oberon**”) purchased all of the issued and outstanding equity securities of the Payor from the shareholders of the Payor (the “**Share Transaction**”); and
- (B) As part of the consideration payable by Oberon in connection with the Share Transaction, Oberon agreed that at closing of the Share Transaction, the Holder would be granted a three percent (3%) royalty on production realized from those property interests held by the Payor at the time of closing of the Share Transaction, such royalty to be governed by this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties agree as follows:

ARTICLE 1. INTERPRETATION

1.1 Unless otherwise defined herein or the context otherwise requires, the following terms will have the following meanings in this Agreement:

- (a) “**Affiliate**” of a Person means a Person that controls, is controlled by or is under common control with the subject Person, and for the purpose of this definition, a Person will control another Person if such Person has the power to direct or cause the direction of the management and policies of the other Person, whether directly or indirectly, and whether by ownership of shares or other equity interests, the holding of voting or contractual rights, by being the managing partner of a general partnership or the general partner of a limited partnership, or otherwise.

- (b) “**Agreement**” means this Royalty Agreement, together with any and all Schedules attached hereto, as the same may be amended, supplemented, restated and replaced in accordance with the provisions hereof from time to time.
- (c) “**Business Day**” means any day other than a Saturday, a Sunday or a day on which banks are required to be closed in Vancouver, British Columbia.
- (d) “**Effective Date**” means the date established as such on the first page of this Agreement.
- (e) “**Gross Revenue**” means the aggregate of the following amounts (without duplication) accruing in each calendar quarter following the Effective Date:
 - (i) the revenue received by the Payor from arm’s length purchasers of all Mineral Products;
 - (ii) the fair market value of all Mineral Products sold by the Payor to persons not dealing at arm’s length with the Payor; and
 - (iii) any proceeds of insurance on Mineral Products;
- (f) “**Mineral Products**” mean all precious and base metals and minerals, non-metallic minerals, industrial minerals, ores (and concentrates derived therefrom), precipitates, beneficiated products, and refined or semi-refined products, produced from the Property, including Precious Metals and Other Minerals.
- (g) “**Net Production Returns**” means the Gross Revenue with respect to the Mineral Products less the Permissible Deductions with respect to such Mineral Products, for an applicable calendar quarter.
- (h) “**Notice**” has the meaning given to such term in Section 6.7(a).
- (i) “**Other Minerals**” means all minerals other than Precious Metals, and the beneficiated products thereof.
- (j) “**Parties**” means, collectively, 126,2430, Soto and the Payor, and “**Party**” means any one of them.
- (k) “**Permissible Deductions**” means the aggregate of the following charges (to the extent that they are not deducted by any purchaser in computing payment) that are incurred with respect to the Property in each calendar quarter:
 - (i) sales charges levied by any sales agent on the sale of Mineral Products;
 - (ii) transportation costs for Mineral Products from the Property to the place of beneficiation, processing or treatment (other than a mill or concentrator) and thence to the place of delivery of Mineral Products to a purchaser thereof,

including shipping, freight, handling, loading, port, demurrage and forwarding expenses;

- (iii) all costs, expenses and charges of any nature whatsoever which are either paid or incurred by the Payor in connection with mining, refinement or beneficiation of Mineral Products before or after leaving the Property, including all smelter and refinery charges and all weighing, sampling, assaying, representation and storage costs, umpire charges, and any penalties charged by the processor, refinery or smelter; and
- (iv) all insurance costs on Mineral Products and any government royalties as required by statute, production taxes, severance taxes and sales and other taxes levied on Mineral Products or on the production value thereof (other than income taxes of the Payor);

it being understood that all such costs and charges in (i) through (iv) above will not be in excess of those that would be incurred on an arm's length basis on fair market terms.

- (l) **"Person"** is to be broadly interpreted and includes any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity, however designated or constituted.
 - (m) **"Precious Metals"** means gold, silver and platinum group metals, including palladium, rhodium, iridium, osmium, rhenium and ruthenium.
 - (n) **"Property"** means the mineral claims listed in Schedule "A" to this Agreement, and includes any claims, concessions or similar rights issued to the Payor or its nominee in substitution for or replacement of such listed mineral claims but only to the extent pertaining to the same lands as such listed mineral claims.
 - (o) **"Representatives"** means, with respect to any Party, its Affiliates and, if applicable, its and their respective directors, officers, employees, agents and other representatives and advisors.
 - (p) **"Royalty"** has the meaning ascribed to such term in Section 2.1.
 - (q) **"Royalty Buy Back Option"** has the meaning ascribed to such term in Section 3.1.
 - (r) **"Royalty Buy Back Option Purchase Price"** has the meaning ascribed to such term in Section 3.1.
 - (s) **"Statement"** has the meaning ascribed to such term in Section 2.6.
- 1.2 This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities which are to be resolved

against the drafting Party will not apply to the construction or interpretation of this Agreement.

