ASX / TSX ANNOUNCEMENT

19 February 2020

Orocobre Agrees to Acquire Advantage Lithium Corp.

Orocobre Limited **(ASX: ORE, TSX: ORL) (Orocobre or the Company)** is pleased to announce that it has entered into a definitive agreement **(the Agreement)** pursuant to which Orocobre will acquire 100% of the issued and outstanding shares of Advantage Lithium Corp. **(Advantage) (TSX Venture: AAL) (OTCQX: AVLIF)** that it does not already own.

This transaction **(the Transaction)** will allow Orocobre to continue to develop the Olaroz/Cauchari basin in a cost-effective manner that will optimise extraction of the resource to the benefit of shareholders, local communities, the Provincial and National governments of Argentina, and other stakeholders.

Orocobre shareholders will gain exposure to the 4.8 million tonnes (Mt) of Measured and Indicated Resources and 1.5 Mt of Inferred Resources (expressed as lithium carbonate equivalent) at Cauchari developed by the Advantage and Orocobre joint venture as detailed in the Orocobre ASX Release dated 7 March 2019.

The Transaction further consolidates Orocobre's leading position within the region as a low-cost producer of lithium chemicals. Orocobre will also acquire Advantage's exploration properties including those at Antofalla and Incahuasi.

Integration of Cauchari with Olaroz enables Orocobre to deliver optimal basin management and maximises the long term productive capacity of the Olaroz/Cauchari basin. The development of Cauchari will be considered within future plans for the Olaroz Lithium Facility.

The Transaction does not trigger any need for additional financing for the ongoing development of the Olaroz and Cauchari basins currently being undertaken by Orocobre and its joint venture partners.

The Transaction

Under the terms of the Agreement Advantage shareholders will receive 0.142 shares of Orocobre per Advantage share. Based on the closing price of Orocobre shares on the ASX of A$3.29[1] this equates to a value of approximately C$0.42[2] per Advantage share.

Orocobre is currently the largest shareholder of Advantage with 34.7% of Advantage's issued shares.

The Transaction will be completed through a Plan of Arrangement under the Business Corporations Act (British Columbia) **(the Arrangement)**. The Arrangement is subject to approval by the Supreme Court of British Columbia and requires approval of at least 66.66% of the votes cast by Advantage shareholders. The Arrangement also requires approval of a simple majority of the votes cast by Advantage shareholders,

[1] Closing price of Orocobre shares on ASX as at close of trading on 18 February 2020.
[2] Using an exchange rate of A$1.00 to C$0.8897.

excluding for this purpose the votes attaching to the Advantage shares owned by Orocobre and certain other persons required to be excluded under Canadian securities laws.

If approved, the Arrangement will allow Orocobre to acquire 100% of Advantage shares that it does not already own and will see Orocobre issue approximately 15.1 million shares which in turn will increase the total issued shares of Orocobre by 5.8%. Orocobre intends to utilise its 15% placement capacity to complete the Transaction without shareholder approval.

Directors, officers, and certain key Advantage shareholders representing an aggregate of approximately 11.55% of the issued and outstanding Advantage shares have signed support agreements to vote their respective shares in favour of the Arrangement.

Orocobre Managing Director and CEO Mr. Martín Pérez de Solay commented, "The Advantage team led by David Sidoo, Callum Grant and Miguel Peral have been hugely successful in progressing the Cauchari project from exploration to pre-development and this transaction is an exciting opportunity for both Orocobre and Advantage shareholders to consolidate on the achievements to date. For Advantage shareholders, they can now be part of something bigger without the challenges junior companies face when moving from exploration to development and onto production. For Orocobre shareholders, we will consolidate our position in the Olaroz/Cauchari basin which will give us significant flexibility as we deliver additional growth to our existing business."

Boards of Directors' Recommendations

The Board of Directors of Orocobre has approved the Transaction. The Board of Directors of Advantage (excluding Orocobre related Directors) has also approved the Transaction and has recommended to its shareholders that they vote their Advantage shares in favour of the Arrangement.

Further Details

The Arrangement will be implemented through a Plan of Arrangement under the Business Corporations Act (British Columbia) through which Advantage will become a wholly owned subsidiary of Orocobre. Advantage shareholders will receive Orocobre shares based on 0.142 shares of Orocobre per Advantage share.

The Agreement is dated 18 February 2020 and contains representations and warranties for the benefit of each of Orocobre and Advantage. The Agreement also contains a number of conditions to completion of the Arrangement that are customary in comparable transactions of this nature. These conditions must be satisfied or waived by one or both of Orocobre and Advantage at or prior to the closing of the Arrangement, and include: receipt of the requisite approvals from the holders of Advantage shares; receipt of all necessary regulatory, stock exchange and court approvals; shareholders of Advantage not having exercised their dissent rights in connection with the Arrangement in connection with more than 5% of the outstanding shares of Advantage; no material adverse effect having occurred in respect of Advantage; no law in effect making the Arrangement illegal or otherwise prohibiting Advantage or Orocobre from consummating the Arrangement; and the satisfaction of certain other closing conditions customary for a transaction of this nature.

The Agreement includes a non-solicitation covenant on the part of Advantage (subject to customary fiduciary-out provisions). In the event of a superior proposal, Orocobre has the right to either match such superior proposal or receive a termination fee in the amount of C$1,000,000.

A full copy of the Agreement is attached to this announcement. Details of the Arrangement, including a summary of the terms and conditions of the Arrangement Agreement, will be disclosed in a management information circular of Advantage, which will be mailed to holders of Advantage shares, and will also be available on SEDAR at www.sedar.com.

It is expected that a general and special meeting of holders of Advantage shares **(the Meeting)** to approve the proposed Arrangement will be held in April 2020 and, if approved at the Meeting and all other conditions precedent are satisfied or waived, including approval by the court, it is expected that the Arrangement would close approximately one week thereafter.

Advisors

PI Financial Corp. is acting as financial advisor to Orocobre, and McCarthy Tétrault LLP is acting as legal advisor to Orocobre in connection with the Transaction.

This announcement is for informational purposes only and does not constitute an offer to purchase, a solicitation of an offer to sell any shares or a solicitation of a proxy.

Robert Hubbard
Chairman

Martín Pérez de Solay
Managing Director

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Click here to subscribe to the Orocobre e-Newsletter

About Orocobre Limited
Orocobre Limited (Orocobre) is a dynamic global lithium carbonate producer and an established producer of boron. Orocobre is dual listed on the Australia and Toronto Stock Exchanges (ASX: ORE), (TSX: ORL). Orocobre's operations include its Olaroz Lithium Facility in Northern Argentina, Borax Argentina, an established Argentine boron minerals and refined chemicals producer and a 34.7% interest in Advantage Lithium. The Company has commenced an expansion at Olaroz and construction of the Naraha Lithium Hydroxide Plant in Japan. For further information, please visit www.orocobre.com.

Execution Version

OROCOBRE LIMITED

and

ADVANTAGE LITHIUM CORP.

ARRANGEMENT AGREEMENT

February 18, 2020

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ARRANGEMENT AGREEMENT

THIS AGREEMENT is made as of February 18, 2020,

AMONG:

OROCOBRE LIMITED, a corporation existing under the laws of Australia

(the "**Purchaser**")

- and –

ADVANTAGE LITHIUM CORP., a corporation existing under the laws of the Province of British Columbia

(the "**Company**")

WHEREAS upon the terms and subject to the conditions of this Agreement (as hereinafter defined), the Parties (as hereinafter defined) wish to enter into a transaction providing for the acquisition by the Purchaser of all of the outstanding Company Shares (as hereinafter defined);

AND WHEREAS the Special Committee (as hereinafter defined), after consultation with the Company's financial and legal advisors, has determined that the Arrangement (as hereinafter defined) is in the best interests of the Company and has recommended that the Board (as hereinafter defined) approve this Agreement and the Arrangement, and recommend that the Company Shareholders (as hereinafter defined) vote in favour of the Arrangement Resolution (as hereinafter defined);

AND WHEREAS the Board (with all directors other than the Interested Directors affirmatively recommending and the Interested Directors abstaining), after consultation with the Company's financial and legal advisors, has determined that the Arrangement is fair to the Company Shareholders and has resolved, subject to the terms of this Agreement, to recommend that the Company Shareholders vote in favour of the Arrangement Resolution;

AND WHEREAS the Purchaser has entered into voting support agreements with each of the Supporting Shareholders (as hereinafter defined), pursuant to which, among other things, the Supporting Shareholders have agreed to vote all of the Company Shares held by them in favour of the Arrangement Resolution, on the terms and subject to the conditions of such agreements;

AND WHEREAS the Parties desire to make certain representations, warranties, covenants and agreements in connection with the Arrangement and also to prescribe various conditions to the Arrangement, in each case, as set out herein;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the Parties agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Defined Terms

As used in this Agreement, the following terms have the following meanings:

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement and other than any transaction involving only the Company and/or one or more of its wholly-owned Subsidiaries, any offer or proposal from any Person or group of Persons other than the Purchaser (or an affiliate of the Purchaser or any Person acting jointly or in concert with the Purchaser) after the date of this Agreement, whether written or oral, relating to: (i) any sale or disposition (or any lease, license or other arrangement having the same economic effect as a sale or disposition) direct or indirect, through one or more related transactions of (A) assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated annual revenue of the Company and its Subsidiaries or, (B) 20% or more of the voting or equity securities (or rights or interests in such voting or equity securities) of the Company or any of its Subsidiaries whose assets or revenues, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated annual revenue of the Company and its Subsidiaries; (ii) any take-over bid, tender offer, exchange offer or other similar transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of the Company or any of its Subsidiaries whose assets or revenues, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated annual revenue of the Company and its Subsidiaries; or (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, or other similar transaction or series of related transactions involving the Company or any of its Subsidiaries whose assets or revenues, individually or in the aggregate, represent 20% or more of the consolidated assets or contribute 20% or more of the consolidated annual revenue of the Company and its Subsidiaries.

"**Action**" means, with respect to any Person, any litigation, legal action, lawsuit, claim, audit or other proceeding (whether civil, administrative, contractual, quasi-criminal or criminal) before any Governmental Entity against or involving such Person or its business or affecting its assets.

"**Affected Securityholders**" means, collectively, the Company Shareholders, the holders of Company Options and the holders of RSUs.

"**affiliate**" has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*.

"**Agreement**" means this arrangement agreement, as it may be amended, modified or supplemented from time to time in accordance with the terms hereof.

"**Arrangement**" means an arrangement under Section 288 of the Corporations Act on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of this Agreement and the Plan of Arrangement or made at the direction of the Court in

the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Company Meeting by Company Shareholders, substantially in the form set out in Schedule B.

"**ASX**" means the Australian Securities Exchange.

"**Authorization**" means with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person, whether by expiry or termination of an applicable waiting period or otherwise, that is binding upon or applicable to such Person, or its business, assets or securities.

"**Award**" means any judgment, decree, injunction, ruling, award, decision or order of any Governmental Entity.

"**Board**" means the board of directors of the Company as constituted from time to time.

"**Board Recommendation**" has the meaning ascribed thereto in Section 2.4(2).

"**Books and Records**" means: (a) all of the Company's and its Subsidiaries' books of account, accounting records and other financial data and information, including copies of Tax records; (b) the corporate records of the Company and its Subsidiaries; (c) all purchase records, lists of suppliers and customers, credit and pricing information and business and consulting reports; and (d) all other books, documents, files, records, correspondence, data and information, financial or otherwise, that are in the possession or under the control of the Company or any of its Subsidiaries, including all data and information stored electronically or on computer related media.

"**Breaching Party**" has the meaning ascribed thereto in Section 4.9(3).

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia or Brisbane, Australia.

"**Cauchari JV Technical Report**" means the technical report entitled "Prefeasibility Study of the Cauchari Jvlithium Project, Jujuy Province, Argentina" prepared by Worley Parsons Resources and Energy and Flo Solutions and having an effective date of October 22, 2019.

"**Change in Recommendation**" has the meaning ascribed thereto in Section 7.2(1)(d)(ii).

"**Closing**" has the meaning ascribed thereto in Section 2.7(1).

"**Collective Agreements**" means all collective bargaining agreements or union agreements applicable as at the date of this Agreement to the Company or any of its Subsidiaries and all related letters or memoranda of understanding applicable to the Company or any of its Subsidiaries as at the date of this Agreement which impose obligations upon the Company or any of its Subsidiaries.

"**Company**" has the meaning ascribed thereto in the preamble hereto.

"**Company Circular**" means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Company Shareholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement.

"**Company Disclosure Letter**" means the disclosure letter dated the date of this Agreement and all schedules, exhibits and appendices thereto, delivered by the Company to the Purchaser with this Agreement.

"**Company Employees**" means the officers and employees of the Company and its Subsidiaries.

"**Company Filings**" means all documents publicly filed by or on behalf of the Company on SEDAR since January 1, 2018 (excluding for purposes of disclosure against any representations and warranties in this Agreement, all disclosures in any "Risk Factors" section and any disclosures included in any such public filings that are cautionary, predictive or forward looking in nature), which are publicly available as of the date hereof.

"**Company Material Adverse Effect**" means any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances, is or would reasonably be expected to have a material and adverse effect on the business, affairs, operations, assets, liabilities, financial condition, prospects or results of operations of the Company and its Subsidiaries, taken as a whole, except any such change, event, occurrence, effect or circumstance arising out of, relating to, resulting from or attributable to:

(a) any change affecting any of the industries in which the Company or any of its Subsidiaries operate;

(b) any change, development or condition in or relating to general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial or capital markets;

(c) any change, development or condition resulting from any act of sabotage or terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of sabotage, terrorism, hostilities or war;

(d) any change in applicable generally accepted accounting principles, including IFRS;

(e) any earthquake, flood or other natural disaster or outbreaks of illness;

(f) any action taken (or omitted to be taken) by the Company or any of its Subsidiaries which is required to be taken (or omitted to be taken) pursuant to this Agreement (other than Section 4.1(1)) or that is consented to by the Purchaser in writing;

(g) any matter which has been specifically disclosed by the Company in the Company Disclosure Letter or in the Company Filings prior to the date hereof;

(h) any labour strike, dispute, work slowdown or stoppage involving or threatened against the Company or its Subsidiaries;

(i) the execution, announcement, pendency or performance of this Agreement or consummation of the Arrangement; or

(j) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Company Material Adverse Effect has occurred, provided that such causes are not referred to in clauses (a)-(i) above), or any suspension of trading in securities generally on any securities exchange on which any securities of the Company trade;

provided, however, if an effect referred to in clauses (a) through to and including (e) above, has a materially disproportionate effect on the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Company or any of its Subsidiaries operate, such effect may be taken into account in determining whether a Company Material Adverse Effect has occurred.

"**Company Meeting**" means the annual general and special meeting of Company Shareholders, including any adjournment or postponement thereof in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Company Circular and agreed to in writing by the Purchaser.

"**Company Mining Rights**" has the meaning ascribed thereto in paragraph (dd)(i) of Schedule C.

"**Company Options**" means the outstanding options to purchase Company Shares issued pursuant to the Stock Option Plan.

"**Company Properties**" has the meaning ascribed thereto in paragraph (x)(i) of Schedule C.

"**Company Share**" means a common share without par value in the capital of the Company.

"**Company Shareholders**" means the registered and/or beneficial holders of the Company Shares, as the context requires.

"**Company Termination Fee**" means $1,000,000.

"**Company Termination Fee Event**" has the meaning ascribed thereto in Section 8.2(1).

"**Company's Constating Documents**" means the articles of the Company and all amendments to such articles.

"**Contemplated Reorganization Transaction**" has the meaning ascribed thereto in Section 4.5.

"**Contract**" means any legally binding agreement, commitment, engagement, contract, licence, lease, obligation or undertaking to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or to which any of its assets is subject.

"**Corporations Act**" means the *Business Corporations Act* (British Columbia).

"**Court**" means the Supreme Court of British Columbia, or other court as applicable.

"**Depositary**" means such Person as the Company may appoint to act as depositary in relation to the Arrangement, with the approval of the Purchaser, acting reasonably.

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Effective Date**" means the date upon which the Arrangement becomes effective, as set out in the Plan of Arrangement.

"**Effective Time**" has the meaning ascribed thereto in the Plan of Arrangement.

"**Employee Plans**" means all material health, dental or other medical, life, disability or other medical insurance, mortgage insurance, employee loan, employee assistance, supplemental unemployment benefit, bonus, profit sharing, option, incentive, incentive compensation, deferred compensation, share purchase, share compensation, share appreciation, pension, retirement, savings, supplemental retirement, severance or termination pay, and other material benefit plans, programs, practices, policies, trusts, agreements, arrangements or undertakings, whether written or unwritten, formal or informal, funded or unfunded, insured, self-insured or uninsured, registered or unregistered, that is established, administered, funded, contributed to, or required to be contributed to by the Company or its Subsidiaries for the benefit of employees, former employees, directors or former directors of the Company or its Subsidiaries, or their respective spouses, dependents, survivors or beneficiaries, or in respect of which the Company or any of its Subsidiaries has any actual or potential liability, but, for avoidance of doubt, shall not include any statutory plan administered by a Governmental Entity, including the Canada Pension Plan, any health or drug plan established and administered by a province or territory of Canada, any employment insurance or workers' compensation insurance provided by federal, provincial or territorial Laws in Canada or any comparable program established and administered outside Canada.

"**Environmental Laws**" means all Laws and agreements with Governmental Entities and all other statutory requirements relating to public health and safety, noise control, pollution, reclamation or the protection of the environment, and all Authorizations issued pursuant to such Laws, agreements or other statutory requirements, in each case, to the extent that they have the force of Law.

"**Fairness Opinion**" means the opinion of Fort Capital Partners to the effect that, as of the date of this Agreement, the Share Consideration to be received by the Company Shareholders is fair, from a financial point of view, to such holders.

"**Final Order**" means the final order of the Court approving the Arrangement, in a form acceptable to the Company and the Purchaser, each acting reasonably, as such order may be amended by the Court (with the consent of each of the Parties, acting reasonably) at any time prior to the Effective Date or as such order may be affirmed or amended on appeal (provided that any such amendment is satisfactory to each of the Parties, acting reasonably).

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.

"**Holders**" has the meaning ascribed thereto in Section 2.12(2)

"**IFRS**" means generally accepted accounting principles as set out in the *CPA Canada Handbook* – Accounting for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

"**Intellectual Property**" means domestic and foreign intellectual property rights including: (a) inventions, patents, applications for patents and reissues, divisions, continuations, re-examinations, renewals, extensions and continuations-in-part of patents or patent applications; (b) copyrights, copyright registrations and applications for copyright registration; (c) mask works, mask work registrations and applications for mask work registrations; (d) designs and similar rights, design registrations, design registration applications and integrated circuit topographies and similar rights; (e) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; and (f) trade secrets, confidential information and know how.

"**Interested Directors**" means Messrs. Richard Seville and Rick Anthon.

"**Interim Order**" means the interim order of the Court, in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as the same may be amended, supplemented or varied by the Court (with the consent of the Company and the Purchaser, each acting reasonably).

