

AGENCY AGREEMENT

November 2, 2023

Earthworks Industries Inc.
800 West Pender Street, Suite 615
Vancouver, British Columbia
V6C 2V6

Attention: David Brent Atkinson, President & Chief Executive Officer

The undersigned, Haywood Securities Inc. (the “**Agent**”), as lead agent and sole bookrunner, understands that Earthworks Industries Inc. (the “**Company**”) proposes to issue and sell, on a private placement basis pursuant to the listed issuer financing exemption (“**Listed Issuer Financing Exemption**”) under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**”), a minimum of 5,000,000 units of the Company (the “**Units**”) at a price of \$0.20 per Unit (the “**Subscription Price**”) up to a maximum of 7,500,000 Units, for aggregate gross proceeds to the Company of a minimum of \$1,000,000 up to a maximum of \$1,500,000 (the “**Offering**”). The Company has prepared and filed an offering document dated September 21, 2023 (the “**Initial Offering Document**”) and an amended and restated offering document dated October 17, 2023 (the “**Amended Offering Document**”) and together with the Initial Offering Document, the “**Financing Document**”) on SEDAR+ (as defined below) in respect of the Offering.

Each Unit consists of one Common Share (as defined herein) (a “**Unit Share**”) and one common share purchase warrant of the Company (a “**Warrant**”). The Warrants will be governed by a warrant indenture between the Company and the Warrant Agent (as defined herein) dated the Closing Date (as defined below) pursuant to which the Warrants will be issued and providing for the definitive terms of the Warrants (the “**Warrant Indenture**”). Each Warrant shall entitle the holder thereof to acquire one additional Common Share (a “**Warrant Share**”) at a price of \$0.40 (the “**Warrant Exercise Price**”) until the Expiry Time (as defined herein).

Upon and subject to the terms and conditions set forth herein, the Agent hereby agrees to act, and upon acceptance hereof the Company hereby appoints the Agent as the exclusive agent of the Company to offer for sale by way of private placement on a “commercially reasonable efforts” agency basis (and without any underwriting liability) the Units at the Subscription Price and the Agent agrees to arrange for purchasers of the Units in the Selling Jurisdictions (as hereinafter defined) pursuant to exemptions from the prospectus and registration requirements of the Securities Laws (as defined herein).

In consideration of the services to be rendered by the Agent in connection with the Offering, the Company shall, at the Closing Time (as defined herein), pay to the Agent the Commission (as defined herein) and issue to the Agent the Compensation Options (as defined herein) as set out in Section 9 of this Agreement. The obligation of the Company to pay the Commission and to issue the Compensation Options shall arise at the Closing Time and the Commission and the Compensation Options shall be fully earned by the Agent upon the completion of the Offering.

In addition, at the Closing Time, the Company shall pay to the Agent a corporate finance advisory fee equal to 8.0% of the gross proceeds from the Offering, up to a maximum amount of \$120,000

(the “**Corporate Finance Fee**”), payable: (i) as to 25% of the Corporate Finance Fee, in cash, and (ii) as to 75% of the Corporate Finance Fee, by issuing such number of units of the Company (on the same terms as the Units) (the “**CF Fee Units**”) as is equal to the quotient obtained by dividing 75% of the Corporate Finance Fee by the Subscription Price. The Company shall pay to the Agent any applicable taxes on the Corporate Finance Fee in cash. Each CF Fee Unit will be comprised of one Common Share (a “**CF Fee Share**”) and one Warrant (a “**CF Fee Warrant**”), with each CF Fee Warrant exercisable at the Warrant Exercise Price to acquire one Common Share (a “**CF Fee Warrant Share**”, and together with the CF Fee Units, CF Fee Shares and CF Fee Warrants, the “**CF Fee Securities**”) at any time prior to the Expiry Time.

Unless the context otherwise requires, all references herein to the “Units”, “Unit Shares”, “Warrants” and “Warrant Shares” shall be deemed to include Corporate Finance Fee Securities, as applicable, which will be issued at the Closing Time.

The Company agrees that the Agent will be permitted to appoint as the Selling Group (as defined herein), at its sole expense, other registered dealers or other dealers duly qualified in their respective jurisdictions, as their agents to assist in the Offering in the Selling Jurisdictions and that the Agent may determine the remuneration payable by the Agent to such other dealers appointed by it, provided that such remuneration shall not in any way increase the aggregate Commission payable or number of Compensation Options issuable to the Agent by the Company under this Agreement.

The description of the Warrants herein is intended as a summary only and is subject to the specific attributes and detailed provisions of the Warrants to be set forth in the Warrant Indenture. In case of any inconsistency between the description of the Warrants in this Agreement and the terms of the Warrants as set forth in the Warrant Indenture, the provisions of the Warrant Indenture shall govern exclusively.

DEFINITIONS

In this Agreement, in addition to the terms defined above, the following terms shall have the following meanings:

“**1933 Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

“**Action**” has the meaning ascribed to such term in Section 12 hereof;

“**affiliate**”, “**associate**”, “**distribution**”, “**material change**”, “**material fact**” and “**misrepresentation**” have the respective meanings ascribed thereto in the *Securities Act* (Ontario) in effect on the date hereof;

“**Agent**” has the meaning ascribed to such term on the face page of this Agreement;

“**Aggregate Subscription Price**” means the aggregate gross proceeds from the sale and issue of the Units;

“**Agreement**” means this agreement, being the agreement resulting from the acceptance by the Company of the offer made by the Agent hereby;

“**Amended Offering Document**” has the meaning ascribed to such term on the face page of this Agreement;

“**Band**” means the Kletsel Dehe Wintun Nation of the Cortina Rancheria (formerly the Cortina Band of Wintun Indians);

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

“**Business**” means the business of the Company and CIWM, including but not limited to the development of its integrated waste management project, which consists of a municipal solid waste landfill, a material recovery facility, a composting facility and a remediation project;

“**Business Day**” means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Toronto, Ontario or the City of Vancouver, British Columbia;

“**Canadian Securities Laws**” means all applicable securities laws in each of the Reporting Jurisdictions and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the securities regulators in each of the Reporting Jurisdictions, and all applicable rules and policies of the TSXV;

“**Certification**” means any regulatory approval, certification, licence, permit, approval, consent, certificates, registration, filing or other authorization of or issued by any Governmental Entity under applicable laws, including but not limited to those required under Environmental Laws and in connection with the Business;

“**CF Fee Securities**” has the meaning ascribed to such term on the face page of this Agreement;

“**CF Fee Share**” has the meaning ascribed to such term on the face page of this Agreement;

“**CF Fee Units**” has the meaning ascribed to such term on the face page of this Agreement;

“**CF Fee Warrant**” has the meaning ascribed to such term on the face page of this Agreement;

“**CF Fee Warrant Share**” has the meaning ascribed to such term on the face page of this Agreement;

“**CIWM**” means Cortina Integrated Waste Management, Inc.;

“**Closing**” means the completion of the purchase and sale of the Units pursuant to the Offering as contemplated by this Agreement;

“**Closing Date**” means the day on which the Closing shall occur, being November 2, 2023, or such other date as the Company and the Agent may determine that is within 45 days from the commencement of the Offering;

“**Closing Time**” means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Company and the Agent may determine;

“**Commission**” has the meaning ascribed to such term in Section 9 hereof;

“**Common Shares**” means the common shares in the capital of the Company;

“**Company**” has the meaning ascribed to such term on the face page of this Agreement;

“**Company’s Auditors**” means Crowe MacKay LLP, or such other firm of chartered accountants as the Company may have appointed or may from time to time appoint as auditors of the Company;

“**Compensation Option Certificates**” means the certificates representing the Compensation Options and containing the terms thereof;

“**Compensation Options**” has the meaning ascribed to such term in Section 9 hereof;

“**Compensation Securities**” means, collectively, the Compensation Options, the Compensation Units consisting of the Compensation Unit Shares and Compensation Unit Warrants issuable on the exercise of the Compensation Options and the Compensation Warrant Shares issuable on the exercise of the Compensation Unit Warrants;

“**Compensation Unit**” has the meaning ascribed to such term in Section 9 hereof;

“**Compensation Unit Share**” has the meaning ascribed to such term in Section 9 hereof;

“**Compensation Unit Warrant**” has the meaning ascribed to such term in Section 9 hereof;

“**Compensation Unit Warrant Certificate**” means the certificates representing the Compensation Unit Warrants;

“**Compensation Warrant Share**” has the meaning ascribed to such term in Section 9 hereof;

“**Corporate Finance Fee**” has the meaning ascribed to such term on the face page of this Agreement;

“**CLC**” means Cortina Landfill Company, a subsidiary of North Bay;

“**Cortina Project**” means the integrated waste management project located on the Cortina Indian Rancheria in Colusa County, California that is being developed by the Company, which will consist of a municipal solid waste landfill, a material recovery facility, a composting facility, and a remediation project;

“**Cortina Lease**” means the lease agreement between the Band and CIWM dated October 31, 1995, as amended on October 18, 2000 and April 29, 2003 (lease number 500101-07-02), as most recently approved by the Bureau of Indian Affairs on January 25, 2007, in respect of the premises used for the Cortina Project;

“Debt Instrument” means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability, to which the Company or CIWM is a party or by which any of their property or assets are bound, including the North Bay Loan Agreement, the El Suelo Agreement and the Notes Payable;