1.3 For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) headings preceding the text, Articles, Sections, Schedules and/or other subdivisions hereof are for convenience only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provisions hereof;
- (b) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, Schedule or other subdivision of this Agreement;
- (c) the word “including”, when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, 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 but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (d) a reference to an Article, Section, Schedule or other subdivision is a reference to the specified Article, Section, Schedule or other subdivision of this Agreement;
- (e) a reference to any agreement is a reference to such agreement as amended, restated, supplemented, replaced and/or modified from time to time;
- (f) a reference to any Person will include and will be deemed to be a reference to each Person that is the successor of such Person;
- (g) words importing one gender will include each other gender and words in the singular include the plural and vice versa; and
- (h) unless otherwise specified, all dollar amounts in this Agreement, including the symbol “\$”, refer to lawful currency of Canada.

1.4 In this Agreement, unless specified otherwise or the context otherwise requires:

- (a) a reference to a period of days is deemed to begin on the first day after the event that started the period and to end at 5:00 p.m. on the last day of the period, but if the last day of the period does not fall on a Business Day, the period ends at 5:00 p.m. on the next succeeding Business Day;
- (b) all references to specific dates mean 11:59 p.m. on the dates;
- (c) all references to specific times will be references to Vancouver time; and

- (d) with respect to the calculation of any period of time, references to “from” mean “from and excluding” and references to “to” or “until” mean “to and including”.

1.5 The Schedules to this Agreement, as listed below, are an integral part of this Agreement and are expressly incorporated into and made a part of this Agreement:

Schedule “A” – Property Listing

ARTICLE 2. GRANTING OF ROYALTY

- 2.1 Effective as of the Effective Date, the Payor hereby grants to the Holder a royalty of three percent (3.0%) of the Net Production Returns with respect to the Mineral Products derived from the Property (the “**Royalty**”), it being acknowledged and agreed that 1262430 has a 60% beneficial interest in the Royalty and Soto has a 40% beneficial interest in the Royalty for all purposes under this Agreement.
- 2.2 It is intended that the Royalty, to the extent permissible under applicable law, constitutes an interest in the Property, and the Parties accordingly agree that:
 - (a) the Royalty will run with the land comprising the Property, and every interest in the Property; and
 - (b) the Payor will upon request sign and deliver to the Holder, and the Holder may register or otherwise record against titles to the Property, the form of notice or other document or documents as the Holder may reasonably request to give notice of the existence of the Royalty to other persons, to secure payment of the Royalty and protect the Holder’s rights to receive the Royalty as contemplated by this Agreement.
- 2.3 Net Production Returns will be calculated on a calendar quarter basis.
- 2.4 The Payor may, but will not be under any duty to, engage in price protection (hedging) or speculative transactions such as futures contracts and commodity options in its sole discretion covering all or part of production from the Property. None of the revenues, costs, profits or losses from such transactions will be taken into account in calculating Net Production Returns.
- 2.5 For greater certainty, and without limiting the generality of the foregoing, all charges deducted by an arm’s length purchaser of ores or concentrates whether for smelting, treatment, handling, refining, storage or any other operation (other than milling or concentrating of primary ore) on or service relating to the Mineral Products that occurs after the point of sale shall be considered to be legitimate deductions in arriving at the Net Production Returns amount.
- 2.6 The Royalty will be calculated and paid within sixty (60) days after the end of each calendar quarter. All receipts and major disbursements in a currency other than Canadian currency must be converted into Canadian currency on the day of receipt or disbursement, as the case may be, and all other disbursements in a currency other than Canadian currency must be converted into Canadian currency at the average rate for the month of disbursement

determined using the Bank of Canada noon rates. Smelter settlement sheets, if any, and a statement setting forth calculations in sufficient detail to show the payment's derivation (the "**Statement**") must be submitted with the payment made by the Payor to the Holder.