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

"**Leased Properties**" has the meaning ascribed thereto in paragraph (u) of Schedule C.

"**Liens**" means any mortgage, charge, pledge, encumbrance, hypothec, security interest, prior claim or lien (statutory or otherwise), in each case, whether contingent or absolute.

"**Matching Period**" has the meaning ascribed thereto in Section 5.4(1)(d).

"**Material Contract**" means (i) any Collective Agreement, (ii) any Contract that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Company Material Adverse Effect; (iii) any Contract relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness for borrowed money in excess of $50,000 in the aggregate, in each case excluding guarantees or intercompany liabilities or obligations between two or more Persons each of whom is a wholly-owned Subsidiary of the Company or between the Company and one or more Persons each of whom is a wholly-owned Subsidiary of the Company; (iv) any Contract under which indebtedness in excess of $50,000 is or may become outstanding, other than any such Contract between two or more wholly-owned Subsidiaries of the Company or between the Company and one or more of its wholly-owned Subsidiaries; (v) any Contract under which the Company or any of its Subsidiaries is obligated to make or expects to receive payments in excess of $50,000 over the remaining term; (vi) any Contract that creates an exclusive dealing arrangement or that create a right of first offer or refusal in respect of assets that are material to the Company and its Subsidiaries, taken as a whole; (vii) any Contract providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds $50,000; (viii) any Contract that limits or restricts in any material respect (A) the ability of the Company or any Subsidiary to engage in any line of business or carry on business in any geographic area, or (B) the scope of Persons to whom the Company or any of its Subsidiaries may sell products or (x) any Contract providing for the establishment, investment in, organization or formation of any joint venture, partnership or other revenue sharing arrangements in which the interest of the Company or its Subsidiaries has a fair market value that exceeds $100,000.

"**MI 61-101**" means Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

"**Misrepresentation**" has the meaning ascribed thereto under Securities Laws.

"NI 43-101" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

"**NI 52-109**" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filing.*

"**officer**" has the meaning ascribed thereto in *The Securities Act* (British Columbia).

"**Ordinary Course**" means, with respect to an action taken by the Company or its Subsidiaries, that such action is taken in the ordinary course of the normal day-to-day operations of the business of the Company and its Subsidiaries and consistent with past practice.

"**Outside Date**" means June 30, 2020, or such later date as may be agreed to in writing by the Parties.

"**Owned Properties**" has the meaning ascribed thereto in paragraph (u) of Schedule C.

"**Parties**" means, collectively, the Company and the Purchaser and "**Party**" means any of them.

"**Permitted Liens**" means, as of any particular time and in respect of any Person, each of the following Liens:

(a) the reservations, limitations, provisos and conditions expressed in the original grant from the Crown and recorded against title and any statutory exceptions to title;

(b) inchoate or statutory liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of the construction, maintenance, repair or operation of real or personal property;

(c) easements, servitudes, restrictions, restrictive covenants, party wall agreements, rights of way, licenses, permits and other similar rights in real property (including, without limiting the generality of the foregoing, easements, rights of way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) that do not, individually or in the aggregate, materially and adversely impair the current use and operation thereof (assuming its continued use in the manner in which it is currently used);

(d) encroachments that do not materially impair or affect the current use or value of any real property and minor defects or irregularities in title to any real property;

(e) Liens for Taxes not yet due or in respect of which an applicable reserve has been made;

(f) Liens imposed by Law and incurred in the Ordinary Course for obligations not yet due or delinquent;

(g) Liens in respect of pledges or deposits under workers' compensation, social security or similar Laws, other than with respect to any amounts which are due or delinquent, unless such amounts are being contested in good faith by appropriate proceedings;

(h) zoning and building by-laws and ordinances, airport zoning regulations, regulations made by public authorities and other restrictions affecting or controlling the use or development of any real property;

(i) agreements affecting real property with any municipal, provincial or federal governments or authorities and any public utilities, including (without limitation) subdivision agreements, development agreements, and site control agreements, in each case that do not, individually or in the aggregate, materially and adversely

impair the current use and operation thereof (assuming its continued use in the manner in which it is currently used);

(j) any notices of leases registered on title and licenses of occupation;

(k) Liens as listed and described in Section 1.1 of the Company Disclosure Letter;

(l) purchase money liens and liens securing rental payments under capital lease arrangements;

(m) customary Liens of landlords, sublandlords or licensors arising under Leases or license arrangements;

(n) Liens which affect each fee owner's, superior lessor's, landlord's or sublandlord's right, title or interest in or to a Leased Property;

(o) matters disclosed by registered title to each of the Leased Properties, the Owned Properties or any personal property of the Company and its Subsidiaries provided that such Liens do not, individually or in the aggregate, materially impair the current use and operation of the applicable Leased Properties and Owned Properties (assuming their continued use in a manner in which they are currently used); and

(p) such other imperfections or irregularities of title or Lien that, in each case, do not materially adversely affect the use of the properties or assets subject thereto or otherwise materially adversely impair business operations of such properties.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form set out in Schedule A, subject to any amendments or variations to such plan made in accordance with this Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Purchaser**" has the meaning ascribed thereto in the preamble hereto.

"**Purchaser Filings**" means all documents publicly filed by or on behalf of the Purchaser on SEDAR since January 1, 2018 (excluding for purposes of disclosure against any representations and warranties in this Agreement, all disclosures in any "Risk Factors" section and any disclosures included in any such public filings that are cautionary, predictive or forward looking in nature), which are publicly available as of the date hereof.

"**Purchaser Material Adverse Effect**" means any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances, is or would reasonably be expected to have a material and adverse effect on the business, affairs, operations, assets, liabilities, financial condition, prospects or results of operations of the Purchaser and its Subsidiaries, taken as a whole, except any such change, event, occurrence, effect or circumstance arising out of, relating to, resulting from or attributable to:

(q) any change affecting any of the industries in which the Purchaser or any of its Subsidiaries operate;

(r) any change, development or condition in or relating to general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial or capital markets;

(s) any change, development or condition resulting from any act of sabotage or terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of sabotage, terrorism, hostilities or war;

(t) any change in applicable generally accepted accounting principles, including IFRS;

(u) any earthquake, flood or other natural disaster or outbreaks of illness;

(v) any action taken (or omitted to be taken) by the Purchaser or any of its Subsidiaries which is required to be taken (or omitted to be taken) pursuant to this Agreement or that is consented to by the Company in writing;

(w) any matter which has been specifically disclosed by the Purchaser in the Purchaser Filings prior to the date hereof;

(x) any labour strike, dispute, work slowdown or stoppage involving or threatened against the Purchaser or its Subsidiaries;

(y) the execution, announcement, pendency or performance of this Agreement or consummation of the Arrangement; or

(z) any change in the market price or trading volume of any securities of the Purchaser (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Purchaser Material Adverse Effect has occurred, provided that such causes are not referred to in clauses (a)-(i) above), or any suspension of trading in securities generally on any securities exchange on which any securities of the Purchaser trade;

provided, however, if an effect referred to in clauses (a) through to and including (e) above, has a materially disproportionate effect on the Purchaser and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Purchaser or any of its Subsidiaries operate, such effect may be taken into account in determining whether a Purchaser Material Adverse Effect has occurred.

"**Purchaser Share**" means a common share in the capital of the Purchaser.

"**Registrar**" means the Registrar appointed pursuant to Section 400 of the Corporations Act.

"**Regulatory Approval**" means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental

Entity, in each case required in connection with the transactions that are subject to the Arrangement, and includes the Stock Exchange Approval.

"**Representatives**" means, with respect to any Person, any, and all directors, officers, employees, consultants, financial advisors, lawyers, accountants and other agents of such Person except that the Interested Directors shall not be considered Representatives of the Company.

"**Required Approval**" has the meaning specified in Section 2.2(b).

"**RSU Plan**" means the Company's Restricted Share Unit Plan adopted as of April 9, 2018, as amended.

"**RSUs**" means the restricted share units issued or outstanding under the RSU Plan (including, for greater certainty, units issued or paid as dividend equivalents).

"**Securities Authority**" means the British Columbia Securities Commission and any other applicable securities commissions or securities regulatory authority of a province or territory of Canada and, in the case of the Purchaser, also includes the Australian Securities and Investment Commission.

"**Securities Laws**" means *The Securities Act* (British Columbia) and any other applicable Canadian provincial and territorial securities Laws, rules, regulations and published policies thereunder and, in the case of the Purchaser, also includes Australian Securities and Investments Commission.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Severance Payments**" has the meaning specified in Section 4.11(1).

"**Share Consideration**" means 0.142 of a Purchaser Share for each Company Share.

"**Special Committee**" means the special committee of members of the Board formed in relation to the proposal to effect the transactions contemplated by this Agreement;

"**Stock Exchange Approval**" means the conditional approval of the TSX subject to the notice of issuance to list the Purchaser Shares to be issued pursuant to the Arrangement, subject only to the Purchaser providing the TSX such required documentation as is customary in the circumstances.

"**Stock Option Plan**" means the Company's Stock Option Plan adopted as of August 14, 2015, as amended.

"**Subsidiary**" has the meaning ascribed thereto in Section 1.1 of National Instrument 45-106 - *Prospectus Exemptions* and with respect to the Company, includes all incorporated or unincorporated joint ventures in which the Company or a Subsidiary of the Company holds an interest.

"**Superior Proposal**" means any *bona fide* written Acquisition Proposal to acquire, directly or indirectly, not less than all of the outstanding Company Shares or all or substantially all of the assets of the Company on a consolidated basis that did not result from a breach of

Article 5 and: (i) that is reasonably capable of being completed (but without assuming away the risk of non completion), without material delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal; (ii) that is not subject to a financing condition and in respect of which the Board determines in good faith, after receipt of advice from its financial advisors and outside legal counsel, that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal; (iii) that is not subject to a due diligence condition; and (iv) in respect of which the Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and its financial advisors, that it would, if consummated in accordance with its terms (but without assuming away the risk of non-completion), result in a transaction which is more favourable, from a financial point of view, to Company Shareholders than the Arrangement.

"**Superior Proposal Notice**" has the meaning ascribed thereto in Section 5.4(1)(b).

"**Support Agreements**" means the voting support agreements dated the date hereof between Purchaser, on the one hand, and each of the Supporting Shareholders, on the other hand, pursuant to which the Supporting Shareholders have agreed, among other things, to support the Arrangement and to vote the Company Shares beneficially owned or over which control or direction is exercised by them in favour of the Arrangement Resolution subject to, and in accordance with, the terms of such agreements;

"**Supporting Shareholders**" means (a) all of the directors and senior officers of the Company who beneficially own or exercise control or direction over Company Shares, and (b) certain significant shareholders as set out in the Company Disclosure Letter.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

"**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports,

withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.

"**Terminating Party**" has the meaning ascribed thereto in Section 4.9(3).

"**Termination Notice**" has the meaning ascribed thereto in Section 4.9(3).

"**Third Party Beneficiaries**" has the meaning ascribed thereto in Section 8.8(1).

"**TSX**" means the Toronto Stock Exchange.

"**U.S. Securities Act**" means the United States Securities Act of 1933.

"**wilful breach**" means a material breach of this Agreement that is a consequence of any act undertaken by the Breaching Party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a material breach of this Agreement.

Section 1.2 Certain Rules of Interpretation

In this Agreement, unless otherwise specified:

(a) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.

(b) **Currency.** All references to dollars or to $ are references to Canadian dollars, unless specified otherwise.

(c) **Gender and Number**. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(d) **Phrasing.** The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation," (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) unless stated otherwise, "Article", "Section", "paragraph" and "Schedule" followed by a number or letter mean and refer to the specified Article, Section paragraph of or Schedule to this Agreement. The term "Agreement" and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it. The term "made available" means the subject material was listed in the Company Disclosure Letter and copies were provided to the Purchaser.

(e) **Capitalized Terms**. All capitalized terms used in any Schedule or in the Company Disclosure Letter have the meanings ascribed to them in this Agreement.

(f) **Knowledge**. Where any representation or warranty is expressly qualified by reference to the knowledge of the Company, it is deemed to refer to the actual knowledge of any of Callum Grant, David Sidoo and David Cross, after due and

diligent inquiry. Where any representation or warranty is expressly qualified by reference to knowledge of the Purchaser, it is deemed to refer to the actual knowledge of any of Martin Perez de Solay, Rick Anthon or Neil Kaplan, after due and diligent inquiry.

(g) **Statutes.** Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(h) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Agreement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(i) **Time References.** References to time are to local time, Vancouver, British Columbia.

(j) **Schedules**. The schedules attached to this Agreement and the Company Disclosure Letter form an integral part of this Agreement for all purposes of it.

(k) **Company Disclosure Letter**. The Company Disclosure Letter itself and all information contained in it is confidential information and may not be disclosed unless (i) it is required to be disclosed pursuant to Law unless such Law permits the Parties to refrain from disclosing the information for confidentiality or other purposes or (ii) a Party needs to disclose it in order to enforce or exercise its rights under this Agreement.

ARTICLE 2
THE ARRANGEMENT

Section 2.1 Arrangement

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

Section 2.2 Interim Order

As soon as reasonably practicable after the date of this Agreement, the Company shall apply in a manner reasonably acceptable to the Purchaser pursuant to Section 291 of the Corporations Act and, in cooperation with the Purchaser, prepare, file and diligently pursue a motion for the Interim Order, which must provide, among other things:

(a) for the classes of Persons to whom notice is to be provided in respect of the Arrangement and the Company Meeting and for the manner in which such notice is to be provided;

(b) that the required level of approval (the "**Required Approval**") for the Arrangement Resolution will be:

(i) 66 2/3% of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy at the Company Meeting; and

(ii) a simple majority of the votes cast on the Arrangement Resolution by Company Shareholders present in person or represented by proxy at the Company Meeting excluding for this purpose votes attached to Common Shares required to be excluded pursuant to MI 61-101;

(c) that, in all other respects, the terms, restrictions and conditions of the Company's Constating Documents, including quorum requirements and all other matters, shall apply in respect of the Company Meeting;

(d) for the grant of Dissent Rights to those Company Shareholders who are registered Company Shareholders as contemplated in the Plan of Arrangement;

(e) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(f) that it is the Purchaser's intention to rely upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Purchaser Shares or any other distribution pursuant to the Arrangement, based on the Court's approval of the Agreement;

(g) that the Company Meeting may be adjourned or postponed from time to time by the Company in accordance with the terms of this Agreement without the need for additional approval of the Court;

(h) that the record date for the Company Shareholders entitled to receive notice of and to vote at the Company Meeting will not change in respect or as a consequence of any adjournment(s) or postponement(s) of the Company Meeting, unless required by Law; and

(i) for such other matters as the Purchaser or the Company may reasonably require, subject to obtaining the prior consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed, and subject to approval by the Court.

Section 2.3 The Company Meeting

The Company shall:

(a) subject to and in accordance with the Interim Order, the Company's Constating Documents and Law convene and conduct the Company Meeting as soon as reasonably practicable and use commercially reasonable efforts to convene and conduct the Company Meeting on or before April 15, 2020, and, subject to the Purchaser's compliance with Section 2.4(4), no later than May 22, 2020 and set the record date for the Company Shareholders entitled to vote at the Company

Meeting as promptly as practicable, and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Company Meeting without the prior written consent of the Purchaser, except as required or permitted under Section 4.9(3) or Section 5.4(5), as required for quorum purposes (in which case, the Company Meeting shall be adjourned and not cancelled), for adjournments for not more than 10 Business Days in the aggregate for the purposes of soliciting proxies to obtain the requisite approval of the Arrangement Resolution or as required by Law or by a Governmental Entity;

(b) subject to the terms of this Agreement and compliance by the directors and officers of the Company with their fiduciary duties, use commercially reasonable efforts to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Person that is inconsistent with the Arrangement Resolution and the completion of any of the transactions contemplated by this Agreement, including, if so requested by the Purchaser, and at the sole expense of the Purchaser and/or any of its affiliates, using proxy solicitation services firms to solicit proxies in favour of the approval of the Arrangement Resolution;

(c) provide the Purchaser with copies of or access to information regarding the Company Meeting generated by any proxy solicitation services firm retained by the Company, as reasonably requested from time to time by the Purchaser;

(d) give notice to the Purchaser of the Company Meeting and allow the Purchaser's Representatives and legal counsel to attend the Company Meeting;

(e) as promptly as reasonably practicable, advise the Purchaser, at such times as the Purchaser may reasonably request and at least on a daily basis on each of the last 10 Business Days prior to the date of the Company Meeting, and promptly following receipt of proxy tallies over the last three Business Days prior to the date of the Company Meeting, as to the aggregate tally of the proxies received by the Company in respect of the Arrangement Resolution;

(f) promptly advise the Purchaser of any material communication (written or oral) from or claims brought by (or threatened to be brought by) any Person in opposition to the Arrangement and any purported exercise or withdrawal of Dissent Rights by Company Shareholders; and

(g) not make any payment or settlement offer, or agree to any payment or settlement with respect to Dissent Rights, without the prior written consent of the Purchaser.

Section 2.4 The Company Circular

(1) Subject to the Purchaser's compliance with Section 2.4(4), the Company shall as promptly as reasonably practicable prepare and complete, in consultation with the Purchaser as contemplated by this Section 2.4, the Company Circular together with any other documents required by Law in connection with the Company Meeting, and the Company shall, as soon as reasonably practicable after obtaining the Interim Order, cause the Company Circular and such other documents to be filed and sent to each Company Shareholder and other Persons as required by the Interim Order and Law, in each case so as to permit the Company Meeting to be held by the date specified in Section 2.3.

(2) The Company shall ensure that the Company Circular complies in all material respects with Law, does not contain any Misrepresentation (provided that the Company shall not be responsible for any information furnished by or on behalf of the Purchaser for purposes of inclusion in the Company Circular pursuant to Section 2.4(4)) and provides the Company Shareholders with sufficient information to permit them to form a reasoned judgement concerning the matters to be placed before the Company Meeting. Without limiting the generality of the foregoing, the Company Circular must include: (i) a copy of the Fairness Opinion; (ii) a statement that the Board has, after receiving legal and financial advice, determined (with all directors other than the Interested Director affirmatively determining and the Interested Directors abstaining) that the Arrangement is in the best interests of the Company and is fair to the Company Shareholders and recommends (with all directors other than the Interested Director affirmatively recommending and the Interested Directors abstaining) that Company Shareholders vote in favour of the Arrangement Resolution (the "**Board Recommendation**"), and (iii) a statement that, to the knowledge of the Company, each executive officer and director of the Company who owns Company Shares or holds Company Options intends to vote all of such Person's Company Shares (including any Company Shares issued upon the exercise of any Company Options) in favour of the Arrangement Resolution, subject to the other terms of this Agreement and the voting agreements entered into between the Purchaser and such executive officers and directors.

(3) The Company shall give the Purchaser and its legal counsel a reasonable opportunity to review and comment on drafts of the Company Circular and other related documents, and shall give reasonable consideration to any comments made by the Purchaser and its legal counsel, and agrees that all information relating solely to the Purchaser and/or any of its affiliates included in the Company Circular must be in a form and content satisfactory to the Purchaser, acting reasonably.