“El Suelo Agreement” means all agreements between the Company and/or CIWM and El Suelo LP or any affiliates thereof, including the convertible debenture dated June 29, 2011 and all amendments thereto;

“Engagement Letter” means the letter agreement among the Company and the Agent dated September 20, 2023, as amended on October 16, 2023, in respect of the Offering;

“Environmental Laws” means all applicable federal, provincial, territorial, state, municipal and local laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign, including laws, statutes, ordinances, by-laws and regulations or orders, relating to the protection of the environment, occupational and human health and safety or the treatment, use, processing, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substances;

“Expiry Time” means 4:00 p.m. (Vancouver time) on November 2, 2025;

“Financial Statements” means the audited consolidated financial statements of the Company for the years ended November 30, 2022 and 2021, together with the notes thereto and the report of the Company’s Auditors thereon, unaudited consolidated condensed interim financial statements for the three month period ended February 28, 2023 and 2022 and the year ended November 30, 2022, the unaudited consolidated condensed interim financial statements for the six month period ended May 31, 2023 and 2022 and the year ended November 30, 2022, and the unaudited consolidated condensed interim financial statements for the nine month period ended August 31, 2023 and 2022 and the year ended November 30, 2022;

“Financing Document” has the meaning ascribed to such term on the face page of this Agreement, and is prepared in connection with Offering and filed on the Company’s website and on the Company’s profile on SEDAR+;

“General Solicitation or General Advertising” means **“general solicitation”** or **“general advertising”**, as used in Rule 502(c) of Regulation D under the U.S. Securities Act, including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet or broadcast over radio, television, or the Internet or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

“Governmental Entity” means any (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign having jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them, (ii) subdivision, agent, commission, board, or authority of any of the foregoing, or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing;

“**including**” means including without limitation;

“**Indemnification Agreement**” means the environmental certification and indemnification agreement dated March 31, 1995 between the Band and CIWM, and all amendments thereto;

“**Indemnified Persons**” has the meaning ascribed to such term in Section 12 hereof;

“**Initial Offering Document**” has the meaning ascribed to such term on the face page of this Agreement;

“**Intellectual Property**” means all trade or brand names, business names, trademarks, service marks, copyrights, patents, patent rights, licenses, industrial designs, know-how (including trade secrets and other unpatented or unpatentable proprietary or confidential information, systems or procedures), computer software, inventions, designs and other industrial or intellectual property of any nature whatsoever, in Canada or the United States;;

“**Leased Premises**” means the premises which are material to the Company or CIWM and which the Company or CIWM occupies or proposes to occupy as a tenant, sub-tenant or occupant;

“**Liens**” means any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or right to use or occupy such property or assets;

“**Listed Issuer Financing Exemption**” has the meaning ascribed to such term on the face page of this Agreement;

“**Lock-Up Period**” has the meaning ascribed to such term in Section 2(a)(xviii);

“**Material Adverse Effect**” means any change, effect, event or occurrence, that is, or would be reasonably expected to be, materially adverse with respect to the condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), obligations (whether absolute, accrued, conditional or otherwise), business, affairs, capital, ownership, control, management, operations, results of operations or prospects of the Company and CIWM (on a consolidated basis);

“**Material Agreement**” any Debt Instrument, contract, commitment, agreement, instrument, lease, including the Cortina Lease and the Indemnification Agreement, or other document (written or oral), including a license agreement, to which the Company or CIWM is a party and which is material to the Company and CIWM on a consolidated basis;

“**NI 45-106**” has the meaning ascribed to such term on the face page of this Agreement;

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

“**North Bay**” means North Bay Corporation;

“**North Bay Loan**” means US\$5,831,339, representing the total aggregate amount of indebtedness of the Company and CIWM, as of the date hereof, pursuant to the North Bay Loan Agreement and any other arrangements with North Bay or CLC, including principal, accrued and unpaid interest and any other amounts owing;

“**North Bay Loan Agreement**” means all agreements between the Company, CIWM, North Bay and/or CLC, including the settlement agreement dated August 1, 2013, as amended on August 8, 2014, October 7, 2014, December 15, 2015, May 20, 2016, April 19, 2017, March 20, 2018, March 31, 2018, March 19, 2019, February 22, 2021, February 4, 2022, September 27, 2022, March 13, 2023, September 19, 2023, October 10, 2023 and October 15, 2023;

“**Notes Payable**” means all outstanding notes payable of the Company or CIWM;

“**notice**” has the meaning ascribed to such term in Section 14 hereof;

“**Offering**” has the meaning ascribed to such term on the face page of this Agreement;

“**Person**” includes any individual, corporation, limited partnership, general partnership, joint stock company or association, joint venture association, company, trust, bank, trust company, land trust, investment trust, society or other entity, organization, syndicate, whether incorporated or not, trustee, executor or other legal personal representative, and governments and agencies and political subdivisions thereof;

“**Personnel**” has the meaning ascribed to such term in Section 12 hereof;

“**principal shareholder**” means a holder of 10% or more of the Common Shares;

“**Public Record**” means all information contained in any press release, material change report (excluding any confidential material change report), financial statements, management’s discussion and analysis, annual information form, management information circular, business acquisition report, prospectus, filing statement or other document which has been publicly filed by or on behalf of the Company pursuant to Canadian Securities Laws with the securities regulators in each of the Reporting Jurisdictions or otherwise by or on behalf of the Company since its date of incorporation;

“**Purchasers**” means the persons in the Selling Jurisdictions who, as purchasers or beneficial purchasers, acquire the Units pursuant to the Offering;

“**Registered Plan**” has the meaning ascribed to such term in Section 4(lx);

“**Regulation D**” means Regulation D promulgated under the U.S. Securities Act;

“**Regulation S**” means Regulation S promulgated under the U.S. Securities Act;

“**Reporting Jurisdictions**” means the Provinces of British Columbia and Alberta;

“**Securities Laws**” means all applicable securities laws in each of the Selling Jurisdictions in which the Units are offered or sold and the respective regulations made thereunder, together with

applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the securities regulators in each of the Selling Jurisdictions in which the Units are offered or sold, including Canadian Securities Laws and U.S. Securities Laws;

“**Securities Regulators**” means, collectively, the securities regulators or other securities regulatory authorities in each of the Provinces and Territories of Canada;

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval +;

“**Selling Group**” means, collectively, those registered dealers (or other dealers duly licensed or registered in their respective jurisdictions) appointed by the Agent as its agents to assist in the Offering as contemplated in this Agreement;

“**Selling Jurisdictions**” means each of the Provinces and territories of Canada, except the Province of Quebec, and such other jurisdictions outside of Canada as agreed to by the Agent and the Company;

“**Software**” means all computer software, programs, and applications and subsequent versions thereof, including source code, object, executable or binary code, objects, comments, screens, user interfaces, report formats, templates, menus, buttons and icons and all files, data, materials, manuals, design notes and other items and documentation related thereto and associated therewith, and all proprietary rights in any of the foregoing;

“**Subscription Price**” has the meaning ascribed to such term on the face page of this Agreement;

“**Subscription Questionnaire**” means, collectively, the questionnaires in the form mutually acceptable to the Company and the Agent, completed by the Purchasers and delivered to the Company in respect of the Offering, as amended or supplemented;

“**subsidiary**” has the meaning ascribed thereto in the *Securities Act* (Ontario), as constituted at the date of this Agency Agreement;

“**Taxes**” means all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto;

“**Transaction Documents**” means, collectively, this Agreement, the Warrant Indenture, the Subscription Questionnaire, the Compensation Option Certificates and the Compensation Unit Warrant Certificates;

“**Transfer Agent**” means Computershare Trust Company of Canada, in its capacity as transfer agent and registrar in respect of the Common Shares at its principal office in Vancouver, British Columbia;

“**TSXV**” means the TSX Venture Exchange;

“**U.S. Securities Act**” has the meaning ascribed to such term in Section 3 hereof;

“**U.S. Securities Laws**” means United States federal and state securities laws, including but not limited to, the U.S. Securities Act;

“**Unit Share**” has the meaning ascribed to such term on the face page of this Agreement;

“**United States**” and “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“**Units**” has the meaning ascribed to such term on the face page of this Agreement;

“**Warrant**” has the meaning ascribed to such term on the face page of this Agreement;

“**Warrant Agent**” means Computershare Trust Company of Canada, in its capacity as warrant agent in respect of the Warrants at its principal office in Vancouver, British Columbia;

“**Warrant Exercise Price**” has the meaning ascribed to such term on the face page of this Agreement;

“**Warrant Indenture**” has the meaning ascribed to such term on the face page of this Agreement; and

“**Warrant Shares**” has the meaning ascribed to such term on the face page of this Agreement.

Other

Where any representation or warranty contained in this Agreement or any Transaction Document is expressly qualified by reference to the “knowledge” of the Company, or where any other reference is made herein or in any Transaction Document to the “knowledge” of the Company, it shall be deemed to refer to the actual knowledge of (i) David Atkinson, CEO, and (ii) David Russell, CFO, after having made due enquiry of appropriate and relevant persons and documentation.

TERMS AND CONDITIONS

1. (a) **Sale on Exempt Basis.** The Agent shall offer the Units for sale pursuant to the Offering in the Selling Jurisdictions in accordance with the terms of this Agreement, on a private placement basis in such a manner so as not to require registration thereof or filing of a prospectus, registration statement or similar disclosure document, other than the Financing Document, or imposing on the Company additional continuous reporting obligations under all applicable Securities Laws, all in compliance with such applicable Securities Laws on a private placement basis.