- 2.7 In the event that final amounts required for the calculation of the Royalty is not available within the time period referred to in Section 2.6 of this Agreement, then provisional amounts will be estimated, and the Royalty shall be paid on the basis of this provisional calculation. Positive or negative adjustments will be made to the Royalty payment of the succeeding calendar quarter.
- 2.8 The Holder may request an audit of the sales and related financial records maintained by the Payor be conducted to verify the calculation of the Royalty for a particular calendar quarter within thirty (30) days following receipt of the Statement for that calendar quarter by the Holder. The audit shall be conducted by an independent auditor acceptable to the parties. The Holder shall bear the full cost and expense of the audit unless it is determined that the Royalty calculated by the Payor understated the actual amount due by more than ten percent (10%), in which case the Payor shall pay all costs and expenses of the audit. The Payor shall forthwith pay any deficiency to the Holder and the Holder shall forthwith repay any overpayment to the Payor. If no request for an audit is made by the Holder within the period specified above, such Statement will be conclusively deemed to be correct and such Royalty payment sufficient and complete, and no exception or claim for adjustment will thereafter be permitted.

ARTICLE 3. ROYALTY BUY BACK OPTION

- 3.1 At any time following the Effective Date, the Payor shall have the exclusive and irrevocable right and option to purchase the Royalty (the "**Royalty Buy Back Option**"), by making a payment in cash, by wire transfer or certified cheque to the Holder in the amount of one million dollars (\$1,000,000.00) (the "**Royalty Buy Back Option Purchase Price**"). In exchange for the payment of the Royalty Buy Back Option Purchase Price, the Holder shall deliver to the Payor an executed quitclaim or deed of release in respect of the Royalty pursuant to the Royalty Buy Back Option, in form and substance satisfactory to the Payor.

ARTICLE 4. OPERATIONS ON THE PROPERTY

4.1 The Payor to Determine Operations:

- (a) The Payor may, but will not be obligated to, treat, mill, heap leach, sort, concentrate, refine, smelt, or otherwise process, beneficiate or upgrade the ores, concentrates, and other products at sites located on or off the Property, prior to sale, transfer, or conveyance to a purchaser, user, or consumer. The Payor will not be liable for mineral values lost in processing under sound practices and procedures, and no Royalty will be due on any such lost mineral values.
- (b) The Payor will have complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Property and may suspend operations and production on the Property at any time it considers prudent or appropriate to do so.

- (c) Except as expressly set out in this Agreement, raw mineral stockpiles are not subject to Royalty until treated and the Mineral Products are delivered and sold. The Payor will have no obligation to sell any Mineral Products at any time. The Payor may stockpile any ores, minerals or materials or other products from the Property at such place or places as the Payor may elect.
- (d) The Payor will be permitted to sell the Mineral Products in the form of raw ore, doré, or concentrates to an Affiliate of the Payor, provided that such sales will be deemed, for the purposes of this Agreement, to have been sold at prices and on terms no less favourable to the Payor than those which would be extended by an unaffiliated counterparty in an arm's length transaction under similar circumstances.
- (e) Commingling of the Mineral Products from the Property with other ores, doré, concentrates, mineral products, metals and minerals produced elsewhere is permitted, provided that reasonable and customary procedures are established for the weighing, sampling, assaying and other measuring or testing necessary to fairly allocate valuable metals contained in such minerals and in the ores, doré, concentrates, mineral products, metals and minerals.

ARTICLE 5. ASSIGNMENT

- 5.1 The Holder may convey or assign all or any undivided portion of the Royalty payable either for a stated term of years or up to a specified dollar amount, provided that such assignment will not be effective against the Payor until the assignee has delivered to the Payor a written and enforceable undertaking, in which the assignee agrees to be bound, to the extent of the interest assigned, by all of the terms and conditions of this Agreement.
- 5.2 Notwithstanding that more than one Person may in future comprise the Holder, the Payor will not be or become liable to make payments in respect of the Royalty to, or to otherwise deal in respect of this Agreement with, more than one Person. If the interests of the Holder under this Agreement is at any time owned by more than one Person, such Persons must, as a condition of receiving payment of the Royalty, nominate one Person to act as common agent and trustee for receipt of monies payable under this Agreement and to otherwise deal with the Payor in respect of such interest, and no royalty holders will be entitled to administer or enforce any provisions of this Agreement except through such common agent and trustee. In such event, the Payor will, after receipt of Notice respecting the nomination of such common agent and trustee, make and be entitled to make payments due under this Agreement in respect of the Royalty to such common agent and trustee and to otherwise deal with such common agent and trustee as if it were the sole royalty holder under this Agreement.
- 5.3 The Payor may transfer, sell, assign or otherwise dispose of all or any portion of its interest in the Property, provided that such disposition will not be effective as against the Holder until the transferee has delivered to the Holder a written and enforceable undertaking agreeing to be bound, to the extent of the interest disposed of, by all of the terms and conditions of this Agreement.