(4) The Purchaser shall provide to the Company all information regarding the Purchaser, its affiliates and the Purchaser Shares as may be reasonably requested by the Company or required by the Interim Order or Laws for inclusion in the Company Circular or in any amendments or supplements to such Company Circular. The Purchaser shall also use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial or other expert information required to be included in the Company Circular and to the identification in the Company Circular of each such advisor. The Purchaser shall ensure that such information does not contain, or cause the Company Circular to contain, any Misrepresentation.

(5) The Purchaser acknowledges and agrees that the Company shall be entitled to rely on the accuracy of all information included in the Company Circular that was furnished by the Purchaser, its affiliates and their respective Representatives for inclusion in the Company Circular and shall indemnify and save harmless the Company and its Representatives from and against any and all liabilities, claims, demands, losses, costs, damages and expenses to which the Company or any of its Representatives may be subject or which the Company or any of its Representatives may suffer as a result of, or arising from, any Misrepresentation or alleged Misrepresentation contained in any information included in the Company Circular that was furnished by the Purchaser, its affiliates and their respective Representatives for inclusion in the Company Circular, including any order made, or any inquiry, investigation or Action instituted by any Securities Authority or other Governmental Entity based on such a Misrepresentation or alleged Misrepresentation.

(6) Each Party shall promptly notify the other Parties if it becomes aware that the Company Circular contains a Misrepresentation, or otherwise requires an amendment or supplement. The Parties shall co-operate in the preparation of any such amendment or supplement as required or appropriate, and the Company shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Company Shareholders and, if required by the Court or by Law, file the same with the Securities Authorities or any other Governmental Entity.

Section 2.5 Final Order

If the Interim Order is obtained and the Arrangement Resolution is passed at the Company Meeting as provided for in the Interim Order, the Company shall take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Section 291 of the Corporations Act, as soon as reasonably practicable, but in any event not later than five Business Days after the Arrangement Resolution is passed at the Company Meeting or such later date as the Parties may agree, acting reasonably.

Section 2.6 Court Proceedings

In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, the Company shall cooperate with the Purchaser, and shall diligently pursue, the Interim Order and the Final Order. The Purchaser will cooperate with, and assist the Company in diligently pursuing, the Interim Order and the Final Order, including by exercising their commercially reasonable efforts to provide the Company on a timely basis any information required to be supplied by the Purchaser in connection therewith. The Company will provide the Purchaser and its legal counsel with reasonable opportunity to review and comment upon drafts of all materials to be filed with the Court in connection with the Arrangement, prior to the service and filing of such materials, and will accept the reasonable comments of the Purchaser and its legal counsel with respect to any information required to be supplied by the Purchaser and included in such materials. The Company will ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. In addition, the Company will not object to legal counsel to the Purchaser making such submissions on the application for the Interim Order and the Final Order as such counsel considers appropriate, acting reasonably, provided the Purchaser advises the Company of the nature of any such submissions prior to the hearing and such submissions are consistent with this Agreement and the Plan of Arrangement. The Company will also provide legal counsel to the Purchaser with copies of any notice and evidence served on the Company or its legal counsel in respect of the application for the Final Order or any appeal therefrom, and any notice, written or oral, indicating the intention of any Person to appeal, or oppose the granting of, the Interim Order or Final Order. The Company shall also oppose any proposal from any party that the Final Order contain any provision inconsistent with this Agreement and the Plan of Arrangement and, if at any time after the issuance of the Final Order and prior to the Effective Date, the Company is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it shall do so after notice to, and in consultation and cooperation with, the Purchaser.

Section 2.7 Effective Date

(1) The Company shall, prior to the receipt of the Interim Order, amend the Plan of Arrangement at any time and from time to time, at the reasonable request of the Purchaser, to modify any of its terms as determined to be necessary or desirable by the

Purchaser, acting reasonably, provided that no such amendment (i) is inconsistent with this Agreement, (ii) is prejudicial to the Affected Securityholders or the Company, or (iii) creates a reasonable risk of delaying, impairing or impeding in any material respect the receipt of any Regulatory Approval or the satisfaction of any other conditions set forth in Article 6.

(2) Unless another time or date is agreed to in writing by the Parties, the completion of the Arrangement (the "**Closing**") will take place on the fifth Business Day after the satisfaction, or where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in Article 6 (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but subject to the satisfaction, or where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date), at the offices of McMillan LLP in Vancouver, British Columbia, at 8:00 a.m. (Vancouver time), unless another time or date is agreed to in writing by the Parties.

Section 2.8 Payment of Share Consideration

The Purchaser shall, following the receipt of the Final Order and prior to the Effective Time, provide or cause to be provided the Depositary with an irrevocable direction in escrow for the issuance of Purchaser Shares (the terms and conditions of such escrow and direction to be satisfactory to the Company and the Purchaser, acting reasonably), in order to deliver the Share Consideration as provided in the Plan of Arrangement (other than with respect to Company Shareholders exercising Dissent Rights as provided in the Plan of Arrangement).

Section 2.9 Adjustments to Share Consideration

In the event that after the date hereof and prior to the Closing the Purchaser changes the number of Purchaser Shares issued and outstanding as a result of a reclassification, stock split (including a reverse stock split), stock dividend or stock distribution, recapitalization, subdivision, or other similar transaction, the Share Consideration shall be equitably adjusted to eliminate the effects of such event on the Share Consideration.

Section 2.10 Withholding Taxes

The Purchaser, the Company, the Depositary and any other Person that makes a payment to an Affected Securityholder under the Plan of Arrangement or this Agreement shall be entitled to deduct and withhold from any consideration otherwise payable or otherwise deliverable to such Affected Securityholder such amounts as the Purchaser, the Company, the Depositary or such other Person are required, directed or reasonably believe to be required to deduct and withhold from such consideration under any provision of any Laws in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the consideration payable pursuant to the Plan of Arrangement or this Agreement and shall be treated for all purposes under this Agreement as having been paid to the Affected Securityholder in respect of which such deduction, withholding and remittance was made provided that such amounts are actually and timely remitted to the appropriate governmental entity in accordance with applicable Law.

Section 2.11 List of Company Shareholders

At the reasonable request of the Purchaser from time to time, the Company shall, as soon as reasonably practicable, provide the Purchaser with a list (in both written and electronic form)

of the registered Company Shareholders, together with their addresses and respective holdings of Company Shares, with a list of the names and addresses and holdings of all Persons having rights issued by the Company to acquire Company Shares (including holders of Company Options), a list of all other Affected Securityholders and a list of non-objecting beneficial owners of Company Shares, together with their addresses and respective holdings of Company Shares, all as of a date that is as close as reasonably practicable prior to the date of delivery of such lists. The Company shall from time to time require that its registrar and transfer agent furnish the Purchaser with such additional information, including updated or additional lists of Company Shareholders and lists of holdings and other assistance as the Purchaser may reasonably request.

Section 2.12 Incentive Plan Matters

(1) The Parties acknowledge that the outstanding Company Options and RSUs shall be treated in accordance with the provisions of the Plan of Arrangement, and the Company shall take all such reasonable steps as may be necessary or desirable to give effect to the foregoing.

(2) To the extent that any Company Options are exercised or conditionally exercised to purchase Company Shares prior to the Effective Time, the Company shall ensure that the holder of such Company Options delivers to the Company, prior to the Effective Time, a cash payment equal to the sum of the aggregate exercise price for the Company Options so exercised and the amount of any Taxes and other source deductions that the Company is required to remit to a Governmental Entity in respect of the exercise of such Company Options.

(3) The Parties shall take all such reasonable steps as may be necessary or desirable to give effect to this Section 2.12. The Parties further agree that the foregoing shall not serve to adversely affect the existing contractual entitlements of any Holders.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of the Company

(1) Except as disclosed in the Company Filings or in the Company Disclosure Letter (which disclosure shall apply against any representations and warranties to which it is reasonably apparent it should relate), the Company represents and warrants to the Purchaser as set forth in Schedule C and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement.

(2) The Purchaser agrees and acknowledges that, except as expressly set forth in Schedule C, neither the Company nor any other Person has made or makes any other representation and warranty (written or oral, express or implied, or at Law or in equity) with respect to the Company, its Subsidiaries, their respective businesses, the past, current or future financial condition or any of their assets, liabilities or operations, their past, current or future profitability or performance, individually or in the aggregate, the accuracy or completeness of any information furnished or made available to the Purchaser or any of its Representatives or any other Person in connection with the transactions contemplated hereby, and any such other representations or warranties are expressly

disclaimed. Without limiting the generality of the foregoing, the Company expressly disclaims any representation or warranty that is not set forth in this Agreement.

(3) The representations and warranties of the Company contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated at the Effective Time.

Section 3.2 Representations and Warranties of the Purchaser

(1) The Purchaser represents and warrants to the Company as set forth in Schedule D and acknowledges and agrees that the Company is relying upon such representations and warranties in connection with the entering into of this Agreement.

(2) The Company agrees and acknowledges that, except as expressly set forth in Schedule D, neither the Purchaser nor any other Person has made or makes any other representation and warranty (written or oral, express or implied, or at Law or in equity) with respect to the Purchaser, its Subsidiaries, their respective businesses, the past, current or future financial condition or any of their assets, liabilities or operations, their past, current or future profitability or performance, individually or in the aggregate, the accuracy or completeness of any information furnished or made available to the Company or any of their Representatives or any other Person in connection with the transactions contemplated hereby, and any such other representations or warranties are expressly disclaimed. Without limiting the generality of the foregoing, the Purchaser expressly disclaims any representation or warranty that is not set forth in this Agreement.

(3) The representations and warranties of the Purchaser contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated at the Effective Time.

ARTICLE 4
COVENANTS

Section 4.1 Conduct of Business of the Company

(1) The Company covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, delayed or conditioned; (ii) as required or contemplated by this Agreement, or as expressly set out in the Company Disclosure Letter; or (iii) as required by Law, the Company shall, and shall cause each of its Subsidiaries to, conduct its business in the Ordinary Course and in accordance with Laws, and the Company shall use commercially reasonable efforts to maintain and preserve its and its Subsidiaries' business organization, assets, properties, employees, goodwill and business relationships with customers, suppliers, partners and other Persons with which the Company or any of its Subsidiaries has material business relations.

(2) Without limiting the generality of Section 4.1(1), the Company covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, delayed or conditioned; (ii) as required or contemplated by this Agreement; (iii) as required

by Law; or (iv) as expressly set out in the Company Disclosure Letter, the Company shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

(a) amend any of the Company's Constating Documents or the articles of incorporation, articles of amalgamation, by-laws, articles of organization, notice of articles or similar organizational documents of any of its Subsidiaries;

(b) split, combine or reclassify any shares of the Company or of any Subsidiary or, declare, set aside or pay any dividends or make any other distributions;

(c) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any shares of capital stock of the Company or any of its Subsidiaries;

(d) issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge or other encumbrance of, any shares of capital stock or any options, warrants or similar rights exercisable or exchangeable for or convertible into such shares of capital stock, of the Company or any of its Subsidiaries, except for the issuance of Company Shares issuable upon the exercise in accordance with their terms of outstanding Company Options that are disclosed in the Company Disclosure Letter;

(e) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, any assets, securities, properties, interests or businesses having a cost, on a per transaction or series of related transactions basis, in excess of $10,000 and subject to a maximum of $50,000 for all such transactions;

(f) sell, lease or otherwise transfer, directly or indirectly, in one transaction or in a series of related transactions, any of the Company's or its Subsidiaries' assets which have a value greater than $10,000 in the aggregate;

(g) make any capital expenditure or commitment to do so which, in any fiscal year, exceeds the aggregate amount of capital expenditures provided for in the annual budgets of the Company approved by the Board for the applicable fiscal year;

(h) reorganize, amalgamate or merge the Company or any such Subsidiary;

(i) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Company or any such Subsidiaries;

(j) make any Tax election, information schedule, return or designation, settle or compromise any Tax claim, assessment, reassessment or liability, file any amended Tax Return, file any notice of appeal or otherwise initiate any Action with respect to Taxes, enter into any agreement with a Governmental Entity with respect to Taxes, surrender any right to claim a Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any Tax matter or amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes except as may be required by Law;

(k) prepay any long-term indebtedness (including indebtedness outstanding under medium term notes) before its scheduled maturity, other than repayments of indebtedness under credit facilities, provided that no material breakage or other costs or penalties are payable in connection with any such prepayment;

(l) create, incur, assume or otherwise become liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof in an amount, on a per transaction or series of related transactions basis, in excess of $10,000;

(m) make any loan or advance to, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person other than Ordinary Course transactions that are not material (either individually or in the aggregate) to the Company or its Subsidiaries;

(n) make any material change in the Company's accounting principles, except as required by concurrent changes in IFRS, or pursuant to written instructions, comments or orders of a Securities Authority;

(o) except as required by applicable Law, grant any increase in the rate of wages, salaries or bonuses of Company Employees;

(p) enter into any collective agreement or union agreement or amend, modify, terminate or waive any right under the Collective Agreements or agree to any such amendment, modification, termination or waiver of rights;

(q) except as disclosed in the Company Disclosure Letter, increase any severance, change of control or termination pay to (or amend any existing arrangement in this regard) any officer or director of the Company or any of its Subsidiaries; (ii) increase the benefits payable under any existing severance or termination pay policies with any officer or director of the Company or any of its Subsidiaries; or (iii) except as permitted hereby, enter into or amend any employment, deferred compensation or other similar Contract (or amend any such existing Contract) with any director or officer of the Company or its Subsidiaries;

(r) adopt any new Employee Plan or amend or modify, in any material way, an existing Employee Plan;

(s) commence, waive, release, assign, settle or compromise any Actions in excess of an amount of $10,000 individually or $50,000 in the aggregate or which would reasonably be expected to impede, prevent or delay the consummation of the transactions contemplated by this Agreement;

(t) amend or modify in any material respect or terminate or waive any material right under any Material Contract or enter into any contract or agreement that would be a Material Contract if in effect on the date hereof;

(u) except as contemplated herein, amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of the Company or any Subsidiary in effect on the date of this Agreement unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-

insurance companies of nationally recognized standing rated "A" or higher by A.M. Best or Standard & Poor's providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;

(v) fund any pension solvency or going concern deficit, except as required by Law or by the terms of any existing Employee Plan; or

(w) authorize, agree, resolve or otherwise commit to do any of the foregoing.

(3) The Company covenants and agrees that until the earlier of the Effective Date and the termination of this Agreement in accordance with Article 7, the Company and its Subsidiaries will (i) duly and timely file with the appropriate Governmental Entity all Tax Returns required to be filed by it, which shall be correct and complete in all respects, and (ii) pay, withhold, collect and remit to the appropriate Governmental Entity in a timely fashion all amounts required to be so paid, withheld, collected or remitted, consistent with past practice. The Company shall keep the Purchaser reasonably informed of any events, discussions, notices or changes with respect to any Tax or regulatory investigation or any other investigation by a Governmental Entity or action involving the Company or any of its Subsidiaries (other than ordinary course communications which could not reasonably be expected to be material to the Company). The Company will consider in good faith any reasonable requests by the Purchaser that the Company or its Subsidiaries take any action regarding Tax filing matters, including the filing of notices of appeal and other actions in respect of notices of objection from the Canada Revenue Agency relating to non-capital losses/tax pools (provided that, for greater certainty, the Company shall be obligated pursuant to Section 4.1(2)(j) not to take any action regarding such matters without the consent of the Purchaser). The Purchaser may, acting reasonably, request that the Company take or cause its Subsidiaries to take any action referred to in this Section 4.1(3) where such action is necessary to preserve the Company or relevant Subsidiary's rights (including, without limitation, due to the potential expiry of any limitation or statute-barring period). The Company may only refuse such requests where, acting reasonably (and providing evidence of the same to the Purchaser) such actions would be illegal, harm the Company or jeopardize other tax positions.

(4) Nothing contained in this Agreement will give the Purchaser, directly or indirectly, the right to direct or control the Company's business and operations prior to the Effective Date. Prior to the Effective Date, the Company will exercise, consistent with the terms of this Agreement, complete control and supervision over its business and operations. Nothing in this Agreement, including any of the restrictions set forth herein, will be interpreted in such a way as to place any Party in violation of applicable Law

Section 4.2 Interim Period Consents

The Purchaser will, promptly following the date hereof, designate two individuals from either of whom the Company may seek approval to undertake any actions not permitted to be taken under Section 4.1, and will ensure that such persons will respond, on behalf of the Purchaser, to the Company's requests in an expeditious manner.

Section 4.3 Conduct of Business of the Purchaser

The Purchaser covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, the Purchaser shall not, directly or indirectly:

(a) split, combine, reclassify or amend the terms of the Purchaser Shares;

(b) amend its articles or other constating documents in any manner that would have a material and adverse impact on the value of the Purchaser Shares;

(c) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Purchaser;

(d) authorize, agree, resolve or otherwise commit to do any of the foregoing;

(e) sell, pledge, lease, dispose of, mortgage, licence, encumber or otherwise transfer or agree to sell, pledge, lease, dispose of, mortgage, licence, encumber or otherwise transfer any material assets of Purchaser or any of its subsidiaries or any interest in any assets of Purchaser or any of its subsidiaries, other than (A) in the ordinary course of business consistent with past practice and (B) any such action solely between or among Purchaser and its subsidiaries or between or among subsidiaries of Purchaser; or

(f) materially change the business carried on by Purchaser and its Subsidiaries, taken as a whole.

Purchaser shall not authorize, agree to, propose, enter into or modify any contract to do any of the matters prohibited by the other subsections of this Section 4.3 or resolve to do so.

Section 4.4 Covenants Relating to the Arrangement

(1) Subject to Section 4.5, each of the Company and the Purchaser shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do or cause to be done all things required or advisable under Law to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement, including:

(a) using commercially reasonable efforts to satisfy, or cause the satisfaction of, all conditions precedent in this Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to this Agreement or the Arrangement;

(b) using commercially reasonable efforts to obtain, as soon as practicable following execution of this Agreement, and maintain all third party or other consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are (i) necessary to be obtained under the Material Contracts in connection with the Arrangement or this Agreement, or (ii) required in order to maintain the Material Contracts in full force and effect following completion of the

Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser;

(c) using commercially reasonable efforts to obtain all Regulatory Approvals and effect all necessary registrations, filings and submissions of information required by Governmental Entities from it and its Subsidiaries relating to this Agreement or the Arrangement;

(d) using commercially reasonable efforts to oppose, lift or rescind any Award seeking to restrain, enjoin or otherwise prohibit or delay or otherwise adversely affect the consummation of the Arrangement and defend, or cause to be defended, any Actions to which it is a party or brought against it or its directors or officers challenging the Arrangement or this Agreement; and

(e) not taking any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by this Agreement.

(2) The Purchaser shall use its best efforts to obtain and maintain in force the Stock Exchange Approval.