(b) **Filings.** The Company agrees to comply with Securities Laws on a timely basis in connection with the Offering and undertakes to file, or cause to be filed, within the periods stipulated under Securities Laws, all forms or undertakings required to be filed by the Company in connection with the issue and sale of the Units so that the distribution of the Units may lawfully

occur without the necessity of filing or delivering (as applicable) a prospectus, a registration statement or an offering memorandum in the Selling Jurisdictions, and the Agent undertakes to use its commercially reasonable efforts to cause Purchasers to complete any forms required by Securities Laws. All fees payable in connection with such filings shall be at the expense of the Company.

(c) **No Offering Memorandum, General Solicitation or General Advertising.** Neither the Company nor the Agent shall: (i) provide to prospective purchasers of the Units any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of Securities Laws, except for the Financing Document; or (ii) engage in any form of General Solicitation or General Advertising in connection with the offer and sale of the Units.

(d) **Listed Issuer Financing Exemption.** The Company is relying on the Listed Issuer Financing Exemption, a Canadian prospectus exemption under Canadian Securities Laws for reporting issuers listed on a Canadian stock exchange wishing to raise capital. The Company confirms and acknowledges to the Agent that the Listed Issuer Financing Exemption relies on the Company's continuous disclosure record, as supplemented with the Financing Document, a short offering document, to allow the Company to distribute freely tradeable listed equity securities to the public. Accordingly, the Company represents and warrants to the Agent that it: (i) has active business operations or its principal asset is not cash (or an equivalent) or its exchange listing; and (ii) it has prepared the Financing Document that is considered a "core" document under the secondary market civil liability regime of Canadian Securities Laws.

2. (a) **Covenants.** The Company hereby covenants to the Agent and to the Purchasers and their permitted assigns, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Units, as follows:

- (i) *Due Diligence.* The Company will allow the Agent and its representatives the opportunity to conduct all due diligence which the Agent may reasonably require to be conducted prior to the Closing Date.
- (ii) *Delivery of Transaction Documents.* The Company will duly execute and deliver the Transaction Documents at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Company.
- (iii) *Maintain Reporting Issuer Status.* The Company will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws in each of the Reporting Jurisdictions, until the date that is 24 months following the Closing Date, provided that this covenant shall not prevent the directors of the Company from complying with their fiduciary duties to the Company, and provided that this covenant shall not prevent the Company from completing any transaction which would result in the Company ceasing to be a "reporting issuer" so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada, or cash, or the holders of the Common Shares have approved

the transaction in accordance with the requirements of applicable corporate and securities laws and the rules and policies of the TSXV (or any securities exchange, market or trading or quotation facility on which the Common Shares are then listed or quoted).

- (iv) *Maintain Stock Exchange Listing.* The Company will use its commercially reasonable efforts to maintain the listing of the Common Shares (including the Unit Shares, the Warrant Shares, the Compensation Unit Shares and the Compensation Warrant Shares) for trading on the TSXV or such other recognized securities exchange, market or trading or quotation facility as the Agent may approve, acting reasonably, and comply with the rules and policies of the TSXV or such other exchange, market or facility, for a period of 24 months following the Closing Date, provided that this covenant shall not prevent the directors of the Company from complying with their fiduciary duty to the Company and provided that this covenant shall not prevent the Company from (i) completing any transaction which would result in the Common Shares ceasing to be listed so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada, or cash, or the holders of the Common Shares have approved the transaction in accordance with the requirements of applicable corporate and securities laws and the rules and policies of the TSXV (or any securities exchange, market or trading or quotation facility on which the Common Shares are then listed or quoted), or (ii) graduating to the Toronto Stock Exchange. The Company will ensure that the Unit Shares, the Warrant Shares, the Compensation Unit Shares and the Compensation Warrant Shares are conditionally approved for listing and trading on the TSXV on or prior to the Closing Date.
- (v) *Validly Issued Unit Shares.* The Company will ensure that the Unit Shares, when paid for, shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares.
- (vi) *Validly Issued Warrants.* The Company will ensure that the Warrants, when paid for, shall be duly and validly created, authorized and issued, and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Indenture.
- (vii) *Validly Issued Warrant Shares.* The Company will ensure that at all times prior to the Expiry Time, sufficient Warrant Shares are allotted and reserved for issuance upon the due and proper exercise of the Warrants. The Warrant Shares, upon issuance in accordance with the terms of the Warrant Indenture and when paid for, shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares.
- (viii) *Validly Issued Compensation Options.* The Company will ensure that the Compensation Options shall be duly and validly created, authorized and issued, and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Compensation Option Certificates.

- (ix) *Validly Issued Compensation Unit Shares.* The Company will ensure that at all times prior to the Expiry Time, sufficient Compensation Unit Shares are allotted and reserved for issuance upon the due and proper exercise of the Compensation Options. The Compensation Unit Shares, upon issuance in accordance with the terms of the Compensation Option Certificates and when paid for, shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares.
- (x) *Validly Issued Compensation Unit Warrants.* The Company will ensure that the Compensation Unit Warrants, when paid for, shall be duly and validly created, authorized and issued, and shall have the attributes corresponding to the description thereof set forth in this Agreement, the Compensation Option Certificate and the Compensation Unit Warrant Certificate.
- (xi) *Validly Issued Compensation Warrant Shares.* The Company will ensure that at all times prior to the Expiry Time, sufficient Compensation Warrant Shares are allotted and reserved for issuance upon the due and proper exercise of the Compensation Unit Warrants. The Compensation Warrant Shares, upon issuance in accordance with the terms of the Compensation Unit Warrant Certificate and when paid for, shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares.
- (xii) *Validly Issued CF Fee Shares.* The Company will ensure that the CF Fee Shares, when issued, shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares.
- (xiii) *Validly Issued CF Fee Warrants.* The Company will ensure that the CF Fee Warrants, when issued, shall be duly and validly created, authorized and issued, and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Indenture.
- (xiv) *Validly Issued CF Fee Warrant Shares.* The Company will ensure that at all times prior to the Expiry Time, sufficient CF Fee Warrant Shares are allotted and reserved for issuance upon the due and proper exercise of the CF Fee Warrants. The CF Fee Warrant Shares, upon issuance in accordance with the terms of the Warrant Indenture and when paid for, shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares.
- (xv) *Consents and Approvals.* The Company will have made or obtained, as applicable, at or prior to the Closing Time, all consents, approvals, permits, authorizations or filings as required to be made or obtained by the Company under Securities Laws, including the conditional approval of the TSXV for the Offering, necessary for the consummation of the transactions contemplated herein, other than customary post-closing filings required to be submitted within the applicable time frame pursuant to Securities Laws and the rules and policies of the TSXV.
- (xvi) *Regulatory Filings.* The Company will execute and file with the applicable securities regulators and the TSXV all forms, notices and certificates required to be

filed by the Company in connection with the Offering pursuant to Securities Laws and the rules and policies of the TSXV in the time required by Securities Laws and the rules and policies of the TSXV, including, for greater certainty, Form 45-106F1 of NI 45-106 and any other forms, notices and certificates set forth in the opinions delivered to the Agent pursuant to the closing conditions set forth in Section 7 hereof.

- (xvii) *Standstill*. The Company agrees that, from the date hereof and continuing for a period of 180 days from the Closing Date, it will not, directly or indirectly, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or enter into any derivative transaction that has the effect of any of the foregoing, or agree to or announce any intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or enter into any derivative transaction that has the effect of any of the foregoing, any additional Common Shares or any securities convertible into or exchangeable for Common Shares, other than issuances: (i) pursuant to the Offering and the issuance of Common Shares upon the exercise of the Warrants, the Compensation Options and the Compensation Unit Warrants; (ii) under existing director or employee equity incentive securities, bonus or purchase plans or similar share or equity-linked compensation arrangements as detailed in the Company's most recently-filed management discussion and analysis, including, for the avoidance of doubt, issuances under the stock option plan of the Company dated July 5, 2022; (iii) under director or employee stock options or bonuses granted subsequently in accordance with regulatory approval and in a manner consistent with the Company's past practice; (iv) upon the exercise of convertible securities, warrants or options outstanding prior to the date of the Engagement Letter; or (v) pursuant to previously announced payments and/or other corporate acquisitions.
- (xviii) *Lock-Up Agreements*. The Company will use its best efforts to cause each of its directors, officers and, as required by the Agent, shareholders with over 5% ownership in the Common Shares or other equity securities of the Company as of the Closing Date to enter into lock-up agreements in favour of the Agent, pursuant in which they will covenant and agree that they will not, for a period of 180 days following the Closing (the "**Lock-Up Period**") directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, lend, swap, or otherwise dispose of, transfer, assign, or announce any intention to do so, any Common Shares or any securities convertible into or exchangeable for Common Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise, other than: (i) transfers among a shareholder's affiliates for tax or other planning purposes, provided that any such transferee shall first execute a lock-up agreement in substantially the same form agreed to with the Agent covering the remainder of the Lock-Up Period; (ii) pursuant to the grant of options or other

securities in the normal course pursuant to the Company's employee stock option plan or other equity compensation plan, provided that such options are not exercisable at a price that is less than the Subscription Price; (iii) the issuance of equity securities pursuant to the exercise or conversion, as the case may be, of any warrants or other convertible securities of the Company outstanding on the date hereof; or (iv) a tender or sale by a shareholder of securities of the Company in or pursuant to a take-over bid or similar transaction involving a change of control of the Company, provided that, in the event the change of control or other similar transaction is not completed, such securities shall remain subject to the lock-up agreement.