ARTICLE 6. MISCELLANEOUS

- 6.1 Entire Agreement: This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior correspondence, agreements, negotiations, discussions and understandings, written or oral. Except as specifically set out in this Agreement, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement.
- 6.2 Time of Essence: Time is of the essence of this Agreement.
- 6.3 Amendment: No amendment, addition, deletion or other modification to this Agreement will be effective unless in writing and signed by each Party.
- 6.4 Waiver of Rights: Any waiver or consent will be effective only in the instance and for the purpose for which it is given. A failure to enforce any breach of this Agreement by any Party does not constitute a waiver of such breach or any provision of this Agreement by such Party.
- 6.5 Jurisdiction: Each Party irrevocably and unconditionally attorns to the exclusive jurisdiction of the courts of the Province of British Columbia.
- 6.6 Governing Law: This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein, and each Party irrevocably attorns to the courts of the Province of British Columbia, which jurisdiction will be the sole and exclusive jurisdiction for any disputes or claims in relation to this Agreement and all matters related hereto.
- 6.7 Notices:
- (a) All notices, requests, demands, claims, and other communications required or permitted hereunder (each, a “**Notice**”) will be in writing and will be delivered by (i) personal delivery, (ii) certified or registered mail (first class postage pre-paid), (iii) guaranteed overnight delivery by recognized national courier, or (iv) by e-mail, addressed to the address for a Party indicated on page 1 hereof (or to such other addresses which such Party will subsequently designate by like Notice to the other Party).
 - (b) Any Notice made or given by personal delivery, courier or e-mail to the Party to whom it is addressed as provided above will be deemed to have been given and received on the day it is so delivered at such address or, in the case of an e-mail, the day in which transmission is confirmed. If such day is not a Business Day, or if the Notice is received after 4:00 p.m. (addressee’s local time), then the Notice will be deemed to have been given and received on the next Business Day. Any Notice sent by prepaid registered mail will be deemed to have been given and received on the fifth Business Day following the date of its mailing. Notices sent to an e-mail address will be deemed to be received upon the sender’s receipt of an automatic or other written acknowledgement from the intended recipient.

- 6.8 Further Assurances: The Parties will at all times do, execute, acknowledge and deliver such acts, deeds, agreements and other instruments as may be reasonably necessary or desirable to give full force and effect to the terms of this Agreement.
- 6.9 Severability: Any provision of this Agreement that is or becomes unenforceable will be unenforceable to the extent of such unenforceability without invalidating the remaining provisions hereof. To the extent permitted by Applicable Law, each of the Parties hereby waives any provision of law that renders any provision hereof unenforceable in any respect.
- 6.10 Successors: This Agreement will enure to the benefit of and be binding upon the Parties and their heirs, executors, administrators, personal representatives, respective successors and permitted assigns.
- 6.11 Counterparts: This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Agreement by facsimile or electronic means will be equally effective as delivery of a manually executed counterpart thereof.

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

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

1262430 ALBERTA LTD

SOTO ENTERPRISES LTD.

By: "*Johannas Kingma*"
Authorized Signatory

By: "*Sandy Loutitt*"
Authorized Signatory

2037881 ALBERTA LTD.

By: "*Lawrence Hay*"
Authorized Signatory

SCHEDULE "A"
PROPERTY LISTING

See attached.

Disposition #	Type	Status	Holder(s)	Total Area	Issuance Date	Review Date	Work Req	Avail Expenditures
S-107903	Mineral Claim	Active	Sandy Loutitt 100.000	4840.000	12/10/2004	12/9/2022	\$121,000.00	\$876,040.55
CBS 7827	Mineral Claim	Active	Sandy Loutitt 100.000	858.000	3/13/1997	3/12/2023	\$21,450.00	\$150,150.00
S-102825	Mineral Claim	Active	Sandy Loutitt 100.000	1200.000	5/5/1994	5/4/2023	\$30,000.00	\$240,000.00
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