(3) The Company shall promptly notify the Purchaser in writing of:

(a) any Company Material Adverse Effect;

(b) any notice or other written communication from any Person (A) alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with this Agreement or the Arrangement, or (B) to the effect that such Person is terminating or otherwise materially adversely modifying its relationship with the Company or any of its Subsidiaries as a result of the Arrangement or this Agreement; or

(c) any material filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving the Company or any of its Subsidiaries that relate to this Agreement or the Arrangement.

(4) The Purchaser shall promptly notify the Company in writing of:

(a) any Purchaser Material Adverse Effect;

(b) any notice or other written communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with this Agreement or the Arrangement; or

(c) any material filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving the

Purchaser or any of its Subsidiaries that relate to this Agreement or the Arrangement.

Section 4.5 Cooperation Regarding Reorganization

(1) The Company agrees that, upon the reasonable request by the Purchaser, the Company shall, and shall cause each of its Subsidiaries to, use commercially reasonable efforts to: (i) effect such reorganizations of the Company's or its Subsidiaries' business, operations and assets as the Purchaser may request, acting reasonably, including amalgamations, wind-ups and any other transaction (each a "**Contemplated Reorganization Transaction**"); (ii) co-operate with the Purchaser and its advisors in order to determine the manner in which any such Contemplated Reorganization Transactions might most effectively be undertaken; and (iii) cooperate with the Purchaser and its advisors to seek to obtain consents or waivers which might be required from the Company's lenders under its existing credit facilities in connection with the Contemplated Reorganization Transaction, if any, provided that any costs, fees or expenses associated therewith shall be at the Purchaser's sole expense; provided that any Contemplated Reorganization Transaction: (i) is not, in the opinion of the Company or the Company's counsel, acting reasonably, prejudicial to the Company, any of its Subsidiaries or any Affected Securityholders (it being acknowledged and agreed that any decease in the amount of, or change in the form of, the Consideration shall be deemed to prejudice Affected Securityholders); (ii) does not require the Company to obtain the approval of the Company Shareholders and does not require the Purchaser to obtain the approval of its shareholders; (iii) does not impede, delay or prevent the receipt of any Regulatory Approvals or the satisfaction of any other conditions set forth in Article 6; (iv) does not impair, impede or delay the consummation of the Arrangement; (v) is effected as close as is reasonably practicable, and in any event no earlier than seven days prior, to the Effective Time; (vi) does not result in any breach by the Company or any of its Subsidiaries of any Contract or Authorization or any breach by the Company of the Company's Constating Documents or by any of its Subsidiaries of their respective organizational documents or Law; (vii) does not require the directors, officers, employees or agents of the Company or its Subsidiaries to take any action in any capacity other than as a director, officer or employee; (viii) does not result in any Taxes being imposed on, or any adverse Tax or other consequence to, Affected Securityholders and does not change the Tax consequences of the Arrangement to Affected Securityholders; and (x) shall not become effective unless the Purchaser has irrevocably waived or confirmed in writing the satisfaction of all conditions in its favour under this Agreement and shall have irrevocably confirmed in writing that it is prepared, and able to promptly and without condition (other than compliance with this Section 4.5) immediately proceed to effect the Arrangement.

(2) The Purchaser shall provide written notice to the Company of any proposed Contemplated Reorganization Transaction at least 15 Business Days prior to the Effective Date. Upon receipt of such notice, the Purchaser and the Company shall use commercially reasonable efforts to prepare all documentation necessary and do all such other acts and things as are reasonably necessary to give effect to such Contemplated Reorganization Transaction prior to the time it is to be effected. If the Arrangement is not completed, the Purchaser shall: (i) forthwith reimburse the Company for all costs and expenses, including reasonable legal fees and disbursements, incurred in connection with any proposed Contemplated Reorganization Transaction; and (ii) indemnify the Company, its Subsidiaries and their respective directors, officers, employees, agents and Representatives for any and all liabilities, losses, damages, claims, costs, expenses,

interest awards, judgements, Taxes and penalties suffered or incurred by any of them in connection with or as a result of any Contemplated Reorganization Transaction, or to reverse or unwind any Contemplated Reorganization Transaction. The Purchaser agrees that any Contemplated Reorganization Transaction will not be considered in determining whether a representation, warranty or covenant of the Company under this Agreement has been breached (including where any such Contemplated Reorganization Transaction requires the consent of any third party).

Section 4.6 Intentionally Deleted

Section 4.7 Access to Information; Confidentiality

(1) From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to Law and the terms of any existing Contracts, the Company shall: (i) give to the Purchaser and its Representatives reasonable access to the Books and Records and Material Contracts of the Company and its Subsidiaries and its personnel, during normal business hours and in such manner as not to interfere unreasonably with the conduct of the business of the Company and its Subsidiaries; and (ii) furnish to the Purchaser and its Representatives such financial and operating data and other information relating to the business of the Company and its Subsidiaries as such Persons may reasonably request; provided that: (A) the Purchaser provides the Company with reasonable notice of any request under this Section 4.7(1), (B) access to any materials contemplated in this Section 4.7(1) shall be provided in such manner not to interfere unreasonably with the conduct of the business of the Company or its Subsidiaries, and (C) neither the Purchaser or any of its Representatives shall contact employees of the Company or any of its Subsidiaries except after prior approval of either the Chief Executive Officer or the Chief Financial Officer of the Company, which approval shall not be unreasonably withheld. Notwithstanding the foregoing, the Company shall not be obligated to provide access to, or to disclose, any information to the Purchaser if the Company reasonably determines that such access or disclosure would violate applicable Law, result in the disclosure of any trade secrets or similar information or violate, in any material respect, any obligations of the Company or any other Person with respect to confidentiality, jeopardize any privilege claim by the Company or any of its Subsidiaries or interfere with the conduct of the business of the Company or its Subsidiaries in any material respect.

(2) Investigations made by or on behalf of the Purchaser, whether under this Section 4.7 or otherwise, will not waive, diminish the scope of, or otherwise affect any representation or warranty made by the Company in this Agreement.

(3) For greater certainty, the Parties and their affiliates shall treat, and shall cause its Representatives to treat, all information furnished to such Party or any of its affiliates or Representatives in connection with the transactions contemplated by this Agreement or pursuant to the terms of this Agreement as confidential. Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees that the Company Disclosure Letter and all information contained in it is confidential.

Section 4.8 Public Communications

Except as required by Law, a Party must not issue any press release or make any other public statement or disclosure with respect to this Agreement or the Arrangement without the

consent of the other Party (which consent shall not be unreasonably withheld or delayed); provided that any Party that, in the opinion of its legal counsel, is required to make disclosure by Law shall use its best efforts to give the other Party prior oral or written notice and a reasonable opportunity to review and comment on the disclosure. The Party making such disclosure shall give reasonable consideration to any comments made by the other Party or its counsel, and if such prior notice is not possible, shall give such notice immediately following the making of such disclosure. The Parties acknowledge that the Company will file this Agreement and a material change report relating thereto on SEDAR, in each case, subject to review and comment by the Purchaser and its Representatives in accordance with this Section 4.9

Section 4.9 Notice and Cure Provisions

(1) Each Party shall promptly notify the other Party of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

(a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any material respect at any time from the date of this Agreement to the Effective Time; or

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party under this Agreement.

(2) Notification provided under this Section 4.9 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.

(3) The Purchaser may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(1)(d)(i) and the Company may not elect to exercise its right to terminate this Agreement pursuant to Section 7.2(1)(c)(i), unless the Party seeking to terminate this Agreement (the "**Terminating Party**") has delivered a written notice ("**Termination Notice**") to the other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Terminating Party may not exercise such termination right until the earlier of (a) the Outside Date, and (b) the date that is 10 Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date. If the Terminating Party delivers a Termination Notice prior to the date of the Company Meeting or the making of the application for the Final Order, unless the Parties mutually agree otherwise, the Company shall postpone or adjourn the Company Meeting or delay making the application for the Final Order, or both, to the earlier of (a) 10 Business Days prior to the Outside Date and (b) the date that is 10 Business Days following receipt of such Termination Notice by the Breaching Party.

Section 4.10 Insurance and Indemnification

(1) Prior to the Effective Date, the Company shall purchase customary "tail" or "run off" policies of directors' and officers' liability insurance from insurers rated "A" or higher by A.M. Best or Standard & Poor's providing protection no less favourable in the aggregate

than the protection provided by the policies maintained by the Company and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Company and its Subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six years from the Effective Date; provided that the Purchaser will not be required to pay any amounts in respect of such coverage prior to the Effective Time.

(2) The Purchaser shall, from and after the Effective Time, honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its Subsidiaries and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date.

Section 4.11 Severance Payments

(1) The Parties acknowledge and agree that the Arrangement will result in certain change of control, severance or termination payments under employment, consulting, change of control, severance or similar arrangements of the Company or its Subsidiaries as set out in Section 4.11 of the Company Disclosure Letter (collectively, the "**Severance Payments**"). The Purchaser agrees to cause the Company to allocate and pay such amounts as set forth in the Company Disclosure Letter, on the Effective Date, in each case conditional upon the execution by the applicable party receiving such payments of a mutual release in favour of the Purchaser and the Company in the form and substance satisfactory to the Purchaser and the Company, each acting reasonably.

(2) The Company Disclosure Letter sets forth details of the Severance Payments, including: (i) the name of each individual entitled to a payment; (ii) details of the agreement or arrangement under which the payment arises; (iii) the total amount of each individual's payment; and (iv) the method of calculating such payment or estimated payment.

Section 4.12 TSXV De-listing

Subject to Laws, the Purchaser and the Company shall use their commercially reasonable efforts to cause the Company Shares to be de-listed from the TSXV with effect as soon as practicable following the acquisition by Purchaser of the Company Shares pursuant to the Arrangement.

ARTICLE 5
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

Section 5.1 Non-Solicitation

(1) Except as expressly provided in this Article 5, the Company shall not, directly or indirectly, through any Representative of the Company or of any of its Subsidiaries:

(a) solicit, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or

any Subsidiary) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any negotiations or meaningful discussions with any Person (other than with the Purchaser or any Person acting jointly or in concert with the Purchaser) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute, an Acquisition Proposal; provided that the Company may (i) communicate with any Person for the purposes of clarifying the terms of any inquiry, proposal or offer made by such Person that constitutes or could reasonably be expected to constitute or lead to, an Acquisition Proposal, (ii) advise any Person of the restrictions of this Agreement, and (iii) advise any Person making an Acquisition Proposal that the Board has determined that such Acquisition Proposal does not constitute a Superior Proposal;

(c) make a Change in Recommendation (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than 10 Business Days following the formal announcement of such Acquisition Proposal will not be considered to be in violation of this Article 5 provided the Board has affirmed the Board Recommendation by or before the end of such 10 Business Day period);

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend any Acquisition Proposal, or take no position or remain neutral with respect to any publicly announced Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than 10 Business Days following the formal announcement of such Acquisition Proposal will not be considered to be in violation of this Article 5 provided the Board has affirmed the Board Recommendation by or before the end of such 10 Business Day period); or

(e) approve, recommend or enter into (other than a confidentiality agreement permitted by and in accordance with Section 5.3) or publicly propose to enter into any agreement in respect of an Acquisition Proposal.

(2) Except as expressly provided in this Article 5, the Company shall, and shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion or negotiations with any Person (other than with the Purchaser, Purchaser and their representatives) with respect to any inquiry, proposal or offer that would reasonably be expected to constitute an Acquisition Proposal, and in connection therewith, the Company will:

(a) discontinue access to and disclosure of all information, including any data room and any confidential information, properties, facilities, books and records of the Company or of any of its Subsidiaries; and

(b) request, and exercise all rights it has to require the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person other than the Purchaser or its affiliates since January 1, 2019 in connection with any potential Acquisition Proposal, including using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

(3) The Company covenants and agrees not to release any Person from, or waive such Person's obligations respecting the Company, under any confidentiality, standstill or similar agreement or restriction to which the Company is a party (it being acknowledged by the Purchaser that the automatic termination or release of any restrictions of any such agreements as a result of entering into and announcing this Agreement shall not be a violation of this Section 5.1(3)), except to allow such Person to make an Acquisition Proposal confidentially to the Board that constitutes, or would reasonably be expected to constitute or lead to, a Superior Proposal, provided that the remaining provisions of this Article 5 are complied with, and the Company undertakes to seek to enforce, or cause it Subsidiaries to seek to enforce, all confidentiality, standstill, or similar agreements or restrictions that it or any of its Subsidiaries have entered into prior to the date hereof or enter into after the date hereof.

Section 5.2 Notification of Acquisition Proposals

If after the date of this Agreement the Company or any of its Subsidiaries or any of their respective Representatives, receives any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary, in connection with an Acquisition Proposal, the Company shall promptly notify the Purchaser, at first orally, and then within 24 hours, in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions and the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request and a copy of any written Acquisition Proposal. The Company shall keep the Purchaser promptly informed of the status of material developments and negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request.

Section 5.3 Responding to an Acquisition Proposal

Notwithstanding Section 5.1, or any other agreement between the Parties or between the Company and any other Person, if at any time prior to obtaining the approval of the Company Shareholders of the Arrangement Resolution, the Company receives an Acquisition Proposal, the Company may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and, subject to the Company (i) entering into a confidentiality and standstill agreement with such Person (if one has not already been entered into) containing terms that may not restrict the Company from complying with this Article 5 (it being understood and agreed that such confidentiality and standstill agreement need not restrict the making of an Acquisition Proposal or related communications to the Company or the Board), (ii) concurrently providing the Purchaser with access to any information that was provided to such Person and not previously provided to the Purchaser and (iii) promptly providing the Purchaser with a true, complete and final executed copy of such confidentiality and standstill agreement, may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries, if:

(a) the Board first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes or would reasonably be expected to constitute or lead to a Superior Proposal; and

(b) the Company has been, and continues to be, in compliance with its obligations under this Article 5.

Section 5.4 Right to Match

(1) If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Company Shareholders the Board may, or may cause or authorize the Company to, make a Change in Recommendation and approve, recommend or authorize the Company to enter into a definitive agreement with respect to such Superior Proposal, if and only if:

(a) the Company has been, and continues to be, in compliance with its obligations under this Article 5 in all material respects;

(b) the Company or its Representatives have delivered to the Purchaser a written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention to make a Change of Recommendation or approve, recommend or enter into a definitive agreement with respect to such Superior Proposal, including a notice as to the value in financial terms that the Board has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal (the "**Superior Proposal Notice**");

(c) the Company or its Representatives have provided to the Purchaser a copy of any proposed definitive agreement for the Superior Proposal;

(d) at least five (5) Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the definitive agreement for the Superior Proposal;

(e) after the Matching Period, the Board has determined in good faith, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Arrangement as proposed to be amended by the Purchaser under Section 5.4(2)); and

(f) prior to or concurrently with making a Change in Recommendation or entering into such definitive agreement the Company terminates this Agreement pursuant to Section 7.2(1)(c)(ii) and pays the Company Termination Fee pursuant to Section 8.2(2).

(2) During the Matching Period, or such longer period as the Company may approve in writing for such purpose: (a) the Board shall review any offer made by the Purchaser to amend the terms of this Agreement and the Arrangement in good faith, after consultation with outside legal and financial advisors, in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall negotiate in good faith with the Purchaser to make such amendments to the terms of this Agreement and the Arrangement as would enable the Purchaser and/or its affiliates to proceed with the transactions contemplated by this Agreement on such amended terms. If as a

consequence of the foregoing the Board determines that (x) such Acquisition Proposal would cease to be a Superior Proposal or (y) that it would not otherwise be inconsistent with its fiduciary duties under applicable Law to not accept such offer and effect a Change in Recommendation, the Company shall promptly so advise the Purchaser and the Company and the Purchaser shall amend this Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

(3) Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Company Shareholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of this Section 5.4.

(4) Nothing in this Agreement shall prohibit the Board from responding through a directors' circular or otherwise as required by applicable Securities Laws to an Acquisition Proposal that it determines is not a Superior Proposal, or from making a Change in Recommendation as a result of a Purchaser Material Adverse Effect. Further, nothing in this Agreement shall prevent the Board from making any disclosure to the Shareholders if the Board, acting in good faith and upon the advice of its outside legal and financial advisors, shall have determined that the failure to make such disclosure would be inconsistent with the fiduciary duties of the Board or such disclosure is otherwise required under Law; provided, however, that, notwithstanding the Board shall be permitted to make such disclosure, the Board shall not be permitted to make a Change in Recommendation, other than as permitted by Section 5.4(1) or the first sentence of this paragraph.

(5) If the Company provides a Superior Proposal Notice to the Purchaser after a date that is less than five (5) Business Days before the Company Meeting, the Company shall be entitled to, and shall upon request from Purchaser, postpone the Company Meeting to a date that is not more than fifteen (15) Business Days after the scheduled date of the Company Meeting (and, in any event, prior to the Outside Date).

ARTICLE 6
CONDITIONS

Section 6.1 Mutual Conditions Precedent

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied, which conditions may only be waived, in whole or in part, by the mutual consent of the Purchaser, on one hand, and the Company on the other:

(1) **Arrangement Resolution**. The Arrangement Resolution has been approved and adopted by the Company Shareholders at the Company Meeting in accordance with the Interim Order.

(2) **Interim Order and Final Order**. The Interim Order and the Final Order have each been obtained on terms consistent with this Agreement, and have not been set aside or modified in a manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise.

(3) **Illegality**. No Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser and/or its affiliates from consummating the Arrangement.

(4) **Formal Valuation Exemption**. The Arrangement shall be exempt from the requirement to obtain a formal valuation under MI 61-101.

(5) **Stock Exchange Approval**. The Stock Exchange Approval has been made, given, obtained or satisfied and is in force and has not been rescinded.

Section 6.2 Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser and/or its affiliates will not be required to complete the Arrangement unless each of the following conditions is satisfied, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(1) **Representations and Warranties**. (i) The representations and warranties of the Company set forth in paragraph (f) of Schedule C (*Capitalization*) are true and correct in all respects as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), other than such failures to be true and correct that (A) would have no more than a *de minimis* impact on the aggregate of the Share Consideration issuable pursuant to the Arrangement or (B) were the result of the issuance of Company Shares issuable upon the exercise in accordance with their terms of outstanding Company Options that were disclosed in the Company Disclosure Letter; (ii) the representations and warranties of the Company set forth in paragraph (y) of Schedule C (*Material Contracts*) insofar as they relate to the completeness and accuracy of disclosed Material Contracts were true and correct in all material respects as of the date hereof; and (iii) the remaining representations and warranties of the Company set forth in this Agreement are true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Company Material Adverse Effect (and, for this purpose, any reference to "material", "Company Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored); and the Company has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case on behalf of the Company without personal liability) addressed to the Purchaser and dated the Effective Date.

(2) **Performance of Covenants**. The Company has fulfilled or complied in all material respects with each of the remaining covenants of the Company contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Company has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case on behalf of the Company without personal liability) addressed to the Purchaser and dated the Effective Date.

(3) **Dissent Rights**. Company Shareholders shall not have exercised their Dissent Rights in connection with the Arrangement with respect to more than 5% of the outstanding Company Shares.