- (xix) *Use of Proceeds.* The Company shall use the net proceeds from the sale of the Units for working capital, general corporate purposes, to pay certain outstanding accounts payable and to pay to North Bay the debt extension fee in the amount of 25% of the net proceeds of the Offering.
- (xx) *Closing Conditions.* The Company will use commercially reasonable efforts to fulfil or cause to be fulfilled, at or prior to the Closing Time, each of the conditions set out in Section 7 hereof.

(b) The Agent hereby covenants and agrees to: (i) use commercially reasonable efforts to conduct all activities in connection with the Offering in compliance with applicable Securities Laws and all other laws applicable to the Agent (or an affiliate thereof) or the Selling Group members; (ii) use commercially reasonable efforts to obtain from each Purchaser all information, certifications, forms and other documentation contemplated thereby or as may be required by applicable securities regulators and the TSXV in such forms acceptable to the Company and the Agent; and (iii) not solicit subscriptions for the Units except in accordance with the terms and conditions of this Agreement, the Subscription Questionnaire and the Financing Document.

3. (a) **Material Changes During Distribution.** During the distribution period, the Company shall promptly notify the Agent (and, if requested by the Agent, confirm such notification in writing) of any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened, financial or otherwise) or any event or development involving a prospective material change or a change in a material fact or any other material change in the business, affairs, operations, assets (including information or data relating to the estimated value or book value of assets), liabilities (contingent or otherwise), capital, ownership, control or management of the Company which would constitute a material change to, or a change in a material fact concerning the Company or any other change which is of such a nature.

During the distribution period, the Company shall promptly, and in any event, within any applicable time limitation, comply with all applicable filings and other requirements under Securities Laws as a result of such change. During such period, the Company shall in good faith discuss with the Agent any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Agent pursuant to this Section 3.

(b) **Press Releases.** The Company agrees that it shall obtain the prior approval of the Agent as to the content and form of any press release to be issued prior to or in connection with the Closing, such approval not to be unreasonably withheld, conditioned or delayed. In addition, if required by applicable Securities Laws, any press release announcing or otherwise referring to the Offering shall include an appropriate notation on each page as follows: “*Not for distribution to United States newswire services or for dissemination in the United States.*”

Each such press release shall additionally include a prominent notation of a cautionary statement to the following effect: “This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to “U.S. persons” (as that term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.”

4. **Representations, Warranties, and Covenants of the Company.** The Company hereby represents and warrants to the Agent and to the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in purchasing the Units, that:

(a) **General Matters**

(i) *Good Standing of the Company.* The Company: (i) is duly existing under the laws of British Columbia and is up-to-date in all material corporate filings and in good standing under the BCBCA; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets and is not party to any instrument which restricts or might restrict its ability to perform the transactions contemplated herein; (iii) has all necessary licences, Certifications, authorizations, and other approvals necessary to permit it to conduct its business as now conducted and all such licences, Certifications, authorizations and approvals are in full force and effect in accordance with their terms; and (iv) has all requisite corporate power and capacity to create, issue and sell, as applicable, the Unit Shares, the Warrants, the Warrant Shares and the Compensation Securities and to enter into and carry out its obligations under the Transaction Documents.

(ii) *Ownership of CIWM.* The Company has no direct or indirect subsidiaries, other than CIWM, and the Company does not have any interest in any other partnership, corporation or other business or organization. The Company owns all of the issued and outstanding shares of, and interests in, CIWM, free and clear of all mortgages, Liens, charges, pledges, security interests, encumbrances, claims and demands whatsoever, and the Company is entitled to the full beneficial ownership of all such shares in CIWM. All of such shares in the capital of CIWM have been duly authorized and validly issued and are outstanding as fully paid shares and no person, other than the Company has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Company of any interest in any of such shares,

or for the issue or allotment of any unissued shares in the capital of CIWM or any other security convertible into or exchangeable for any such shares. There exist no options, warrants, purchase rights, or other contracts or commitments that could require the Company to sell, transfer or otherwise dispose of any securities of CIWM.

- (iii) *Good Standing of CIWM.* CIWM: (i) has been duly incorporated in its jurisdiction of incorporation and is up-to-date in all material corporate filings and in good standing under the laws of such jurisdiction; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its assets; and (iii) has all necessary licences, permits, authorizations, Certifications and other approvals necessary to permit it to conduct its business except where failure to possess such licences, permits, authorizations, Certificates and other approvals would not reasonably be expected to have a Material Adverse Effect, and all such licences, permits, authorizations, Certifications and approvals are in full force and effect in accordance with their terms.
- (iv) *Compliance with Laws.* Each of the Company and CIWM is, in all material respects, conducting its business in compliance with all applicable laws, rules and regulations of each jurisdiction in which its business is carried on and each is licensed, certified, registered or qualified in all jurisdictions in which it is required to be licensed, certified, registered or qualified and all such licenses, Certifications, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, rules, regulations, licenses, Certifications, registrations and qualifications which could have a Material Adverse Effect on the Company and CIWM (on a consolidated basis).
- (v) *No Proceedings for Dissolution.* No act or proceeding has been taken by or against the Company or CIWM in connection with their liquidation, winding-up or bankruptcy, or to the knowledge of the Company, are pending. The Company and CIWM are not insolvent and are able to meet all of their respective financial liabilities as they come due in the next twelve months and no winding-up, liquidation, dissolution or bankruptcy proceedings have been commenced or are being commenced or contemplated by the Company or CIWM, and, no merger, consolidation, amalgamation, sale of all or substantially all of the assets or sale of the business transactions have been commenced or are being commenced or contemplated by the Company or CIWM and the Company has no knowledge of any such proceedings or transactions having been commenced or being contemplated in respect of the Company or CIWM by any other party.
- (vi) *Share Capital of the Company.* The authorized and issued share capital of the Company consists of an unlimited number of Common Shares of which 98,810,832 Common Shares were issued and outstanding as fully-paid and non-assessable common shares as at the close of business on November 1, 2023. Neither the Company nor CIWM are party to any agreement, nor is the Company aware of any

agreement, which in any manner affects the voting control of any securities of the Company or CIWM.

- (vii) *Voting Control / Shareholders Rights Plan.* The Company has not implemented a shareholder rights plan and there are no other agreements in force or effect which in any manner affects the rights of the Company's shareholders, or the voting or control of any of the securities of the Company or of CIWM.
- (viii) *Absence of Rights.* As of the date hereof, except as set out in Schedule "A" hereto, no person now has any agreement, option, right or privilege (whether at law, preemptive or contractual) capable of becoming a right, agreement or option for the purchase, subscription, allotment or issuance of, or conversion into, any unissued Common Shares, securities, warrants or convertible obligations of any nature of the Company.
- (ix) *No Dividends.* During the previous 36 months, the Company has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its Common Shares or securities or agreed to do any of the foregoing.
- (x) *No Violation of Constatng Documents.* Neither the Company nor CIWM is in violation of the provisions of its articles (or equivalent), by-laws (or equivalent) or resolutions or any statute or any order, rule or regulation of any court or governmental agency or both having jurisdiction over it or any of its operation, which violation or the consequences thereof would, alone or in the aggregate, have a Material Adverse Effect on the Company and CIWM, on a consolidated basis.
- (xi) *No Breach or Default.* Each Material Agreement is valid and subsisting, in full force and effect and enforceable in accordance with the terms thereof. Neither the Company nor CIWM, nor to the best of the Company's knowledge, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by the Company or CIWM or such other person, as applicable, under any Material Agreement to which the Company or CIWM are a party or otherwise bound, other than those which individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect. Other than as disclosed in the Public Record the Company and CIWM have performed, in all material respects, all obligations (including payment obligations) in a timely manner under, and are in compliance, in all material respects, with all terms and conditions contained in each Material Agreement, and all such Material Agreements are in good standing, and no event has occurred which with notice or lapse of time or both would constitute such a material default thereunder by the Company, CIWM or, to the Company's knowledge, any other party, except in each case where such breach, violation or default would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

- (xii) *North Bay Loan.* The North Bay Loan, including any applicable buy-out option pursuant to the North Bay Loan Agreement, is not due until November 15, 2024.
- (xiii) *El Suelo Debt.* As of the date hereof, the total amount owing by the Company and/or CIWM, including principal, accrued and unpaid interest and any other amounts owing, pursuant to the El Suelo Agreement is \$455,685, and this amount is not due within twelve months of the Closing Date.
- (xiv) *Notes Payable.* As of the date hereof, the total amount owing by the Company and/or CIWM, including principal, accrued and unpaid interest and any other amounts owing, pursuant to the Notes Payable is \$775,202, and this amount is not due within twelve months of the Closing Date.
- (xv) *Absence of Defaults and Conflicts.* Neither the Company nor CIWM is in material violation, default or breach of, and the execution and delivery of the Transaction Documents and the consummation of the transactions and compliance and performance by the Company with its obligations hereunder, and the creation, issue and sale, as applicable, of the Unit Shares, the Warrants, the Warrant Shares, and the Compensation Securities and the consummation of the transactions contemplated hereby and thereby do not and will not conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under, whether after notice or lapse of time or both (i) any statute, rule or regulation applicable to the Company or CIWM, including the Securities Laws, (ii) the constating documents or resolutions of the directors (including of committees thereof) or shareholders of the Company and CIWM, (iii) any Debt Instrument or Material Agreement, or (iv) any judgment, decree or order binding the Company, CIWM or the properties or assets of the Company or CIWM.
- (xvi) *Directors and Officers.* To the knowledge of the Company, none of the directors or officers of the Company or CIWM (i) are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange, or (ii) in the last 10 years have been subject to an order preventing, ceasing or suspending trading in any securities of the Company or other public company.
- (xvii) *Cease Trade Orders, etc.* To the knowledge of the Company, no order, ruling or determination having the effect of suspending the sale of the Common Shares or any securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending, contemplated or threatened by any regulatory authority.
- (xviii) *Interest of Insiders.* To the knowledge of the Company, none of the directors or officers of the Company, any known holder of more than 10% of any class of shares of the Company, or any known associate or affiliate of any of the foregoing persons or companies, has had any material interest, direct or indirect, in any material transaction within the previous three years or any proposed material transaction

which, as the case may be, materially affected, is material to or will materially affect the Company and CIWM, on a consolidated basis.

- (xix) *Real Property Interests.* Neither the Company nor CIWM have any real property interest or Leased Premises other than pursuant to the Cortina Lease.
- (xx) *Leased Premises.* With respect to the premises which CIWM occupies pursuant to the Cortina Lease, CIWM occupies such leased premises and has, at all times during the term of the Cortina Lease, diligently attempted to keep such leased premises and all portions thereof actively and properly used, and CIWM has the exclusive right to occupy and use such leased premises in accordance with the terms of the Cortina Lease.
- (xxi) *Insurance.* Each of the Company and CIWM are insured against such losses and risks and in such amount as are customary in the Business in which it is engaged. All policies of insurance insuring the Company, CIWM or any of their respective businesses, assets, employees, officers and directors are in full force and effect, and the Company and the Subsidiaries are in compliance with the terms of such policies in all material respects. There are no material claims by the Company or CIWM under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause and that would result in a Material Adverse Effect on the Company and CIWM, on a consolidated basis. The Company has no reason to believe that it will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its Business and the Business of CIWM at a cost that would not have a Material Adverse Effect, and neither the Company nor CIWM has failed to promptly give any notice of any material claim thereunder.
- (xxii) *Previous Acquisitions.* All acquisitions by the Company have been completed in material compliance with all corporate, regulatory and shareholder approvals, consents, authorizations, registrations, and filings reasonably required in connection therewith and were obtained and complied with. The Company's and CIWM's due diligence review, including financial and legal due diligence and background reviews, as deemed appropriate by the Company, in connection with such acquisitions did not result, prior to the completion of any such transactions, and has not resulted, as at the date hereof, in the discovery of any fact or circumstance which would reasonably be expected to have a Material Adverse Effect.
- (xxiii) *Purchases and Sales.* As of the date hereof, neither the Company nor CIWM have entered into any binding agreement in respect of:
 - A. any uncompleted purchase of any material assets or businesses or any interest therein or the sale, transfer or other disposition of any material assets or businesses or any interest therein currently owned,

directly or indirectly, by the Company or CIWM whether by asset sale, transfer of shares, or otherwise;

- B. the change of control (by sale or transfer of Common Shares or sale of all or substantially all of the assets of the Company or the Subsidiaries or otherwise) of the Company or CIWM; or
 - C. a proposed or planned disposition of Common Shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares.
- (xxiv) *Minute Books.* The minute books and records of the Company and CIWM which the Company has made available to the Agent and its counsel, Cozen O'Connor LLP, in connection with their due diligence investigation of the Company to the date of examination thereof contain copies of all constating documents of the Company and, to the knowledge of the Company, minutes relating to all material proceedings of securityholders and directors (and committees thereof) (or drafts pending the approval thereof) and are complete in all material respects.
- (xxv) *Sales in the United States.* The Company hereby acknowledges that the Units, and the Unit Shares and Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, have not been and will not be registered under the 1933 Act or any U.S. state securities laws and may not be offered or sold to, or for the benefit or account of, any person in the United States or any U.S. person. Any press release disseminated by any party hereto, or any party to this Agreement, announcing or otherwise referring to the Offering shall contain the following legend, and shall comply with the requirements of Rule 135e under the 1933 Act: “NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. Any press release announcing or otherwise referring to the Offering disseminated in the United States shall comply with the requirements of Rule 135c under the 1933 Act.

(b) Cortina Project and Environmental Matters

- (i) *Accurately Described Cortina Project.* All of the material claims, holdings, leases, licenses, tenements, and other land rights that comprise the Cortina Project held by the Company and CIWM are accurately described in the Public Record. The Public Record contains true, complete and accurate information and no material fact has been omitted from the Public Record in respect of the Cortina Project.
- (ii) *Properties and Assets.* The Company and CIWM have good and marketable title to, or hold a valid and enforceable leasehold interest in all of the properties and assets which comprise the Cortina Project as described in the Public Record. Other than as described in the Public Record, the Cortina Project is free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and no other property rights (including surface or access rights) are necessary for the conduct of the business of the Company and CIWM as currently

conducted other than those described in the Public Record; neither the Company nor CIWM knows of any claim or basis for any claim that might or could materially adversely affect the right of the Company to use, transfer, access or otherwise exploit such property rights; and, except as disclosed in the Public Record, neither the Company nor CIWM have any responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any Person with respect to the property rights thereof.

- (iii) *Possession of Permits and Authorizations.* The Company and CIWM have obtained all Certifications necessary to carry on the business of the Company and CIWM as it is currently conducted and proposed to be conducted. The Company and CIWM are in compliance with the terms and conditions of all such Certifications except where such non-compliance would not reasonably be expected to have a Material Adverse Effect. All of such Certifications issued to date are valid, subsisting, in good standing and in full force and effect and the Company and CIWM have not received any notice of proceedings relating to the revocation or modification of any such Certifications.
 - (iv) *No Expropriation.* The Company has no knowledge that any part of the Cortina Project, or Certifications of the Company or CIWM, have been taken, revoked, condemned or expropriated by any Governmental Entity.
 - (v) *Community Relationships.* Other than as set forth in the Public Record, to the knowledge of the Company, there are no complaints or proceedings, by or among the communities and persons affected by or located on or near the Cortina Project, which are ongoing or materially impairing the ability to develop and advance the Cortina Project.
 - (vi) *No Indigenous Claims.* Other than as set forth in the Public Record, to the knowledge of the Company, there are no claims or actions with respect to indigenous rights currently outstanding, or to the knowledge of the Company, threatened or pending, with respect to the Company in connection with the Cortina Project. Other than as set forth in the Public Record, there are no land entitlement claims having been asserted or any legal actions relating to indigenous issues having been instituted with respect to the Cortina Project, and no dispute in respect of the Cortina Project with any local or indigenous group exists or, to the knowledge of the Company, is threatened.
- (c) **Offering**
- (i) *Corporate Actions.* All necessary corporate action has been taken or will have been taken prior to Closing by the Company so as to (i) validly authorize the issuance of and issue the Unit Shares as fully paid and non-assessable Common Shares on Closing, (ii) validly create the Warrants and authorize the issuance of and issue the Warrants on Closing, (iii) validly allot the Warrant Shares and authorize the issuance of the Warrant Shares as fully paid and non-assessable Common Shares upon the due exercise of the Warrants in accordance with the terms of the Warrant

Indenture, (iv) validly create the Compensation Options and authorize the issuance of and issue the Compensation Options on Closing, (v) validly allot the Compensation Unit Shares and authorize the issuance of the Compensation Unit Shares as fully paid and non-assessable Common Shares upon the due exercise of the Compensation Options in accordance with the terms of the Compensation Option Certificates, (vi) validly authorize the creation and issuance of the Compensation Unit Warrants upon the due exercise of the Compensation Options in accordance with the terms of the Compensation Option Certificates and the Compensation Unit Warrant Certificates, and (vii) validly allot the Compensation Warrant Shares and authorize the issuance of the Compensation Warrant Shares as fully paid and non-assessable Common Shares upon the due exercise of the Compensation Unit Warrants in accordance with the terms of the Compensation Unit Warrant Certificates.