(4) **Material Adverse Effect**. Since the date of this Agreement, there shall not have occurred, or have been disclosed to the public (if previously undisclosed to the public), a Company Material Adverse Effect and the Company shall have provided to the Purchaser a certificate of two senior officers of the Company to that effect (in each case on the Company's behalf and without personal liability).

(5) **Illegality**. There shall be no pending material Action (or Award arising therefrom) for the purpose of prohibiting or enjoining the Company or the Purchaser from consummating the Arrangement.

(6) **Title Transfer.** The registered and beneficial title holder of the property known as MD Antofalla XX – File 71-2016 shall be the Company, or one of its affiliates identified by the Purchaser.

Section 6.3 Additional Conditions Precedent to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(1) **Representations and Warranties**. The representations and warranties of the Purchaser set forth in this Agreement are true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Purchaser Material Adverse Effect (and, for this purpose, any reference to "material", "Purchaser Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored); and the Purchaser has delivered a certificate confirming same to the Company, executed by two senior officers of the Purchaser (without personal liability) addressed to the Company and dated the Effective Date.

(2) **Performance of Covenants**. The Purchaser has fulfilled or complied in all material respects with each of the covenants of the Purchaser contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Purchaser has delivered a certificate confirming same to the Company, executed by two senior officers of the Purchaser on behalf of the Purchaser, and (without personal liability) addressed to the Company and dated the Effective Date.

(3) **Deposit of Share Consideration**. The Purchaser shall have deposited or caused to be deposited with the Depositary in escrow in accordance with Section 2.8, an irrevocable direction for Purchaser Shares required to effect payment in full of the aggregate Share Consideration to be paid in respect of the Company Shares pursuant to the Plan of Arrangement and the Depositary shall have confirmed to the Company the receipt of such irrevocable direction.

Section 6.4 Satisfaction of Conditions

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 will be conclusively deemed to have been satisfied, waived or released at the Effective Time. For greater certainty, and notwithstanding the terms of any escrow agreement entered into between the

Purchaser and the Depositary, the irrevocable direction for the issuance of the Purchaser Shares held in escrow by the Depositary pursuant to Section 2.8 shall be deemed to be released from escrow at the Effective Time.

ARTICLE 7
TERM AND TERMINATION

Section 7.1 Term

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

Section 7.2 Termination

(1) This Agreement may be terminated prior to the Effective Time by:

(a) the mutual written agreement of the Parties; or

(b) either the Company on the one hand, or the Purchaser on the other, if:

(i) the Company Meeting is duly convened and held and the Arrangement Resolution is voted on by Company Shareholders and not approved by the Company Shareholders as required by the Interim Order;

(ii) after the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser and/or its affiliates from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided that a Party seeking to terminate this Agreement pursuant to this Section 7.2(1)(b)(ii) is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.2(1) [*Company Representations and Warranties*], Section 6.3(1) [*Purchaser Representations and Warranties*], Section 6.2(2) [*Company Performance of Covenants*] or Section 6.3(2) [*Purchaser Performance of Covenants*], as applicable, not to be satisfied; or

(iii) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(1)(b)(iii) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement; or

(c) the Company if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under this Agreement occurs that would cause any condition in Section 6.3(1) [*Purchaser Reps and Warranties Condition*] or Section 6.3(2) [*Purchaser Covenants Condition*] not to be satisfied, and such breach or failure is incapable of

being cured or is not cured in accordance with the terms of Section 4.9(3); provided that any wilful breach shall be deemed to be incapable of being cured and the Company is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.2(1) [*Company Reps and Warranties Condition*] or Section 6.2(2) [*Company Covenants Condition*] not to be satisfied; or

(ii) prior to the approval by the Company Shareholders of the Arrangement Resolution, the Board makes a Change in Recommendation or authorized the Company or a Subsidiary of the Company to enter into a written agreement (other than a confidentiality agreement permitted by and in accordance with Section 5.3) with respect to a Superior Proposal in accordance with Section 5.4, provided the Company is then in compliance with Article 5 and that prior to or concurrent with such termination the Company pays the Company Termination Fee in accordance with Section 8.2(2);

(d) the Purchaser if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under this Agreement occurs that would cause any condition in Section 6.2(1) [*Company Reps and Warranties Condition*] or Section 6.2(2) [*Company Covenants Condition*] not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.9(3); provided that any wilful breach shall be deemed to be incapable of being cured and the Purchaser is not in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.3(1) [*Purchaser Representations and Warranties Condition*] or Section 6.3(2) [*Purchaser Covenants Condition*] not to be satisfied;

(ii) prior to the approval by the Company Shareholders of the Arrangement Resolution, (i) the Board fails to unanimously recommend, withdraws, amends, modifies or qualifies in a manner that has substantially the same effect, or fails to publicly reaffirm within five Business Days after having been requested in writing to do so by the Purchaser, acting reasonably, the approval or recommendation of the Arrangement or the Arrangement Resolution (a "**Change in Recommendation**") (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than five Business Days after the formal announcement thereof shall not be considered a Change in Recommendation), (ii) the Board approves, recommends or authorizes the Company to enter into a written agreement (other than a confidentiality agreement permitted by and in accordance with Section 5.3) concerning a Superior Proposal; or (iii) the Company breaches Article 5 in any material respect; or

(iii) there has occurred a Company Material Adverse Effect which is incapable of being cured on or prior to the Outside Date.

(2) The Party desiring to terminate this Agreement pursuant to this Section 7.2 (other than pursuant to Section 7.2(1)(a)) shall give notice of such termination to the other Party, specifying in reasonable detail the basis for such Party's exercise of its termination right.

Section 7.3 Effect of Termination/Survival

If this Agreement is terminated pursuant to Section 7.1 or Section 7.2, this Agreement shall become void and of no further force or effect without liability of any Party (or any Company Shareholder, director, officer, employee, agent, consultant or representative of such Party) to any other Party to this Agreement, except that: (a) in the event of termination under Section 7.1 as a result of the Effective Time occurring, Section 4.5(2) and Section 4.10 shall survive for a period of six years following such termination; and (b) in the event of termination under Section 7.2, this Section 7.3 and Section 8.2 through to and including Section 8.16 shall survive, and provided further that, subject to Section 8.4, nothing herein shall relieve any Party from any liability for any failure to consummate the transactions contemplated by this Agreement if required to pursuant to this Agreement and no Party shall be relieved of any liability for any wilful breach by it of this Agreement prior to such termination for fraud.

ARTICLE 8
GENERAL PROVISIONS

Section 8.1 Amendments

This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Company Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Company Shareholders, and any such amendment may, subject to the Interim Order and Final Order and Laws, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;

(c) modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties; and/or

(d) modify any mutual conditions contained in this Agreement.

Section 8.2 Company Termination Fee

(1) Despite any other provision in this Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Company Termination Fee Event occurs, the Company shall pay the Purchaser, as proceeds of disposition of the Purchaser's rights hereunder, the Company Termination Fee in accordance with Section 8.2(2). For the purposes of this Agreement, "**Company Termination Fee Event**" means the termination of this Agreement:

(a) by the Purchaser, pursuant to Section 7.2(1)(d)(ii) [*Change in Recommendation or Material Breach of Non-Solicit*], except a Change in Recommendation in connection with a Purchaser Material Adverse Effect;

(b) by the Company, pursuant to Section 7.2(1)(c)(ii) [*Superior Proposal*]; or

(c) by (A) the Company on the one hand, or the Purchaser on the other, pursuant to Section 7.2(1)(b)(i) [*Failure of Company Shareholders to Approve*], or Section 7.2(1)(b)(iii) [*Outside Date*], or (B) the Purchaser pursuant to Section 7.2(1)(d)(i) [*Company Breach of Representation or Warranty or Failure to Perform Covenant*], but only if:

(i) following the date hereof and prior to such termination in the case of a termination pursuant to Section 7.2(1)(b)(iii) [*Outside Date*] or Section 7.2(1)(d)(i) [*Company Breach of Representation or Warranty or Failure to Perform Covenant*] an Acquisition Proposal is made in writing or publicly announced by any Person (other than the Purchaser or any of its affiliates or any Person acting jointly or in concert with any of the foregoing); or

(ii) following the date hereof and prior to the time of the Company Meeting in the case of a termination pursuant to Section 7.2(1)(b)(i) [*Failure of Company Shareholders to Approve*], an Acquisition Proposal is made in writing or publicly announced by any Person (other than the Purchaser or any of its affiliates or any Person acting jointly or in concert with any of the foregoing); and, in each case,

within twelve (12) months following the date of such termination, (i) an Acquisition Proposal is consummated by the Company or any of its Subsidiaries, or (ii) the Company or any of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a Contract (other than a confidentiality or standstill agreement) in respect of an Acquisition Proposal and such Acquisition Proposal is later consummated (whether or not within twelve (12) months after such termination).

For purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning assigned to such term in Section 1.1, except that references to "20% or more" shall be deemed to be references to "50% or more".

(2) If a Company Termination Fee Event occurs due to a termination of this Agreement by the Company pursuant to Section 7.2(1)(c)(ii), the Company Termination Fee shall be paid prior to or concurrently with the occurrence of such Company Termination Fee Event.

(3) If a Company Termination Fee Event occurs due to a termination of this Agreement by the Purchaser pursuant to Section 7.2(1)(d)(ii) (for greater certainty, other than because of a Change in Recommendation in connection with a Purchaser Material Adverse Effect) the Company Termination Fee shall be paid within two (2) Business Days following such Company Termination Fee Event.

(4) If a Company Termination Fee Event occurs in the circumstances set out in Section 8.2(1)(c), the Company Termination Fee shall be paid upon the consummation of the Acquisition Proposal referred to therein.

(5) Any Company Termination Fee shall be paid (less any applicable withholding Tax) by the Company to the Purchaser (or as the Purchaser may direct by notice in writing), by wire transfer in immediately available funds to an account designated by the Purchaser. For

greater certainty, in no event shall the Company be obligated to pay the Company Termination Fee on more than one occasion.

Section 8.3 Expenses

Except as otherwise expressly provided in this Agreement, the Parties agree that all out-of-pocket expenses of the Parties relating to this Agreement or the transactions contemplated hereby, including legal fees, accounting fees, financial advisory fees, regulatory filing fees, stock exchange fees, all disbursements of advisors and printing and mailing costs, shall be paid by the Party incurring such expenses. For greater certainty, nothing in this Agreement will prevent or limit the Company from paying the reasonable fees and disbursements (plus applicable Taxes, if any) of its legal, accounting and financial advisors which are incurred by the Company in connection with the transactions contemplated hereby.

Section 8.4 Acknowledgment

Each Party acknowledges that the agreements contained in Section 8.2 are an integral part of the transactions contemplated by this Agreement, and that without these agreements the other Party would not enter into this Agreement, and that the amounts set out in Section 8.2 represent liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, which either Party will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and is not a penalty. Each Party irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. In the event the amounts set out in Section 8.2 are paid to the applicable Party (or as it directs), no other amounts will be due and payable as damages or otherwise by the Party making such payments, and the Party to whom such payments are made hereby accepts that such payments are the maximum aggregate amount that the Party making such payments shall be required to pay in lieu of any damages or any other payments or remedy which the Party to whom such payments are made may be entitled to in connection with this Agreement or the transactions contemplated by this Agreement; provided, however, that this limitation shall not apply in the event of a wilful breach by the Party or any of its Subsidiaries making such payments of its representations, warranties, covenants or agreements set forth in this Agreement (which breach and liability therefore shall not be affected by termination of this Agreement or any payment of the amounts set out in Section 8.2, as applicable).

Section 8.5 Notices

Any notice, or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

(a) to the Company at:

Advantage Lithium Corp.
789-999 West Hastings
Vancouver BC, Canada

V6C 2W2

Attention: Callum Grant
Email: ***[Redacted]***

with a copy to:

McMillan LLP
1500- 1055 W Georgia Street
Vancouver, British Columbia, Canada
V6E 4N7

V6C 2X8

Attention: Desmond M Balakrishnan
Facsimile: ***[Redacted]***
Email: ***[Redacted]***

(b) to the Purchaser at:

Orocobre Limited
Level 1, 349 Coronation Drive
Milton, Queensland, Australia
4064

Attention: Rick Anthon
Email: ***[Redacted]***

and with a copy to:

McCarthy Tétrault LLP
Suite 5500, TD Bank Tower
Box 42, 66 Wellington Street West
Toronto, Ontario, Canada
M5K 1E6

Attention: Matthew Cumming
Telephone: ***[Redacted]***
Email: ***[Redacted]***

Any notice or other communication is deemed to be given and received (i) if sent by personal delivery or same day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day, (iii) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile, or (iv) if sent by electronic mail, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic “read receipt” does not constitute acknowledgment of an email for purposes of this Section 8.5. Sending a copy of a notice or other communication to a Party’s legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

Section 8.6 Time of the Essence

Time is of the essence in this Agreement.

Section 8.7 Injunctive Relief

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at Law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement, without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at Law or in equity.

Section 8.8 Third Party Beneficiaries

(1) Except as provided in Section 2.4(5), Section 2.12 and Section 4.10 which, without limiting their terms, are intended as stipulations for the benefit of the third Persons mentioned in such provisions (such third Persons referred to in this Section 8.8 as the "**Third Party Beneficiaries**") and except for the rights of the Affected Securityholders to receive the applicable consideration following the Effective Time pursuant to the Arrangement (for which purpose the Company hereby confirms that it is acting as agent on behalf of the Affected Securityholders), the Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

(2) Despite the foregoing, the Parties acknowledge to each of the Third Party Beneficiaries their direct rights against the applicable Party under Section 2.4(5), Section 2.12 and Section 4.10, which are intended for the benefit of, and shall be enforceable by, each Third Party Beneficiary, his or her heirs and his or her legal representatives, and for such purpose, the Company confirms that it is acting as agent on their behalf, and agrees to enforce such provisions on their behalf.

Section 8.9 Waiver

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 8.10 Entire Agreement

This Agreement, together with the Company Disclosure Letter, constitute the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this

Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 8.11 Successors and Assigns

(1) This Agreement becomes effective only when executed by the Company and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Company and the Purchaser and their respective successors and permitted assigns.

(2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party, except that Purchaser may assign all or any portion of its rights and obligations under this Agreement to any of its direct or indirect wholly-owned Subsidiaries provided that such assignment does not delay the consummation of the transactions contemplated by this Agreement, but no such assignment shall relieve the Purchaser of its obligations hereunder.

Section 8.12 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 8.13 Governing Law

(1) This Agreement will be governed by and interpreted and enforced in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein.

(2) Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 8.14 Rules of Construction

The Parties to this Agreement waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the party drafting such agreement or other document.

Section 8.15 No Liability

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

under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Company or any of its Subsidiaries.

Section 8.16 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement as of the date first written above.

ADVANTAGE LITHIUM CORP.

Per: _____
Authorized Signing Officer

OROCOBRE LIMITED

Per: _____
Authorized Signing Officer

IN WITNESS WHEREOF the Parties have executed this Arrangement Agreement as of the date first written above.

ADVANTAGE LITHIUM CORP.

Per: _____
Authorized Signing Officer

OROCOBRE LIMITED

Per: 
Authorized Signing Officer

SCHEDULE A
PLAN OF ARRANGEMENT

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

ARTICLE 1
INTERPRETATION

Section 1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Affected Securities**" means, collectively, the Company Shares, Company Options and RSUs.

"**Affected Securityholders**" means, collectively, the Company Shareholders, the holders of Company Options and the holders of RSUs.

"**Arrangement**" means an arrangement under Section 288 of the Corporations Act on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of February 18, 2020, between the Company and the Purchaser (including the Schedules thereto) as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Company Meeting by the Company Shareholders.

"**Award**" means any judgment, decree, injunction, ruling, award, decision or order of any Governmental Entity.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia, or Brisbane, Australia.

"**Closing Certificate**" means a certificate in the form attached hereto as Appendix A which, when signed by an authorized representative of each of the Parties, will constitute acknowledgement by the Parties that this Plan of Arrangement has been implemented to their respective satisfaction.

"**Company**" means Advantage Lithium Corp.

"**Company Circular**" means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Company Shareholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Company Disclosure Letter**" means the disclosure letter dated the date of the Arrangement Agreement and all schedules, exhibits and appendices thereto, delivered by the Company to the Purchaser with the Arrangement Agreement.

"**Company Meeting**" means the special meeting of Company Shareholders, including any adjournment or postponement thereof in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Company Circular and agreed to in writing by the Purchaser, acting reasonably.

"**Company Options**" means the outstanding options to purchase Company Shares issued pursuant to the Stock Option Plan.

"**Company Share**" means a common share without par value in the capital of the Company.

"**Company Shareholders**" means the registered and/or beneficial holders of the Company Shares, as the context requires.

"**Consideration**" means 0.142 of a Purchaser Share for each Company Share, provided that where the total number of Purchaser Shares issuable to a Company Shareholder includes a fraction of a Purchaser Share, such number of Purchaser Shares shall be (A) rounded down to the nearest whole Purchaser Share, where such fraction is less than 0.5, or (B) rounded up to the nearest whole Purchaser Share, where such fraction is 0.5 or greater.

"**Corporations Act**" means the *Business Corporations Act* (British Columbia).

"**Court**" means the Supreme Court of British Columbia, or other court as applicable.

"**Depositary**" means such Person as the Company may appoint to act as depositary in relation to the Arrangement, with the approval of the Purchaser, acting reasonably.

"**Dissenting Holder**" means a registered Company Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Company Shares in respect of which Dissent Rights are validly exercised by such registered Company Shareholder.

"**Dissent Rights**" has the meaning specified in Section 5.1(a).

"**Effective Date**" means the date agreed upon by the Parties in writing as the date upon which the Arrangement becomes effective or, in the absence of such agreement, three Business Days following the satisfaction or waiver of all conditions to completion of the Arrangement set out in Sections 6.1, 6.2 and 6.3 of the Arrangement Agreement (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, waiver of those conditions as of the Effective Date by the applicable Party for whose benefit such conditions exist) in accordance with the terms of the Arrangement Agreement, and the Parties will execute the Closing Certificate confirming the Effective Date.

"**Effective Time**" means the time on the Effective Date specified as the "Effective Time" on the Closing Certificate.

"**Final Order**" means the final order of the Court, in a form acceptable to the Parties, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of each of the Parties, acting reasonably) at any time prior to the Effective Date or as such order may be affirmed or amended on appeal (provided that any such amendment is satisfactory to each of the Parties, acting reasonably).

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, or (iv) any stock exchange.

"**Interim Order**" means the interim order of the Court, in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as the same may be amended, supplemented or varied by the Court (with the consent of the Company and the Purchaser, each acting reasonably).

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

"**Liens**" means with respect to any property or asset, any mortgage, deed of trust, lien, charge, pledge, encumbrance, hypothec, security interest, prior claim, easement, lease, sublease, license, restriction, right, option, conditional sale or other title retention agreement or other similar adverse claim (statutory or otherwise), in each case, whether contingent or absolute.

"**Parties**" means, together, the Company and the Purchaser, and "**Party**" means any of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Purchaser**" means Orocobre Limited.

"**Purchaser Share"** means a fully paid ordinary share in the capital of the Purchaser.