- (ii) *Valid and Binding Documents.* The Transaction Documents have been duly authorized, executed and delivered by the Company and constitute legal, valid and binding obligations of, and are enforceable against, the Company in accordance with their terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, and that the provisions relating to indemnity, contribution, waiver of contribution and the ability to sever unenforceable terms may be unenforceable and that enforceability is subject to the provisions of the *Limitations Act* (Ontario).
- (iii) *All Consents and Approvals.* All consents, approvals, permits, authorizations or filings as may be required for: (i) the execution and delivery of the Transaction Documents, (ii) the creation, issuance, sale and delivery, as applicable, of the Unit Shares, the Warrants, the Warrant Shares, the Compensation Options, the Compensation Unit Shares, the Compensation Unit Warrants and the Compensation Warrant Shares and (iii) the consummation of the transactions contemplated hereby and thereby, have been made or obtained, as applicable, other than post-Closing filings required to be submitted within the applicable time frame pursuant to applicable Securities Laws.
- (iv) *Validly Issued Unit Shares.* The Unit Shares (including for greater certainty the CF Fee Shares) have been duly and validly authorized for issuance and sale and when issued and delivered by the Company pursuant to this Agreement, against payment of the consideration set forth herein, the Unit Shares will be validly issued as fully paid and non-assessable Common Shares.
- (v) *Validly Issued Warrants.* The Warrants (including for greater certainty the CF Fee Warrants) have been duly and validly created and authorized for issuance and sale and when issued and delivered by the Company pursuant to this Agreement and the Warrant Indenture, against payment of the consideration set forth herein, the Warrants will be validly issued.

- (vi) *Validly Authorized Warrant Shares.* The Warrant Shares (including for greater certainty the CF Fee Warrant Shares) have been duly and validly authorized, allotted and reserved for issuance and, upon exercise of the Warrants in accordance with the terms of the Warrant Indenture, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (vii) *Validly Issued Compensation Options.* The Compensation Options have been duly and validly created and authorized for issuance and when issued and delivered by the Company pursuant to this Agreement, the Compensation Options will be validly issued.
- (viii) *Validly Authorized Compensation Unit Shares.* The Compensation Unit Shares have been duly and validly authorized for issuance and, upon exercise of the Compensation Options in accordance with the terms of the Compensation Option Certificates, the Compensation Unit Shares will be validly issued as fully paid and non-assessable Common Shares.
- (ix) *Validly Authorized Compensation Unit Warrants.* The Compensation Unit Warrants have been duly and validly authorized for creation, issuance and sale and when issued and delivered by the company pursuant to this Agreement, the Compensation Option Certificate and the Compensation Unit Warrant Certificate, against payment of the consideration therefore, the Compensation Unit Warrant will be validly issued.
- (x) *Validly Authorized Compensation Warrant Shares.* The Compensation Warrant Shares have been duly and validly authorized, allotted and reserved for issuance and, upon exercise of the Compensation Unit Warrants in accordance with the terms of the Compensation Unit Warrant Certificate, the Compensation Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (xi) *Transfer Agent and Warrant Agent.* The Transfer Agent, at its principal office in Vancouver, British Columbia, has been appointed as the registrar and transfer agent for the Common Shares and the Warrant Agent, at its principal office in Vancouver, British Columbia, has been duly appointed as the warrant agent in respect of the Warrants.
- (xii) *Entitlement to Proceeds.* There is no person or entity, other than the Company and the Agent, in accordance with the terms of this Agreement, that is or will be entitled to demand the proceeds of the Offering.
- (xiii) *Fees and Commissions.* Other than the Agent, there is no person acting or purporting to act at the request of the Company who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the transactions contemplated herein.
- (xiv) *Listed Issuer Financing Exemption.* During the 12 months prior to the date of this Agreement, the Company has raised \$0 using the Listed Issuer Financing

Exemption and is not otherwise raising funds under the Listed Issuer Financing Exemption other than in the Offering.

- (xv) *Financing Document.* All information and statements contained in the Financing Document are true and correct, in all material respects. The Financing Document, together with any document filed under applicable Securities Laws on or after September 21, 2022, contains disclosure of all material facts about the securities being distributed in the Offering and does not contain a misrepresentation. The Financing Document complies with the requirements of applicable Securities Laws.
- (xvi) *Reporting Issuer.* The Company is and has been a reporting issuer in at least one jurisdiction of Canada for the 12 months immediately before the date that the Company filed the news release announcing the Offering.
- (xvii) *Listed Securities.* The Company has a class of securities listed for trading on an exchange recognized by a securities regulatory authority in a jurisdiction of Canada.
- (xviii) *Status of Operations.* The Company's operations have not ceased or its principal asset is not cash or cash equivalents, or its exchange listing.
- (xix) *Continuous Disclosure.* The Company has filed all periodic and timely continuous disclosure documents that it is required to have filed by each of the following:
 - A. applicable securities legislation;
 - B. an order issued by the regulator or securities regulatory authority; and
 - C. an undertaking to the regulator or securities regulatory authority;
- (xx) *Use of Proceeds.* The Company does not plan to use the proceeds from the Offering towards:
 - A. an acquisition that is a significant acquisition under Part 8 of NI 51-102;
 - B. a restructuring transaction as such term is defined in NI 51-102; and
 - C. any other transaction that requires approval of any security holder under the corporate law of the jurisdiction in which the Company is incorporated or continued, any requirement of the exchange on which the Company's listed equity securities are listed for trading, or the Company's constating documents.
- (xxi) *Aggregate Funds Raised.* The total dollar amount of the Offering, combined with the dollar amount of all other distributions made by the Company under section 5A.2 of NI 45-106 during the 12 months immediately before the date of the issuance

of the news release announcing the Offering, will not exceed the greater of the following: (i) \$5,000,000; or (ii) 10% of the aggregate market value of the Company's listed securities, on the date the Company issued the news release announcing the Offering, to a maximum total dollar amount of \$10,000,000.

(xxii) *Increase in Securities or Debt.* The Offering, combined with all other distributions made by the Company under section 5A.2 of NI 45-106 during the 12 months immediately before the date of the issuance of the news release announcing the Offering, will not result in an increase of more than 100% of the number, or, in the case of debt, of the principal amount, of the Company's issued and outstanding securities, as of the date that is 12 months before the date of the news release.

(xxiii) *Sufficient Capital.* The Company reasonably expects that, on completion of the Offering, the Company will have sufficient available funds to meet its business objectives and all liquidity requirements for a period of 12 months.

(d) **Financial Matters**

(i) *Financial Statements.* The Financial Statements:

- A. present fairly, in all material respects, the financial position of the Company on a consolidated basis and the statements of operations, retained earnings, cash flow from operations and changes in financial information of the Company on a consolidated basis for the periods specified in such Financial Statements;
- B. have been prepared in conformity with IFRS, applied on a consistent basis throughout the periods involved;
- C. do not contain any misrepresentations with respect to the period covered by the Financial Statements, such that the Financial Statements would not be true and correct in every material respect; and
- D. comply with Canadian Securities Laws, including without limitation, NI 51-102 and NI 52-107.

(ii) *Accounting Policies.* There has been no change in accounting policies or practices of the Company or CIWM since November 30, 2022, except as required by IFRS or as disclosed in the Financial Statements.

(iii) *Contingent Liabilities.* Neither the Company, nor CIWM has any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements or referred to or disclosed herein, other than liabilities, obligations, or indebtedness or commitments, which would not, individually or in the aggregate, have a Material Adverse Effect.

- (iv) *Off-Balance Sheet Transactions.* There are no material off-balance sheet transactions, arrangements, obligations or liabilities of the Company or CIWM whether direct, indirect, absolute, contingent or otherwise which are required to be disclosed and are not disclosed or reflected in the Financial Statements.
 - (v) *Indebtedness.* Other than as disclosed in the Financial Statements, or incurred subsequent to the date of the Financial Statements and disclosed in the Public Record, neither the Company nor CIWM is party to any material Debt Instrument or has any material loans or other indebtedness outstanding with any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with the Company or CIWM.
 - (vi) *No Material Change.* Other than as disclosed in the Public Record, since November 30, 2022:
 - A. there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), Business, condition (financial or otherwise) or results of operations of the Company and CIWM, on a consolidated basis;
 - B. there has not been any material change in the capital stock or long-term debt of the Company and CIWM, on a consolidated basis; and
 - C. the Company and CIWM have carried on their respective businesses in the ordinary course.
 - (vii) *Independent Auditors.* The auditors who reported on and certified the Financial Statements for the fiscal years ended November 30, 2022 and 2021 and who provided their respective audit reports thereon are independent with respect to the Company within the meaning of Canadian Securities Laws and there has never been a "reportable event" (within the meaning of NI 51-102) with any past or present auditors of the Company during the last three years. The present auditors of the Company have not provided any material comments or recommendations to the Company regarding its accounting policies, internal control systems or other accounting or financial practices that have not been implemented by the Company.
- (e) **Compliance with Canadian Securities Laws and Corporate and Taxation Laws**
- (i) *Reporting Issuer Status.* As at the date hereof, the Company is a "reporting issuer" in each of the Reporting Jurisdictions, within the meaning of Canadian Securities Laws in such jurisdictions and is not currently in default of any requirement of the Canadian Securities Laws of such jurisdictions and the Company is not included on a list of defaulting reporting issuers maintained by any of the Securities Regulators of such jurisdictions. In particular, without limiting the foregoing, the Company has at all times and in all material respects complied with its obligations to make timely disclosure of all material changes and material facts relating to it and there is no material change or material fact relating to the Company or CIWM which has occurred and with respect to which the requisite news release has not been

disseminated or material change report, as applicable, has not been filed with the Securities Regulators in the Reporting Jurisdictions.

- (ii) *No Suspension or Cease Trade Orders.* No order ceasing or suspending trading in securities of the Company or prohibiting the sale of securities by the Company has been issued by an exchange or securities regulatory authority, and no proceedings for this purpose have been instituted, or are, to the Company's knowledge, pending, contemplated or threatened.
- (iii) *Form of Share Certificates.* The form of certificate respecting the Common Shares has been approved and adopted by the board of directors of the Company and does not conflict with any applicable laws and complies with the constating documents of the Company and the rules and regulations of the TSXV.
- (iv) *Stock Exchange Compliance.* The Company is, and will at the Closing Time be, in compliance in all material respects with the by-laws, rules and regulations of the TSXV.
- (v) *Listing of Shares.* The Common Shares are listed and posted for trading on the TSXV, and the Company has applied to list the Unit Shares, Warrant Shares, Compensation Unit Shares and Compensation Warrant Shares on the TSXV and neither the Company nor CIWM have taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSXV.
- (vi) *Filings and Fees.* All filings and fees required to be made and paid by the Company and CIWM pursuant to applicable corporate laws, Canadian Securities Laws and other applicable laws, regulations or rules have been made and paid or will be paid.
- (vii) *Filing of Confidential Material Change Report.* The Company has not filed any confidential material change reports or similar confidential report with any Securities Regulators in Canada that are still maintained on a confidential basis.
- (viii) *Taxes.* All material Taxes due and payable by the Company or CIWM have been paid except for where the failure to pay such Taxes would not constitute an adverse material fact of the Company and CIWM, on a consolidated basis, or result in an adverse material change to the Company and CIWM, on a consolidated basis. All material tax returns, declarations, remittances and filings required to be filed by the Company or CIWM have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and materially accurate and no material fact or facts have been omitted therefrom which would make any of them misleading except where the inaccuracy or failure to file such documents would not constitute an adverse material fact of the Company and CIWM, on a consolidated basis, or result in an adverse material change to the Company and CIWM, on a consolidated basis. To the best of the knowledge of the Company, no examination by any governmental authority of any material tax return of the Company or CIWM is currently in progress except in the ordinary course

and there are no issues or disputes outstanding with any governmental authority respecting any Taxes of a material amount that have been paid, or may be payable, by the Company, in any case, except where such examinations, issues or disputes would not constitute an adverse material fact of the Company and CIWM, on a consolidated basis, or result in an adverse material change to the Company and CIWM, on a consolidated basis.

- (ix) *Qualified Investments.* The Unit Shares, Warrants and Warrant Shares will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability savings plans and tax free savings accounts (each a “**Registered Plan**”) provided in the case of the Warrants that neither the Company, nor any person with whom the Company does not deal at arm’s length, is an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Registered Plan.

(f) **Disclosure**

- (i) *Accuracy of Disclosure.* The Company is in material compliance with all continuous disclosure obligations under Canadian Securities Laws.
- (ii) *Forward-Looking Information.* With respect to forward-looking information contained in the Public Record, such information is based on or derived from sources which the Company believes to be reliable and accurate and represents the Company’s good faith estimates and the Company had a reasonable basis for the forward-looking information at the time the disclosure was made.

(g) **Intellectual Property and Information Technology**

- (i) *Intellectual Property.*
 - A. Each of the Company and CIWM either owns or has a licence or other right to use all Intellectual Property necessary to permit the Company and CIWM to conduct their respective businesses as currently conducted.
 - B. There are no material restrictions on the ability of the Company or CIWM to use all rights in the Intellectual Property required in the ordinary course of the business of the Company or CIWM, as applicable. None of the rights of the Company or CIWM in the Intellectual Property will be impaired or affected in any way by the transactions contemplated by this Agreement.
 - C. Neither the Company nor CIWM has received any notice or claim (whether written or oral) challenging its ownership or right to use of any Intellectual Property or suggesting that any other person has any

claim of legal or beneficial ownership or other claim or interest with respect thereto.

- D. None of the rights of the Company or CIWM in the Intellectual Property will be impaired or affected in any way by the transactions contemplated by this Agreement.
 - E. There are no material restrictions on the ability of the Company or CIWM to use and exploit all rights in the Intellectual Property required in the ordinary course of business of the Company or CIWM.
 - F. All registrations of Intellectual Property are in good standing and are recorded in the name of the Company or CIWM, or in the name of the parties that have licensed that Intellectual Property to the Company or CIWM, as applicable, in the appropriate offices to preserve the rights thereto.
- (ii) *Software.* To the knowledge of the Company, the computer and data processing systems, facilities and services used by the Company and CIWM are free of any material defects, bugs and errors, and do not contain any disabling codes or instructions, spyware, trojan horses, worms, viruses or other Software routines that permit or cause unauthorized access to, or disruption, impairment, disablement, or destruction of, Software, data or other materials wherein any trade secrets or proprietary information of any of the Company or CIWM has been disclosed to a third party.
- (iii) *Research and Development.* To the knowledge of the Company, all product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by or on behalf of the Company or CIWM in connection with the Business are being conducted in accordance with standard industry practices and in compliance with all industry, safety, management and training standards and regulations applicable to the Business; all processes, procedures and practices, required in connection with such activities, are in place as necessary to satisfy standard industry practices and are being complied with, in all material respects.
- (iv) *Possession of Certifications and Authorizations.* The Company and CIWM have obtained all Certifications issued by the appropriate federal, provincial, regional, state, local or foreign regulatory agencies or bodies necessary to carry on their Business as currently conducted. The Company and CIWM are in material compliance with the terms and conditions of all such Certifications. All of such Certifications are valid, in full force and effect and in good standing. The Company and CIWM have not received and are not otherwise aware of any notice of proceedings relating to the revocation, limitation or other adverse modification of any such Certifications or any notice advising of the refusal to grant any

Certification that has been applied for or is in process of being granted, and no such revocation, limitation, other adverse modification or refusal has been threatened.

(h) **Environmental Matters**

(i) *Environmental Laws.* With respect to the Company and CIWM:

- A. there has not been a material breach of any Environmental Laws;
- B. there have been no claims of, complaints of, to the knowledge of the Company, notices of, or prosecutions for an offence alleging, non-compliance with any Environmental Laws, and there have been no material settlements of any allegation of non-compliance short of prosecution and there are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made or any notice of same; and
- C. there are no material ongoing environmental audits, evaluations, assessments, studies or tests being conducted, except for ongoing audits, evaluations, assessments, studies or tests being conducted in the ordinary course.

(i) **Litigation, Compliance, Anti-Corruption/Anti-Money Laundering**

(i) *Actions, Proceedings and Investigations.* Other than as disclosed in the Public Record and to the Agent in writing, to the knowledge of the Company, there are no actions, proceedings or investigations (whether or not purportedly by or on behalf of the Company or CIWM) commenced, threatened, or pending, against or affecting the Company, CIWM or to which their respective assets are subject at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any Governmental Entity and, other than as disclosed in the Public Record and to the Agent in writing, to the knowledge of the Company, the Company and CIWM are not subject to any judgments, orders, writs, injunctions, decrees, awards, rules, policies or regulations of any Governmental Entity which either separately or in the aggregate would have a Material Adverse Effect on the Company, and CIWM (on a consolidated basis) or on the Company's or, as applicable, CIWM's ability to perform its obligations under the Transaction Documents.

(ii) *Notice of Restrictions on Business.* Neither the Company nor CIWM has received notice from any Governmental Entity or regulatory authority of any jurisdiction in which it carries on a material part of its Business, or owns or leases any material property, of any restriction on its ability to or of a requirement for it to qualify to, nor is it otherwise aware of any restriction on its ability to or of a requirement for it to qualify to, conduct its Business as currently conducted or as currently contemplated to be conducted in the future in such jurisdiction, except that would not result in a Material Adverse Effect to the Company or CIWM.

- (iii) *Judgements, etc.* There are no judgments against the Company or CIWM that are unsatisfied, nor are there any consent decrees or injunctions to which the Company or CIWM is subject.
- (iv) *Change in Legislation.* The Company is not aware of any legislation, regulation or change in government position published or contemplated by a legislative body or Governmental Entity, which it anticipates will materially and adversely affect the Business (as currently carried on or proposed to be carried on), affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Company and CIWM, on a consolidated basis.
- (v) *Anti-Corruption/Anti-Money Laundering.* Neither the Company nor CIWM, nor, to the knowledge of the Company, any of the directors, officers, employees or agents of the Company or CIWM, has made any bribe, payoff, influence payment, kickback or unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, failed to disclose fully any contribution, in violation of any law, made any payment to any foreign, Canadian, United States or provincial or state governmental officer or official or other person charged with similar public or quasi-public duties, or violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, the *Corruption of Foreign Public Officials Act* (Canada), the Proceeds of Crime (Money Laundering) and *Terrorist Financing Act* (Canada), the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (United States) or any similar law, regulation or statute in any applicable jurisdictions and the Company has instituted and maintains policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with such laws.

(j) **Employment Matters**

- (i) *Labour Matters.* No material work stoppage, strike, lock-out, labour disruption, dispute, grievance, arbitration, proceeding or other conflict with the employees of the Company or CIWM currently exists or, to the knowledge of the Company, is imminent or pending and the Company and CIWM are in material compliance with all provisions of all federal, national, regional, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours.
- (ii) *Employment Standards.* There are no material complaints against the Company or CIWM before any employment standards branch or tribunal or human rights tribunal, nor, to the knowledge of the Company, any complaints or any occurrence which would reasonably be expected to lead to a complaint under any human rights legislation or employment standards legislation that would be material to the Company. There are no outstanding decisions or settlements or pending settlements under applicable employment standards legislation which place any material obligation upon the Company or CIWM to do or refrain from doing any act.