"**RSU Plan**" means the Company's restricted share unit plan adopted as of April 9, 2018, as amended.

"**RSUs**" means the restricted share units issued and outstanding under the RSU Plan (including, for greater certainty, units issued or paid as dividend equivalents).

"**Stock Option Plan**" means the Company's stock option plan adopted as of August 14, 2015, as amended.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Value Calculation Date**" has the meaning specified in Section 3.1(a)(i).

Section 1.2 Currency

All references to dollars or to $ are references to Canadian dollars, unless specified otherwise.

Section 1.3 Gender and Number

Any reference to gender includes all genders. Words importing the singular number only shall include the plural and vice versa.

Section 1.4 Phrasing

The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation", (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) "Article" and "Section" followed by a number mean and refer to the specified Article or Section of this Plan of Arrangement.

Section 1.5 References to Persons

Any reference to a Person includes its heirs, administrators, executors, legal personal, representatives, successors and permitted assigns.

Section 1.6 Statutes

Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

Section 1.7 Non–Business Days

A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day, if the last day of the period is not a Business Day.

Section 1.8 Time References

References to time are to local time in Vancouver, British Columbia, unless otherwise specified.

Section 1.9 Time

Time shall be of the essence in this Plan of Arrangement.

ARTICLE 2
BINDING EFFECT

Section 2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant and subject to the provisions of the Arrangement Agreement.

Section 2.2 Binding Effect

This Plan of Arrangement and the Arrangement will become effective, and be binding on the Purchaser, the Company, the Company Shareholders (including Dissenting Holders), all holders and beneficial owners of Company Options and RSUs, the registrar and transfer agent of the Company, the Depositary and all other Persons at and after the Effective Time, without any further act or formality required on the part of any Person.

ARTICLE 3
ARRANGEMENT

Section 3.1 Arrangement

Pursuant to the Arrangement, the following transactions shall occur and shall be deemed to occur on the Effective Date, without any further authorization, act or formality, at the following times and in the following order:

(a) first, at the Effective Time, the following transactions shall occur simultaneously:

(i) notwithstanding and without regard to the terms of the Stock Option Plan and the limitations contained therein, each unvested Company Option outstanding immediately prior to the Effective Time shall be deemed to be unconditionally vested and exercisable, and thereafter all unexercised Company Options shall, without any further action by or on behalf of a holder of Company Options and without any payment except as provided in the Plan of Arrangement, and subject to applicable withholdings and other source deductions, be deemed to be assigned and transferred by such holder to the Company in exchange for the issuance to such holder of such number of Purchaser Shares as is equivalent in value to the amount (if any) by which the value of the Consideration (determined as (A) the closing trading price of a Purchaser Share on the Australian Securities Exchange as of the date that is two Business Days immediately prior to the Effective Date (the "**Value Calculation Date**"), calculated in Canadian dollars using the daily exchange rate for the Value Calculation Date published by the Bank of Canada, multiplied by (B) 0.142) issuable in respect of each Company Share for which a Company Option is exercisable exceeds the exercise price of such Company Option, and each such Company Option shall immediately be cancelled and, for greater certainty, where such amount is zero or negative, such Company Option shall be cancelled without any consideration, and neither the Company nor the Purchaser shall be obligated to issue to the holder of such Company Option any Purchaser Shares nor pay the holder of such Company Option any amount in respect of such Company Option. The Company shall be permitted to, and shall take, all reasonable steps as may be necessary or desirable to give effect to the foregoing;

(ii) notwithstanding and without regard to the terms of the RSU Plan, each unvested RSU outstanding immediately prior to the Effective Time shall be deemed to be unconditionally vested, and subject to applicable withholdings and other source deductions, all RSUs shall be redeemed by the respective holders in exchange for the issuance to each such holder of

such number of Purchaser Shares as is equal to the Consideration to which such holder would have been entitled had such RSUs been redeemed for Company Shares immediately prior to the Effective Time. The Company shall be permitted to, and shall take, all reasonable steps as may be necessary or desirable to give effect to the foregoing; and

(b) second, and five minutes after the Effective Time, the following transactions shall occur simultaneously:

(i) each Company Share held by a Company Shareholder (other than a Company Share held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised) shall be transferred (free and clear of all Liens) to the Purchaser in consideration for the Consideration issuable to such Company Shareholder; and

(ii) all Company Shares held by Dissenting Holders (in respect of which Dissent Rights have been validly exercised) shall be deemed to have been transferred (free and clear of all Liens) to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Section 5.1, and

(1) such Dissenting Holders shall cease to be the holders of such Company Shares and to have any rights as Company Shareholders other than the right to be paid the fair value for such Company Shares as set out in Section 5.1;

(2) the name of each such Dissenting Holder shall be removed as Company Shareholder, as applicable, from the registers of Company Shareholders, as applicable, maintained by or on behalf of Company in respect of such Company Shares; and

(3) the Purchaser shall be deemed to be the transferee of such Company Shares (free and clear of any Liens) and shall be entered in the registers of Company Shareholders maintained by or on behalf of Company.

Section 3.2 Adjustment to Consideration

In the event that, after the date of the Arrangement Agreement and prior to the Closing, the Purchaser changes the number of Purchaser Shares issued and outstanding as a result of a reclassification, stock split (including a reverse stock split), stock dividend or stock distribution, recapitalization, subdivision, or other similar transaction, the Consideration shall be equitably adjusted to eliminate the effects of such event on the Consideration.

ARTICLE 4
ARRANGEMENT MECHANICS

Section 4.1 Transfer of Securities

(a) With respect to each holder of Company Options and RSUs outstanding immediately before the Effective Time that is subject to this Plan of Arrangement,

as applicable, upon and at the time of the disposition of Company Options and RSUs effected pursuant to Section 3.1(a)(i) through Section 3.1(a)(ii) as applicable:

(i) such holder of Company Options and RSUs shall cease to be a holder of Company Options and RSUs, as applicable, and the name of such holder of Company Options and RSUs shall be removed from the register or account of holders of Company Options and RSUs, as applicable, maintained by or on behalf of Company;

(ii) all agreements relating to such Company Options and RSUs and the Stock Option Plan shall be terminated and shall be of no further force and effect; and

(iii) the Company shall pay to such holder of Company Options and RSUs, as applicable, subject to applicable withholdings and other source deductions, the consideration payable to the holder of such Company Options and RSUs pursuant to Section 3.1(a)(i) through Section 3.1(a)(ii).

(b) With respect to Company Shareholders (other than Dissenting Holders whose Dissent Rights have been validly exercised), immediately before the Effective Time, upon and at the time of the transfer of Company Shares effected pursuant to Section 3.1:

(i) such Company Shareholder shall cease to be a Company Shareholder, and the name of such Company Shareholder shall be removed from the register of Company Shareholders maintained by or on behalf of Company;

(ii) the Purchaser shall become the transferee (free and clear of all Liens) of such Company Shares transferred to the Purchaser and shall be added to the register of Company Shareholders maintained by or on behalf of Company; and

(iii) the Purchaser shall pay and deliver to such Company Shareholder the Consideration payable and deliverable to such Company Shareholder in accordance with this Plan of Arrangement, and the name of such Company Shareholder shall be added to the register of holders of Purchaser Shares maintained by or on behalf of the Purchaser, as the case may be.

ARTICLE 5
RIGHTS OF DISSENT

Section 5.1 Rights of Dissent

(a) Registered Company Shareholders may exercise dissent rights with respect to the Company Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Sections 237 to 247 of the Corporations Act, as modified by the Interim Order and this Section 5.1; provided that, notwithstanding (a) subsection 242(1) of the Corporations Act, the written objection to the Arrangement Resolution referred to in subsection 242(1) of the Corporations Act must be received by the Company not later than 5:00 p.m.

(Vancouver time) two Business Days immediately preceding the date of the Company Meeting (as it may be adjourned or postponed from time to time) and (b) subsection 245(1) of the Corporations Act, the Purchaser and not the Company will be required to pay the fair value of such Common Shares held by a Dissenting Shareholder and to offer and pay the amount to which such holder is entitled.

(b) Dissenting Holders who duly exercise their Dissent Rights shall be deemed to have transferred the Company Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens as provided in Section 3.1(b)(ii), and if they:

(i) ultimately are entitled to be paid fair value for such Company Shares: (i) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(b)(ii)); (ii) will be entitled to be paid the fair value of such Company Shares by the Purchaser, which fair value shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Shares; or

(ii) ultimately are not entitled, for any reason, to be paid fair value for such Company Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Company Shares.

Section 5.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser, the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Company Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser, the Company, the Depositary, the registrar and transfer agent in respect of the shares, or any other Person be required to recognize Dissenting Holders as holders of Company Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 3.1(b)(ii), and the names of such Dissenting Holders shall be removed from the registers of holders of the Company Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 3.1(b)(ii) occurs. In addition to any other restrictions under Sections 237 to 247 of the Corporations Act, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Options or holders of RSUs; and (ii) Company Shareholders who vote or have instructed a proxyholder to vote such Company Shares in favour of the Arrangement Resolution (but only in respect of such Company Shares).

ARTICLE 6
PAYMENT AND CERTIFICATES

Section 6.1 Payment

(a) At or before the Effective Time, (i) the Purchaser shall deposit or cause to be deposited with the Depositary, for the benefit of and to be held on behalf of the Company Shareholders (other than Dissenting Holders whose Dissent Rights have been validly exercised) entitled to receive Purchaser Shares pursuant to Section 4.1(a)(iii), certificates representing, or other evidence regarding the issuance of, the Consideration and (ii) the Company shall deposit or cause to be deposited with the Depositary, for the benefit of and to be held on behalf of the holders of Company Options and RSUs, the aggregate Purchaser Shares required for the consideration in respect of the Company Options and RSUs pursuant to Section 4.1(a).

(b) Upon the surrender to the Depositary of a certificate that, immediately prior to the Effective Time, represented outstanding Company Shares, together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depositary may reasonably require, the Depositary shall deliver to the applicable Company Shareholder, as soon as practicable and in accordance with Section 4.1(a)(iii), the certificate(s) representing, or other evidence of, the Purchaser Shares that such Company Shareholder is entitled to receive under the Arrangement, less such number of Purchaser Shares as is equivalent to any amounts withheld pursuant to Section 6.3.

(c) As soon as practicable after the Effective Time, the Depositary shall deliver to each holder of Company Options and RSUs (as reflected on the register maintained by or on behalf of the Company in respect of the Company Options and RSUs) as applicable, and in accordance with Section 4.1(a), the certificate(s) representing, or other evidence of, the Purchaser Shares that such holder of Company Options or RSUs is entitled to receive under the Arrangement, less such number of Purchaser Shares as is equivalent to any amounts withheld pursuant to Section 6.3.

(d) Until surrendered as contemplated by this Section 6.1, each certificate that immediately prior to the Effective Time represented outstanding Company Shares shall be deemed, immediately after the completion of the transactions contemplated in Section 4.1(a)(iii), to represent only the right to receive upon such surrender the Consideration in lieu of such certificate as contemplated in Section 4.1(a)(iii). Any such certificate formerly representing outstanding Company Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Company Shareholder of any kind or nature against or in the Purchaser or the Company.

(e) Any payment made by way of cheque by the Depositary or by the Company pursuant to the Arrangement that has not been deposited or has been returned to the Depositary or the Company or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the

Effective Time, shall cease to represent a right or claim of any kind or nature, and the right of any Affected Securityholder to receive the consideration for any Affected Securities pursuant to the Arrangement shall terminate and be deemed to be surrendered and forfeited to the Company for no consideration.

(f) No Affected Securityholder shall be entitled to receive any consideration with respect to Affected Securities other than the consideration such Affected Securityholder is entitled to receive in accordance with Section 3.1, and no Affected Securityholder shall be entitled to receive any interest, dividends, premium or other payment in connection therewith. No dividend or other distribution declared or made after the Effective Time with respect to Affected Securities or with a record date on or after the Effective Date shall be delivered to the holder of any unsurrendered certificate that, immediately prior to the Effective Date, represented outstanding Affected Securities.

Section 6.2 Lost Certificates

In the event any certificate that, immediately prior to the Effective Time, represented one or more outstanding Company Shares that were transferred pursuant to this Plan of Arrangement has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will pay and deliver, in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive pursuant to Section 4.1(a)(iii), net of any amounts required to be withheld pursuant to Section 6.3. When authorizing such payment and delivery in exchange for any lost, stolen or destroyed certificate, the Person to whom the payment is made shall, as a condition precedent to the delivery thereof, give a bond satisfactory to the Company, the Purchaser and the Depositary in such sum as the Purchaser may direct or shall otherwise indemnify the Purchaser in a manner satisfactory to the Purchaser against any claim that may be made against the Purchaser with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 6.3 Withholding Rights

The Company, the Purchaser and the Depositary shall be entitled to deduct and withhold from any consideration payable or otherwise deliverable to any Person under this Plan of Arrangement (including any Company Shareholders exercising Dissent Rights), and from all dividends, other distributions or other amounts otherwise payable to any former Company Shareholder or former holders of Company Options or RSUs, such amounts (or Purchaser Shares equivalent in value to such amounts) as the Company, the Purchaser or the Depositary are required, or reasonably believe to be required, to deduct and withhold with respect to such payment under the Tax Act or any provision of applicable Laws and shall remit such amounts to the appropriate Governmental Entity. To the extent that amounts are so deducted and withheld, such deducted and withheld amounts shall be treated for all purposes as having been paid to the Person in respect of which such deduction and withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Entity.

Section 6.4 No Liens

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

Section 6.5 Taxation of Company Options

No deduction will be claimed by the Company in respect of any payment made to a holder of Company Options in respect of the Company Options pursuant to this Plan of Arrangement who is a resident of Canada or who is employed in Canada (both within the meaning of the Tax Act) in computing its income for purposes of the Tax Act, and the Purchaser shall cause the Company to (i) make an election pursuant to subsection 110(1.1) of the Tax Act in respect of the payments made in exchange for the surrender of Company Options, and (ii) provide evidence in writing of such election to holders of Company Options.

ARTICLE 7
AMENDMENTS

Section 7.1 Amendments to Plan of Arrangement

(a) The Company shall make any amendments to this Plan of Arrangement referred to in Section 2.7 of the Arrangement Agreement.

(b) In addition, and subject to the Purchaser's rights under section 2.7 of the Arrangement Agreement:

(i) The Company and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Company and the Purchaser, each acting reasonably, (iii) be filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) be communicated to the Affected Securityholders if and as required by the Court.

(ii) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Company Meeting (provided that the other of the Company or the Purchaser, as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(iii) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only if (i) it is consented to in writing by each of the Company and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Company Shareholders voting in the manner directed by the Court.

(iv) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter that, in the reasonable opinion of the

Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement.

ARTICLE 8
FURTHER ASSURANCES

Section 8.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

Appendix "A" to the Plan of Arrangement – Closing Certificate

Re: Arrangement Agreement dated February ●, 2020 among Orocobre Limited and Advantage Lithium Corp. (the "Arrangement Agreement")

Defined terms used but not defined in this certificate shall have the meaning ascribed thereto in the Arrangement Agreement.

Each of the undersigned hereby confirms that the undersigned is satisfied that the conditions precedent to its respective obligations to complete the Arrangement Agreement have been satisfied and that the Arrangement is completed as of _____(am/pm Vancouver local time) (the "**Effective Time**") on _____, 2020 (the "**Effective Date**").

ADVANTAGE LITHIUM CORP.

Per: _____

Authorized Signing Officer

OROCOBRE LIMITED

Per: _____

Authorized Signing Officer

SCHEDULE B
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) involving Advantage Lithium Corp. (the "**Company**"), as more particularly described and set forth in the management proxy circular (the "**Circular**") of the Company dated ●, 2020 accompanying the notice of this meeting (as the Arrangement may be amended, modified or supplemented in accordance with the arrangement agreement) made as of February 18, 2020 between the Company and Orocobre Limited (the "**Arrangement Agreement**"), is hereby authorized, approved and adopted.

2. The plan of arrangement of the Company (as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement (the "**Plan of Arrangement**")), the full text of which is set out in Appendix "●" to the Circular, is hereby authorized, approved and adopted.

3. The (i) Arrangement Agreement and all the transactions contemplated therein, (ii) actions of the directors of the Company in approving the Arrangement Agreement, and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.

4. The Company be and is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of the Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Company are hereby authorized and empowered to, without notice to or approval of the shareholders of the Company, (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and the Plan of Arrangement and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any one director or officer of the Company be, and is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

SCHEDULE C
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

(a) **Organization and Qualification**. The Company is a corporation duly incorporated and validly existing under the Laws of the Province of British Columbia and has the corporate power and authority to own and operate its assets and conduct its business as now owned and conducted. The Company is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which its assets are located or it conducts business, except where the failure to be so qualified, licensed, registered or in good standing would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(b) **Corporate Authorization.**

(i) The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by the Company of its obligations under this Agreement have been duly authorized by all necessary corporate action on the part of the Company, and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement or the consummation of the Arrangement other than (A) approval by the Board of the Company Circular; (B) the Arrangement Resolution being adopted by the Company Shareholders at the Company Meeting in accordance with the Interim Order and Law; (C) obtaining the Interim Order and the Final Order in the manner contemplated in this Agreement, and (D) providing the Registrar under the Corporations Act with any records, information or other documents required by him or her in connection with the Arrangement.

(ii) The Board has received the Fairness Opinion (a true and complete copy of which, when executed and delivered in writing, will be delivered to the Purchaser by the Company), and as at the date of this Agreement, after receiving advice of outside legal and financial advisors, the Board has (A) determined (with all directors other than the Interested Directors affirmatively determining and the Interested Directors abstaining) that the Consideration to be received by the Company Shareholders pursuant to the Arrangement is fair to such holders and that the Arrangement is in the best interests of the Company; (B) resolved to recommend (with all directors other than the Interested Directors affirmatively recommending and the Interested Directors abstaining) that the Company Shareholders vote in favour of the Arrangement Resolution; and (C) authorized (with all directors other than the Interested Directors affirmatively authorizing and the Interested Directors abstaining) the entering into of this Agreement and the performance by the Company of its obligations under this Agreement, and no action has been taken to amend or supersede such determinations, resolutions, or authorizations.

(c) **Execution and Binding Obligation**. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding agreement of the Company enforceable against it in accordance with its terms, subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(d) **Governmental Authorization.** The execution, delivery and performance by the Company of its obligations under this Agreement and the consummation of the Arrangement do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity other than (i) the Interim Order and any approvals required by the Interim Order; (ii) the Final Order; (iii) filings with the Registrar under the Corporations Act; (iv) any actions or filings with the Securities Authorities or the TSXV; and (v) any consents, waivers, approvals, actions or filings or notifications, the absence of which would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(e) **Non-Contravention**. The execution, delivery and performance by the Company of its obligations under this Agreement and the consummation of the Arrangement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

(i) contravene, conflict with, or result in any violation or breach of the Company's Constating Documents;

(ii) assuming compliance with the matters referred to in paragraph (d) above, contravene, conflict with or result in a violation or breach of any Law applicable to the Company; or

(iii) except as set out in the Company Disclosure Letter, allow any Person to exercise any rights, require any consent or notice under or other action by any Person in any material respect, or constitute a material default under, or cause or permit the termination, cancellation, acceleration or other change of any material right or obligation or the loss of any material benefit to which the Company or any of its Subsidiaries is entitled (including by triggering any material rights of first refusal or first offer, change-in-control provisions or other restrictions or limitations) under any Material Contract or any material Authorization to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound.

(f) **Capitalization**.

(i) The authorized capital of the Company consists of an unlimited number of Company Shares and an unlimited number of preferred shares without par value. As of the date of this Agreement, there were 162,806,792 Company Shares issued and outstanding and no preferred shares issued and outstanding. All outstanding Company Shares have been duly authorized and validly issued and are fully paid and non-assessable. None of the outstanding Company Shares or preferred shares is subject to any voting trust, shareholder agreement, voting agreement or similar agreement or arrangement.

(ii) The Company Disclosure Letter contains a list: (A) of the names and holdings of each individual who holds Company Options and/or RSUs and the number of such Company Options and/or RSUs, as indicated by type, held as of the close of business on February 14, 2020; (B) the exercise price of each Company Option; and (C) the aggregate amount payable to the holders of the Company Options and the RSUs on the Effective Date, applying the methodology set forth in the Plan of Arrangement. All of the Company Shares issuable upon the exercise of rights

under the Stock Option Plan, including outstanding Company Options, have been duly authorized and, upon issuance in accordance with their respective terms, will be validly issued as fully paid and non-assessable and are not and will not be subject to or issued in violation of, any pre-emptive rights.

(iii) Except for outstanding rights under the Stock Option Plan and the RSU Plan, there are no issued, outstanding or authorized options, equity-based awards, warrants, compensation warrants, calls, conversion, pre-emptive, redemption, repurchase, stock appreciation or other rights, or any other agreements, arrangements, instruments or commitments of any kind that obligate the Company or any of its Subsidiaries to, directly or indirectly, issue or sell any securities of the Company or any of its Subsidiaries or give any Person a right to subscribe for or acquire any securities of the Company or any of its Subsidiaries.

(iv) All outstanding securities of the Company have been issued in material compliance with all applicable Laws.

(v) There are no bonds, debentures or other evidences of indebtedness of the Company or any of its Subsidiaries outstanding having the right to vote (or that are convertible or exercisable for securities having the right to vote) with Company Shareholders on any matter.

(vi) There are no issued, outstanding or authorized obligations on the part of the Company to repurchase, redeem or otherwise acquire any securities of the Company, or qualify securities for public distribution in Canada, the U.S. or elsewhere, or with respect to the voting or disposition of any securities of the Company.

(vii) All dividends and distributions on the voting and other equity securities of the Company that have been declared or authorized have been paid in full.

(g) **Subsidiaries**.

(i) The Company Disclosure Letter sets forth a complete and accurate list as of the date of this Agreement of all Persons in which the Company owns or controls, directly or indirectly, any equity or proprietary interest, indicating (A) the name and jurisdiction of incorporation, organization or formation of such Person, and (B) the percentage equity or proprietary interest of such Person owned directly or indirectly by the Company.

(ii) Each Subsidiary of the Company is a corporation, partnership, trust or limited partnership, as the case may be, duly organized, validly existing and in good standing in all material respects under the Laws of the jurisdiction of its incorporation, organization or formation, as the case may be, and has all requisite corporate, trust or partnership power and authority, as the case may be, to own and operate its material assets and conduct its business as now owned and conducted in all material respects.

(iii) The Company is, directly or indirectly, the registered and beneficial owner of all of the outstanding shares of capital stock or other equity interests of each of its Subsidiaries, in each case free and clear of any Liens (other than Permitted Liens).

All such shares of capital stock or other equity interests so owned by the Company have been validly issued and are fully paid and non-assessable.

(iv) The Company:

(A) has no legal or beneficial right in and has not agreed to acquire, subscribe for or take up, any shares or other securities in any company, any units in any unit trust or any other ownership interests in any other entity;

(B) does not control (within the meaning of the Corporations Act) any company or other entity;

(C) is not a member of or party to any joint venture, consortium, partnership or unincorporated association, other than a recognized trade association; and

(D) is not party to any agreement for participation with any other person in any business activity deriving profits, commissions or other income.

(h) **Securities Law Matters**.

(i) The Company is a "reporting issuer" under applicable Securities Laws in the provinces of British Columbia, Alberta, Ontario and New Brunswick. The Company Shares are listed and posted for trading on the TSXV. The Company is not in default of any requirements of any Securities Laws or the rules and regulations of the TSXV.

(ii) As of the date of this Agreement, the Company has not taken any action to cease to be a reporting issuer in any province of Canada nor has the Company received notification from any Securities Authority seeking to revoke the reporting issuer status of the Company. As of the date of this Agreement, no delisting, suspension of trading or cease trade or other order or restriction with respect to any securities of the Company is pending or, to the knowledge of the Company, threatened.

(iii) The Company has filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed under Securities Laws since July 31, 2019. The documents comprising the Company Filings complied as filed in all material respects with Law and did not, as of the date filed (or, if amended or superseded by a subsequent filing prior to the date of this Agreement, on the date of such subsequent filing), contain any Misrepresentation and were complete and accurate in all material respects and not misleading in any material respect. The Company has not filed any confidential material change report that remains confidential at the date of this Agreement. To the knowledge of the Company, neither the Company nor any of the Company Filings is subject of an ongoing audit, review, comment or investigation by any Securities Authority or the TSXV.

(i) **Financial Statements**. The Company's audited consolidated financial statements (including any of the notes or schedules thereto, the auditor's report thereon and the

related management discussion and analysis) and the unaudited consolidated interim financial statements (including any of the notes or schedules thereto and related management discussion and analysis included in the Company Filings) included in the Company Filings were prepared in accordance with IFRS and fairly present in all material respects the consolidated statement of income, comprehensive income, financial position and cash flows of the Company and its Subsidiaries as of their respective dates and for the respective periods covered by such financial statements (except as may be expressly indicated in the notes to such financial statements), subject to normal year-end adjustments and the absence of notes in the case of any interim financial statements. The Company does not intend to correct or restate, nor, to the knowledge of the Company, is there any basis for any correction or restatement of, any aspect of any of the Company's financial statements included in the Company Filings (other than any corrections or restatements required as a result of changes in IFRS that have retroactive application). There are no, nor are there any commitments to become a party to any, off-balance-sheet transaction, arrangement, obligation (including contingent obligations) or other similar relationships of the Company or of any of its Subsidiaries with unconsolidated entities or other Persons.

(j) **Books and Records**. In the past five (5) years, all accounting and financial Books and Records (i) have been maintained in all material respects in accordance with IFRS, (ii) are stated in reasonable detail, (iii) accurately and fairly reflect all the material transactions, acquisitions and dispositions of the Company and its Subsidiaries, and (iv) accurately and fairly reflect the basis of the Company's financial statements.

(k) **Accounting and Audited Practices.** To the knowledge of the Company, none of the Company, any of its Subsidiaries, any director, officer, auditor, accountant or representative of the Company or any of its Subsidiaries has received or otherwise obtained knowledge of any material complaint, allegation, assertion, or claim, whether written or oral, regarding accounting or auditing matters, including any material complaint, allegation, assertion, or claim that the Company or any of its Subsidiaries has engaged in questionable accounting or auditing practices, or any expression of concern from its employees regarding questionable accounting or auditing matters.

(l) **Absence of Certain Changes.** Since July 31, 2019, other than the transactions contemplated in this Agreement or as disclosed in the Company Filings, the business of the Company and its Subsidiaries has been conducted in the Ordinary Course, consistent with past practices in all material respects, and there has not been any event, occurrence, development or state of circumstances or facts that has had or would be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(m) **No Undisclosed Liabilities.** There are no liabilities or obligations of the Company or any of its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations (i) disclosed in the audited consolidated financial statements of the Company as at July 31, 2019; (ii) incurred in the Ordinary Course since July 31, 2019; (iii) incurred in connection with the transactions contemplated in this Agreement; and (iv) that would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(n) **Compliance with Laws.** Since July 31, 2019, each of the Company and each of its Subsidiaries is and has been in compliance with Laws and, to the knowledge of the Company, none of the Company or the Subsidiaries is under any investigation with respect

to, has been charged or threatened to be charged with, or has received notice of, any violation or potential violation of any Laws, except, in each case, for failures to comply or violations that have not had or would not be reasonably expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(o) **Litigation.** As of the date of this Agreement, there are no Actions pending, or, to the knowledge of the Company, threatened, against the Company or any of its Subsidiaries or affecting any of their respective properties or assets that, if determined adverse to the interests of the Company or its Subsidiaries, (i) would have, or be reasonably expected to have, a Company Material Adverse Effect; or (ii) would restrain, enjoin or otherwise prohibit or delay or otherwise adversely affect the consummation of the Arrangement. There is no Award outstanding against or binding on the Company or any of its Subsidiaries that would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

(p) **Taxes**.

(i) All material Tax Returns required by Laws to be filed with any Governmental Entity by, or on behalf of, the Company or any of its Subsidiaries have been filed when due in accordance with all Laws (taking into account any applicable extensions), and all such material Tax Returns are, or shall be at the time of filing, true and complete in all material respects.

(ii) The Company and each of its Subsidiaries has paid, or has had paid on its behalf, or has collected, withheld and remitted to the appropriate Governmental Entity, all material Taxes due and payable by them before the date hereof, other than those Taxes being contested in good faith, and where payment is not yet due, has established in accordance with IFRS an adequate accrual for all Taxes through the end of the last period for which the Company and its Subsidiaries ordinarily record items on its Books and Records.

(iii) There are no Actions pending or, to the knowledge of the Company, threatened against the Company or its Subsidiaries in respect of any Tax.

(iv) There are no currently effective elections, agreements or waivers extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of any Taxes, or of the filing of any Tax Return or any payment of Taxes, by the Company or any of its Subsidiaries.

(v) There are no liens, other than Permitted Liens, with respect to Taxes upon any of the assets of the Company or its Subsidiaries.

(vi) The Company and its Subsidiaries have never been engaged in a trade or business in any country other than the country in which it is formed or organized, or is otherwise required to file a Tax Return in any jurisdiction outside of such country and no claim has ever been made by a Governmental Entity in a jurisdiction where the Company and its Subsidiaries do not file Tax Returns that they are or may be subject to the imposition of any Tax by, or required to file Tax Returns in, that jurisdiction.

(vii) The Company and its Subsidiaries (a) are not a party to or have any liability under any Tax sharing or Tax indemnification agreement or similar contract or arrangement or any agreement that obliges it to make any payment computed by reference to the Taxes, taxable income or taxable losses of any other person or (b) has no liability (contractual or otherwise) for Taxes of any other person.

(viii) Records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act have been made and obtained by the Company with respect to all material sections between the Company and any non-resident person with whom the Company was not dealing at arm's length for purposes of the Tax Act.

(q) **Employees**.

(i) Each of the Company and its Subsidiaries is in material compliance with all applicable terms and conditions of employment and all Laws respecting employment, including pay equity, wages, hours of work, overtime, vacation, human rights and work safety and health.

(ii) All amounts due or accrued due for all salary, wages, bonuses, commissions, vacation with pay, sick days and benefits under Employee Plans and other similar accruals have either been paid or are accurately reflected in all material respects in the Books and Records of the Company and its Subsidiaries.

(iii) The Company Disclosure Letter sets forth a true and complete list of all material Company Employee–related claims, complaints, investigations or orders under any such Law now pending or, to the knowledge of Company, threatened against the Company or any of its Subsidiaries by or before any Governmental Entity as of the date hereof and, as of the date hereof, no such claims, complaints, investigations or orders could reasonably be expected to have a Company Material Adverse Effect.

(iv) Except as disclosed in the Company Disclosure Letter, no Company Employee has any agreement as to length of notice or severance payment required to terminate his or her employment, other than such as results from Law from the employment of an employee without an agreement as to notice or severance.

(v) Except as disclosed in the Company Disclosure Letter, there are no change-of-control payments, golden parachutes, severance payments, retention payments, Contracts or other agreements with current or former Company Employees providing for cash or other compensation or benefits upon the consummation of, or relating to, the Arrangement, including a change of control of the Company or of any of its Subsidiaries.

(vi) There are no material outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety, workers' compensation or insurance legislation; neither the Company nor any Subsidiary has been reassessed in any material respect under such legislation during the past three years; and, to the knowledge of the Company, no audit of the Company or any Subsidiary is currently being performed pursuant to any applicable workplace safety, workers' compensation or insurance legislation. As of the date of this Agreement, to the Company's knowledge, there are no claims or,

potential claims that may materially adversely affect the Company and its Subsidiaries' accident cost experience.

(vii) All material orders and material inspection reports under applicable workplace safety and health legislation ("**WSHL**") have been provided or otherwise made available to the Purchaser. To the knowledge of the Company, there are no charges pending under WSHL. The Company has complied in all material respects with any orders issued under WSHL and there are no appeals of any orders under WSHL currently outstanding.

(r) **Employee Plans**.

(i) The Company Disclosure Letter lists all Employee Plans. The Company has provided or otherwise made available to the Purchaser true, complete and up-to-date copies of all Employee Plans, as amended, or summaries of the material terms thereof if unwritten, together with all related material documentation in respect of each Employee Plan, including funding, trust and investment management agreements, insurance contracts, service agreements, award agreements, summary plan descriptions, consultants' reports, actuarial reports, valuations, annual information returns, financial statements and asset statements, for each of at least the last three years.

(ii) All of the Employee Plans are and have been established, registered, amended, qualified, funded, invested and administered in accordance with all Laws in all material respects, and in material compliance with their terms, the terms of the material documents that support such Employee Plans and the terms of agreements between the Company and/or its Subsidiaries and Company Employees (present and former) who are members of, or beneficiaries under, the Employee Plans. To the knowledge of the Company, no fact or circumstance exists that could adversely affect the registered status of any such Employee Plan. Neither the Company nor, to the knowledge of the Company, any of its agents or delegates has breached any fiduciary obligation with respect to the administration or investment of any Employee Plan that would result in any material liability of the Company or its Subsidiaries.

(iii) (A) All current material obligations of the Company regarding the Employee Plans (including, for greater certainty, all reports, filings, disclosures or notices required to have been filed, delivered or issued) have been satisfied, and (B) all material contributions, premiums or Taxes required to be withheld, paid or remitted by the Company by Laws or under the terms of each Employee Plan have been made in a timely fashion in material compliance with Laws and the terms of the applicable Employee Plan.

(iv) To the knowledge of the Company, no Employee Plan is subject to any pending Action initiated by any Governmental Entity, or by any other party (other than routine claims for benefits) and, to the knowledge of the Company, there exists no state of facts that could reasonably be expected to give rise to any such Action.

(v) Except as provided in this Agreement or set forth in the Company Disclosure Letter, the execution, delivery and performance of this Agreement and the consummation of the Arrangement will not (A) result in any material payment

(including, without limitation, bonus, golden parachute, retirement, severance, unemployment compensation, or other benefit or enhanced benefit) becoming due or payable to any of the Company Employees (present or former), (B) materially increase the compensation or benefits otherwise payable to any Company Employee (present or former), or (C) result in the acceleration of the time of payment or vesting of any material benefits or entitlements otherwise available pursuant to any Employee Plan (except for outstanding Company Options and RSUs).

(vi) Except as required by Law, none of the Employee Plans (other than registered or other pension plans) provides for retiree or post-termination benefits or for benefits to retired or terminated employees or to the beneficiaries or dependants of retired or terminated employees and no Employee Plan provides medical or other group health and welfare benefits other than through a contract of insurance.

(vii) With respect to each Employee Plan that is a registered pension plan, (A) all contribution holidays under and surplus withdrawals from the Employee Plan have been taken in accordance with Law, (B) no Employee Plan that is a defined benefit registered pension plan has received a transfer of assets from or been merged with another registered pension plan or has been subject to a partial wind-up in respect of which surplus assets relating to the partial wind-up group were not dealt with at the time of partial wind-up, (C) no assets have been applied other than for proper payments of benefits, refunds of over-contributions and permitted payments of reasonable expenses incurred by or in respect of an Employee Plan, (D) no conditions have been imposed by any Person and no undertakings or commitments have been given to any employee, union or any other Person concerning the use of assets relating to any Employee Plan or any related funding medium or any deviation from any Employee Plan, and (E) no such Employee Plan is a multi-employer pension plan as defined in applicable pension standards legislation.

(viii) None of the Employee Plans, or any insurance contract relating thereto, require or permit a retroactive increase in premiums, contributions or payments, or require additional premiums or payments on termination of the Employee Plan or any insurance contact relating thereto.

(ix) All data necessary to administer each Employee Plan in all material respects is in the possession of the Company and is in a form which is sufficient for the proper administration of the Employee Plan in material compliance with its terms and all applicable Laws and such data is complete and correct.

(s) **Collective Agreements**.

(i) As of the date hereof, neither the Company nor its Subsidiaries are party to any Collective Agreements.

(ii) No Collective Agreement is currently being negotiated in respect of Company Employees.

(iii) To the knowledge of the Company, there are no pending or threatened union organizing activities involving any Company Employees. There is no labour strike,

dispute, work slowdown or stoppage pending or involving or, to the knowledge of the Company, threatened against the Company, and no such event has occurred within the last five (5) years.

(iv) To the knowledge of the Company, there are no outstanding labour tribunal proceedings of any kind or other events of any nature whatsoever, including any proceedings that could result in certification, interim certification, voluntary recognition, or succession rights of a trade union, council of trade unions, employee bargaining agencies, affiliated bargaining agent or any other Person as bargaining agent for any Company Employees.

(v) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any of the Company Employees by way of certification, interim certification, voluntary recognition, or succession rights, or has applied or, to the knowledge of the Company, threatened to apply to be certified as the bargaining agent of any Company Employees.

(vi) Neither the Company nor any of its Subsidiaries has engaged in any lay-off activities within the past three (3) years that would violate group termination or lay-off requirements of the *Employment Standards Act* (British Columbia) or other Law.

(vii) Neither the Company nor any of its Subsidiaries has engaged in any unfair labour practice, and no unfair labour practice complaint, grievance or arbitration proceeding is pending or, to the knowledge of Company, threatened against the Company or any of its Subsidiaries.

(viii) There are no outstanding labour board or tribunal proceedings of any kind or other event of any nature whatsoever, including any proceedings that could result in certification, interim certification, voluntary recognition, or succession rights of a trade union, council of trade unions, employee bargaining agencies, affiliated bargaining agent or any other Person as bargaining agent for any Company Employees..

(ix) To the knowledge of the Company, no trade union has applied to have the Company or any of its Subsidiaries declared a common, related or successor employer pursuant to the Labour Relations Code (British Columbia) or the Canada Labour Code or any similar legislation in any jurisdiction in which the Company or any of its Subsidiaries carries on business.

(t) **Environmental Matters**. (i) No written notice, order, complaint or penalty has been received by the Company or any of its Subsidiaries from any Governmental Entity that remains outstanding alleging that the Company or any of its Subsidiaries is in violation of, or has any liability or potential liability under, any Environmental Law, and, to the Company's knowledge, there are no Actions pending or threatened against the Company or any of its Subsidiaries that allege a violation of, or any liability or potential liability under, any Environmental Laws, (ii) each of the Company and its Subsidiaries has all environmental permits necessary for the operation of its respective business and to comply with all Environmental Laws in all material respects, and (iii) the operations of the Company and each of its Subsidiaries are in compliance in all material respects with Environmental Laws.

(u) **Real Property**.

(i) (A) Each of the Company and its Subsidiaries has valid, good and marketable title to all of the real or immovable property owned by the Company or such Subsidiary, as applicable (the "**Owned Properties**"), free and clear of any Liens, except for Permitted Liens, and (B) there are no outstanding options or rights of first refusal to purchase the Owned Properties, or any portion thereof or interest therein.

(ii) To the knowledge of the Company (A) each lease or sublease for real or immovable property leased or subleased by the Company or any of its Subsidiaries (the "**Leased Properties**") is valid, legally binding, enforceable and in full force and effect in all material respects, (B) neither the Company nor any of its Subsidiaries is in material breach of, or material default under, any such lease or sublease, and no event has occurred that, with notice, lapse of time or both, would constitute such a material breach or material default by the Company or any of its Subsidiaries or permit termination, modification or acceleration by any third party thereunder, and (C) no third party has repudiated or has the right to terminate or repudiate any such lease or sublease (except for the normal exercise of remedies in connection with a default thereunder or any termination rights set forth in the lease or sublease) or any provision thereof.

(v) **Personal Property**. Subject to the rights and remedies of the landlords or sub-landlords pursuant to the Leases and Permitted Lien, each of the Company and its Subsidiaries has valid, good and marketable title to all personal property owned by it, except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(w) **Intellectual Property**. (i) Each of the Company and its Subsidiaries owns or possesses, or has a license to or otherwise has the right to use, all Intellectual Property that is material and necessary for the conduct of its business as presently conducted, (ii) all Intellectual Property owned by the Company or any of its Subsidiaries is valid and enforceable in all material respects, subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction, and does not materially infringe upon the rights of others, and (iii) to the knowledge of the Company, no third party is infringing in any material way upon the Intellectual Property owned by the Company or any of its Subsidiaries.

(x) **Environmental Matters**.

(i) To the knowledge of the Company, all activities on or in relation to the Owned Properties and the Leased Properties or any properties previously owned or leased by the Company or any of its Subsidiaries (collectively, the "**Company Properties**") have been carried out in material compliance with all Environmental Laws, and there are no outstanding orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures.

(ii) To the knowledge of the Company, the Company Properties do not lie within any protected area, rescued area, reserve, reservation, reserved area or special needs lands as designated by any governmental entity having jurisdiction that would materially impair the development of a mining project on such lands.

(iii) No material dispute between and any non-governmental organization, community, community group, aboriginal peoples or aboriginal group exists or, to the knowledge of the Company, is threatened or imminent with respect to the Company Properties. Neither the Company nor any of its Subsidiaries has received any material correspondence from any non-governmental organization, community, community group, aboriginal peoples or aboriginal group in relation to the Company Properties.

(iv) To the knowledge of the Company, no archaeological remains have been discovered and no damages to any archaeological remains have been caused as a direct or indirect result of activities undertaken by the Company or any of its Subsidiaries or any prior title holder on the Company Properties.

(v) Neither the Company nor any of its Subsidiaries has received any notice of or been prosecuted for an offence alleging a material violation of or material non-compliance with any Environmental Laws, and neither the Company nor any of its Subsidiaries has settled any allegation of a material violation or material non-compliance short of prosecution. To the knowledge of the Company, there are no orders of a Government Authority relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to the business or any property, facilities or assets (whether owned, leased or licensed) of the Company or any of its Subsidiaries, including, for greater certainty, the Company Mining Rights.

(vi) To the knowledge of the Company, neither the Company nor any of its Subsidiaries has used, disposed of, generated, stored, treated, transported, dumped, released, deposited, buried or emitted any hazardous substance or waste at, on, from, to or under any of the Company Properties or any other property. To the knowledge of the Company, no other Person has used, disposed of, generated, stored, treated, transported, dumped, released, deposited, buried, or emitted any dangerous substance or waste, at, on, from, to or under the Company Properties.

(y) **Title to the Assets**.

(i) Except in connection with the Arrangement, no Person has any right of first refusal, undertaking or commitment, or any right or privilege capable of becoming such, to purchase any of the material assets owned by the Company or any of its Subsidiaries or any part thereof or interest therein.

(ii) To the knowledge of the Company, no part of the Owned Properties or the Leased Properties has been taken, condemned or expropriated by any Governmental Entity, nor has any written notice or proceeding in respect thereof been given to the Company or commenced nor does any Person have any intent or proposal to give any such notice or commence any such proceedings.

(z) **Material Contracts**. To the knowledge of the Company, (i) each Material Contract is legal, valid, binding and in full force and effect and is enforceable by the Company or a Subsidiary, as applicable, in accordance with its terms, subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction, (ii) neither the Company nor any of its Subsidiaries

is in material breach or material default under any Material Contract, nor does the Company have knowledge of any condition that with the passage of time or the giving of notice or both would result in such a material breach or material default, and (iii) as of the date hereof, neither the Company nor any of its Subsidiaries knows of, or has received any notice (whether written or oral) of, any material breach, material default, cancelation, termination, or lack of renewal under any Material Contract by any other party to any Material Contract. Section (z) of the Company Disclosure Letter sets out a complete and accurate list of all Material Contracts as of the date hereof. No Material Contract that has been disclosed has, since such disclosure, been modified in any material respect, rescinded or terminated, except in the Ordinary Course.

(aa) **Insurance.** Each of the Company and its Subsidiaries is, and has been continuously since the commencement by it of any business, insured by reputable third party insurers pursuant to insurance policies that are appropriate to the business of the Company and such Subsidiaries, in such amounts and against such risks as are customarily carried and insured against by prudent owners of comparable businesses. The insurance policies of the Company and each of its Subsidiaries are in all material respects in full force and effect in accordance with their terms.

(bb) **Licences**. Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, (i) all Authorizations that are necessary for the Company or any of its Subsidiaries to own its assets or conduct its business as presently owned or conducted have been obtained and are in full force and effect in accordance with their terms, (ii) the Company and each of its Subsidiaries has performed the obligations required to be performed by it to date under all such Authorizations, (iii) none of the Company or any of its Subsidiaries is in breach of or default under any such Authorization, (iv) none of the Company or any of its Subsidiaries has received written or, to the knowledge of the Company, other notice of any alleged breach of or alleged default under any such Authorization or of any intention of any Governmental Entity to revoke or not renew any such Authorization, and (v) no proceedings are pending or, to the knowledge of Company, threatened that could reasonably be expected to result in the revocation of any such Authorization.

(cc) **Related-Party Transactions**. Except as disclosed in the Company Filings, neither the Company nor any of its Subsidiaries is indebted to any director, officer, employee or agent of, or independent contractor to, the Company or any of its Subsidiaries or any of their respective affiliates or associates (except for amounts due in the Ordinary Course as salaries, bonuses and director's fees or the reimbursement of Ordinary Course expenses). Except as disclosed in the Company Filings, there are no Contracts (other than employment arrangements) with, or advances, loans, guarantees, liabilities or other obligations to, on behalf or for the benefit of, any shareholder, officer or director of the Company or any of its Subsidiaries or any of their respective affiliates or associates.

(dd) **Mining Rights and Ancillary Rights.**

(i) The Company Disclosure Letter sets out a (i) list of all the material mining rights with respect to the Owned Properties and the Leased Properties, including any mining claim, mining concession, prospecting permit, mining lease and mining right within the meaning of applicable Law (collectively, the "**Company Mining Rights**") and (ii) a list of all material easements and surface rights from landowners or Governmental Authorities issued or granted to the Company, any of its

Subsidiaries or any joint venture partner of the Company in connection with the conduct of the business thereof. The Company (or the applicable Subsidiary Company or joint venture partner of the Company, as the case may be) has all material mining and ancillary rights necessary to conduct the business of such entity.

(ii) Except as set out in the Company Disclosure Letter, all of the Company Mining Rights have been recorded in the name of the Company or one it its Subsidiaries, as applicable, and, subject to minor omissions and errors that do not materially impact the ownership, use or exploitation of the Company Mining Rights, are duly registered in the applicable mining registry, in material compliance with applicable Laws. All of the Company Mining Rights are valid and in good standing in all material respects and all material rentals, fees, expenditures and other payments owed in respect thereof to Governmental Authorities have been paid or incurred and all material filings in respect thereof have been made to Governmental Authorities.

(iii) To the knowledge of the Company, (i) no person other than the Company or one of its Subsidiaries, as applicable, currently has any material preferential right or interest in the Company Mining Rights or the production or profits therefrom or any royalty or stream in respect thereof or any right to acquire any such interest; and (ii) there are no back-in rights, earn-in rights, rights of first refusal or similar provisions or rights which currently affect the Company's interest in the Company Mining Rights in any material respect.

(ee) **Compliance with NI 43-101.** The Cauchari JV Technical Report complied, in all material respects, with the requirements of NI 43-101 at the time of filing thereof. The Company made available to the authors of the Cauchari JV Technical Report, prior to the issuance of such report, for the purpose of preparing such report, all material information requested by the authors, which information, to the knowledge of the Company, did not contain any material misrepresentation at the time such information was so provided, and there have been no material changes to such information since the date of delivery or preparation thereof. The Company is in compliance, in all material respects, with the provisions of NI 43-101 and has filed all technical reports required thereby and there has been no disclosure of a change that would require the filing of a new technical report under NI 43-101.

(ff) **Minority Approval**. Other than the Company Shares held by (i) David Sidoo and (ii) the Purchaser and its affiliates, to the knowledge of the Company, no other votes attached to the Company Shares will be required to be excluded pursuant to MI 61-101 for the purposes of obtaining minority approval for the Arrangement Resolution pursuant to MI 61-101.

(gg) **Formal Valuation Exemption**. For the purpose of availing itself of the "Issuer Not Listed on Specified Markets" exemption from the formal valuation requirement set forth in Section 4.4(1)(a) of MI 61-101, the Company does not have any securities listed or quoted on the Toronto Stock Exchange, the Aequitas NEO Exchange Inc., the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or any stock exchange outside of Canada and the United States.

(hh) **Anti-Corruption.** To the knowledge of the Company, neither the Company nor any of its Subsidiaries, nor any of their predecessors or joint venture partners, nor any of their respective directors, officers, employees or agents, has knowingly offered or given on behalf of the Company, any of its Subsidiaries or any predecessor or joint venture partner, anything of value to any official of a Governmental Authority, any political party or official thereof or any candidate for political office, for the purpose of any of the following:

(i) influencing any action or decision of such person in such person's official capacity, including a decision to fail to perform such person's official function in order to obtain or retain an advantage in the course of business;

(ii) inducing such person to use such person's influence with any Governmental Authority to affect or influence any act or decision of such Governmental Authority to assist the Company, any of its Subsidiaries or any joint venture partners in obtaining or retaining business for, with, or directing business to, any person or otherwise to obtain or retain an advantage in the course of business; or

(iii) where such payment would constitute a bribe, rebate, payoff, influence payment, kickback or illegal or improper payment to assist the Company, any of its Subsidiaries or any of their respective predecessors or joint venture partners in obtaining or retaining business for, with, or directing business to, any person.

To the knowledge of the Company, neither the Company nor any of its Subsidiaries, nor any of their respective predecessors or joint venture partners, nor any of their respective directors, officers, employees or agents, has taken any action that would cause the Company, any of its Subsidiaries or any of their predecessors to be in violation in any material respect of the *Corruption of Foreign Public Officials Act* (Canada), the *Foreign Corrupt Practices Act of 1977* (United States) or any similar legislation in any jurisdiction in which it conducts its business and to which it is subject.

(ii) **No Bankruptcy Proceedings.** To the knowledge of the Company, there has not been any petition or application filed, or any judicial or administrative proceeding commenced that has not been discharged, by or against the Company or any of its Subsidiaries with respect to any of their respective material assets under any Law relating to bankruptcy, insolvency, reorganization, fraudulent transfer, compromise, arrangement of debt, creditors' rights and no assignment has been made by it for the benefit of creditors. To the knowledge of the Company, no meeting has been convened or resolution or petition proposed or order made for either the Company or any of its Subsidiaries to be wound up or dissolved.

(jj) **No Brokers.** Except as disclosed in the Company Disclosure Letter, there is no investment banker, broker, finder or other intermediary which has been retained by or is authorized to act on behalf of the Company or any of its Subsidiaries who is or might be entitled to any fee, commission or payment in connection with the negotiation, preparation, execution or delivery of any document contemplated under this Agreement, or the consummation of the transactions contemplated hereby, nor is there any basis for any such fee, commission or payment to be claimed by any Person against the Company or any of its Subsidiaries.

SCHEDULE D
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

(a) **Organization and Qualification**. The Purchaser is a corporation incorporated under the laws of Australia. The Purchaser has the corporate power and authority to own and operate its assets and conduct its business as now owned and conducted. The Purchaser is duly qualified, licensed or registered to carry on business and is in good standing in each jurisdiction in which its assets are located or it conducts business, except where the failure to be so qualified, licensed, registered or in good standing would not be reasonably expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

(b) **Corporate Authorization**. The Purchaser has the requisite corporate power and authority to enter into and perform its obligations under this Agreement. The execution, delivery and performance by the Purchaser of its obligations under this Agreement have been duly authorized by all necessary corporate action on the part of the Purchaser, and no other corporate proceedings on the part of the Purchaser are necessary to authorize this Agreement or the consummation of the Arrangement.

(c) **Execution and Binding Obligation**. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement of the Purchaser, enforceable against it in accordance with its terms, subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

(d) **Governmental Authorization**. The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the Arrangement do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Entity other than (i) the Interim Order and any approvals required by the Interim Order; (ii) the Final Order; (iii) filings with the Registrar under the Corporations Act; (iv) any actions or filings with the Securities Authorities, the TSX and the ASX; and (v) any consents, waivers, approvals, actions or filings or notifications, the absence of which would not be reasonably expected to materially impede or delay the ability of the Purchaser to consummate the Arrangement.

(e) **Non-Contravention**. The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the Arrangement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

(i) contravene, conflict with, or result in any violation or breach of any of the articles, by-laws or other constating documents of the Purchaser;

(ii) assuming compliance with the matters referred to in paragraph (d) above, contravene, conflict with or result in a violation or breach of any Law applicable to the Purchaser; or

(iii) allow any Person to exercise any rights, require any consent or notice under or other action by any Person, or constitute a default under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which the Purchaser or any of its Subsidiaries is entitled

(including by triggering any rights of first refusal or first offer or other material restrictions or limitations) under any material contract;

with such exceptions, in the case of each of clauses (ii) and (iii), as would not be reasonably expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

(f) **Securities Law Matters**.

(i) The Purchaser is a "reporting issuer" under applicable Securities Laws in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, and in Australia. The Purchaser Shares are listed and posted for trading on the TSX and the ASX. The Purchaser is not in default of any material requirements of any Securities Laws or the rules and regulations of the TSX or the ASX.

(ii) As of the date of this Agreement, the Purchaser has not taken any action to cease to be a reporting issuer in any province of Canada nor has the Purchaser received notification from any Securities Authority seeking to revoke the reporting issuer status of the Purchaser. As of the date of this Agreement, no delisting, suspension of trading or cease trade or other order or restriction with respect to any securities of the Purchaser is pending or, to the knowledge of the Purchaser, threatened.

(iii) The Purchaser has filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed under Securities Laws since July 31, 2019. The documents constituting the Purchaser Filings complied as filed in all material respects with Law and did not, as of the date filed (or, if amended or superseded by a subsequent filing prior to the date of this Agreement, on the date of such subsequent filing), contain any Misrepresentation. The Purchaser has not filed any confidential material change report that remains confidential at the date of this Agreement.

(g) **Purchaser Shares**. The authorized capital of the Purchaser consists of an unlimited number of common shares. As at the date hereof there are: (i) 261,910,892 Purchaser Shares issued and outstanding; and (ii) Purchaser Shares reserved for issuance pursuant to an aggregate of 1,212,997 issued and outstanding performance rights. All outstanding Purchaser Shares have been authorized and are validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights. The Purchaser Shares to be issued pursuant to the Arrangement, upon issuance, will be validly issued as fully paid and non-assessable, will be listed for trading on the TSX and ASX, and will not be subject to any contractual or other restrictions on transferability or voting.

(h) **Securities Ownership**. As of the date of this Agreement, the Purchaser beneficially owns 56,564,909 common shares of the Company.

(i) **Financial Statements**. The Purchaser's audited consolidated financial statements as at the end of the fiscal years ended June 30, 2019, and June 30, 2018 (including any of the notes or schedules thereto, the auditor's report thereon and related management's discussion and analysis) and the unaudited consolidated interim financial statements as at the end of the three months ended September 30, 2019 (including any of the notes or schedules thereto and related management's discussion and analysis included in the

Purchaser Filings) were prepared in accordance with IFRS and fairly present in all material respects the consolidated statement of income, comprehensive income, financial position and cash flows of the Purchaser or its Subsidiaries as of their respective dates and for the respective periods covered by such financial statements (except as may be expressly indicated in the notes to such financial statements), subject to normal year-end adjustments and the absence of notes in the case of any interim financial statements.

(j) **Absence of Certain Changes**. Since June 30, 2019, other than the transactions contemplated in this Agreement or as disclosed in the Purchaser Filings, the business of the Purchaser and its Subsidiaries has been conducted in the Ordinary Course consistent with past practices and there has not been any event, occurrence, development or state of circumstances or facts that has had or would reasonably be expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

(k) **No Undisclosed Liabilities**. There are no liabilities or obligations of the Purchaser or any of its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than liabilities or obligations: (i) disclosed in the audited consolidated financial statements of the Purchaser as at June 30, 2019; (ii) incurred in the ordinary course since June 30, 2019; (iii) incurred in connection with the transactions contemplated in this Agreement; and (iv) that would not be reasonably expected to have, individually or in the aggregate, a Purchaser Material Adverse Effect.

(l) **Litigation**. As of the date of this Agreement, there are no Actions pending, or, to the knowledge of the Purchaser, threatened, against the Purchaser or any of its Subsidiaries or affecting any of their respective properties or assets that, if determined adverse to the interests of the Purchaser or any of its Subsidiaries, would have, or be reasonably expected to have a Purchaser Material Adverse Effect.

(m) **Support Agreements**. The Purchaser has entered into Support Agreements with each of the Supporting Shareholders and, except as disclosed to the Company, has not entered into any other agreements with such holders or other Company Shareholders in respect of the Arrangement.

(n) **United States Securities Law Matters**. The Purchaser: (i) is a “foreign private issuer” as defined in Rule 405 under the U.S. Securities Act; and (ii) is not registered or required to register as an investment company under the United States Investment Company Act of 1940, as amended.