- (iii) *Compliance with Labour and Health and Safety Laws.* The Company and CIWM are in material compliance with all applicable laws and regulations respecting employment and employment practices, workers' compensation, occupational health and safety and similar legislation, including payment in full of all amounts owing thereunder, and there are no pending claims or outstanding orders of a material nature against any of them under applicable workers' compensation legislation, occupational health and safety or similar legislation nor has any event occurred which may give rise to any such material claim.
- (iv) *Collective Bargaining Agreements.* The Company and/or CIWM are not party to any collective bargaining agreements with unionized employees. To the knowledge of the Company, no action has been taken or is being contemplated to organize or unionize any other employees of the Company or CIWM that would have a Material Adverse Effect.
- (v) *Employee Plans.* Other than as disclosed in the Public Record, there are no material plans related to retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Company for the benefit of any current or former director, officer, employee or consultant of the Company.
- (vi) *Accruals.* Other than as provided in the Financial Statements, or accrued in the ordinary course since the date thereof, there are no accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments that are required to be reflected in the books and records of the Company or CIWM.

5. **Representations, Warranties and Covenants of the Agent.** The Agent hereby represents, warrants and covenants to the Company and acknowledge that the Company is relying upon such representations, warranties and covenants, that:

(a) *Compliance with Securities Laws.* In respect of the offer and sale of the Units, the Agent (and any affiliate thereof) and each member of the Selling Group has and will conduct its activities in connection with the Offering in compliance with all applicable Securities Laws and the provisions of this Agreement.

(b) *Duly Registered.* The Agent is duly registered pursuant to the provisions of applicable Securities Laws, and is duly registered or licensed as an investment dealer in those jurisdictions in which it is required to be so registered in order to perform the services contemplated by this Agreement, or if or where not so registered or licensed, the Agent will act only through members of the Selling Group who are so registered or licensed.

(c) *Sufficient Authority.* The Agent has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.

(d) *No Representations.* The Agent shall not make any representation or warranty with respect to the Units in connection with the Offering, other than as set forth in this Agreement.

(e) *General Solicitation or General Advertising.* The Agent and its respective affiliates and representatives has not engaged in or authorized, and will not engage in or authorize, any form of General Solicitation or General Advertising in connection with or in respect of the Offering.

(f) *No Prospectus or Registration Requirement.* The Agent has not and will not, directly or indirectly, solicit offers to purchase or sell the Units so as to require the filing of a prospectus, registration statement, offering memorandum or similar document with respect thereto or the provision of a contractual right of action under the laws of any jurisdiction, or to require the Company to comply with ongoing filing or continuous disclosure or other similar requirements.

(g) *Accredited Investor.* The Agent is qualified as an “accredited investor”, as such term is defined in NI 45-106 and if resident in Ontario as such term is defined in Section 73.3 of the *Securities Act* (Ontario), by virtue of being registered under the securities legislation of a jurisdiction of Canada as an advisor or dealer.

(h) *U.S. Securities Laws (Compensation Options).* The Agent acknowledges that the Compensation Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. In connection with the issuance of the Compensation Options, the Agent represents, warrants and covenants that (i) it is acquiring the Compensation Options as principal for its own account and not for the benefit of any other person, (ii) it is not a U.S. Person and is not acquiring the Compensation Options in the United States, or on behalf, or for the benefit or account, of a U.S. Person or a person located in the United States, and (iii) this Agreement was executed and delivered outside the United States. The Agent acknowledges and agrees that the Compensation Options may not be exercised in the United States or by, or on behalf or for the benefit of, a U.S. Person or a person in the United States, unless such exercise is not subject to registration under the U.S. Securities Act or the securities laws of any state of the United States.

6. **Closing Deliveries.** The purchase and sale of the Units shall be completed electronically at the Closing Time, or at such other place or time as the Agent and the Company may agree upon, with delivery of any physical certificates representing the Unit Shares and the Warrants and the Compensation Option Certificates being delivered in Vancouver on the Closing Date. At the Closing Time, the Company shall duly and validly deliver to the Agent: (a) the Unit Shares and Warrants, by way of electronic deposit or definitive certificated form as directed by the Agent, against payment by the Agent to the Company of the Aggregate Subscription Price therefor, by electronic money transfer as directed by the Company; (b) the CF Fee Shares and CF Fee Warrants, by way of electronic deposit or definitive certificated form as directed by the Agent; and (c) payment of the Commission and the expenses of the Agent and the Compensation Option Certificates representing the Compensation Options referred to in Sections 9 and 10 hereof by the Company to the Agent. The Agent may discharge its payment obligations under this Section 6 by

the transfer of funds by electronic money transfer from the Agent to the Company's designated bank account, which shall be a bank account in Canada, equal to the Aggregate Subscription Price plus any retainer advanced by the Company to the Agent prior to Closing, less the Commission, the cash portion of the Corporate Finance Fee and the expenses of the Agent, including the fees and disbursements of counsel to the Agent, as set out in Sections 9 and 10 hereof.

7. **Closing Conditions.** The following are conditions precedent to the obligations of the Agent to complete the Closing and to purchase or arrange for the purchase of the Units at the Closing Time, and which conditions are to be satisfied by the Company at or before the Closing Time:

- (a) the Agent shall have received a certificate dated the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company, or such other officers of the Company as the Agent may agree, addressed to the Agent with respect to the notice of articles and articles of the Company, all resolutions of the Company's board of directors relating to the Transaction Documents and the transactions contemplated hereby and thereby, the incumbency and specimen signatures of signing officers of the Company in the form of a certificate of incumbency and such other matters as the Agent may reasonably request;
- (b) the Agent shall have received evidence that all requisite approvals, consents and acceptances of the appropriate regulatory authorities, including the conditional approval of the TSXV, have been made or obtained, and the TSXV will have granted permission to close, subject only to satisfaction by the Company of certain standard post-closing conditions imposed by the TSXV required to be made or obtained by the Company in order to complete the Offering;
- (c) the Agent shall have received favourable legal opinions addressed to the Agent and the Purchasers, in form and substance satisfactory to the Agent's counsel, acting reasonably, dated the Closing Date, from Bennett Jones LLP, counsel to the Company, and where appropriate local counsel to the Company in the other Selling Jurisdictions, which counsel in turn may rely to the extent appropriate in the circumstances, as to matters of fact, on certificates of auditors, public officials and officers of the Company, with respect to the following matters:
 - (i) as to the incorporation and subsistence of the Company under the laws of the Province of British Columbia and as to the corporate power and capacity of the Company to enter into and carry out its obligations under the Transaction Documents and to create, issue and sell, as applicable, the Units, the Unit Shares, the Warrants, the Warrant Shares, the Compensation Securities and the CF Fee Securities;
 - (ii) as to the Company being a "reporting issuer" not on the list of defaulting reporting issuers maintained pursuant to Canadian Securities Laws in the Reporting Jurisdictions;
 - (iii) as to the authorized and issued capital of the Company;

- (iv) the Company has all requisite corporate power and capacity under the laws of the Province of British Columbia to carry on its business as presently carried on and to own, lease and operate its properties and assets;
- (v) the execution and delivery of the Transaction Documents, the performance by the Company of its obligations thereunder, and the creation, sale and issuance, as applicable, of the Units, the Unit Shares, the Warrants, the Warrant Shares, the CF Fee Securities and the Compensation Securities, do not constitute and will not constitute with notice or lapse of time or both notice and lapse of time, a breach of or a default under any corporate or securities statute or regulation of the Province of British Columbia or any federal statute or regulation of Canada having the force of law binding upon the Company, and do not and will not conflict with the articles or notice of articles of the Company or any resolutions of the shareholders or directors (including committees of the board of directors) of the Company;
- (vi) each of the Transaction Documents have been duly authorized, executed and delivered by the Company, and constitute a valid and legally binding obligation of the Company enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity and contribution may be limited by applicable law;
- (vii) the Financing Document has been duly executed and the execution and filing of the Financing Document on SEDAR+ has been duly authorized by all necessary corporate action by the Company;
- (viii) the Unit Shares have been, upon payment, duly and validly authorized and issued as fully paid and non-assessable Common Shares;
- (ix) the Warrants have been duly and validly created and issued and the Warrant Shares have been reserved and allotted for issuance and upon the receipt of payment therefor by the Company and the issue thereof upon exercise of the Warrants in accordance with the provisions of the Warrant Indenture, the Warrant Shares will be duly and validly issued as fully paid and non-assessable Common Shares;
- (x) the CF Fee Shares have been duly and validly authorized and issued as fully paid and non-assessable Common Shares;
- (xi) the CF Fee Warrants have been duly and validly created and issued and the CF Fee Warrant Shares have been reserved and allotted for issuance and upon the receipt of payment therefor by the Company and the issue thereof upon exercise of the CF Fee Warrants in accordance with the provisions of

the Warrant Indenture, the CF Fee Warrant Shares will be duly and validly issued as fully paid and non-assessable Common Shares;

- (xii) the Compensation Options have been duly and validly created and issued and the Compensation Unit Shares have been reserved for issuance and upon the receipt of payment therefor by the Company and the issue thereof upon exercise of the Compensation Options in accordance with the provisions of the Compensation Option Certificates, the Compensation Unit Shares will be duly and validly issued as fully paid and non-assessable Common Shares;
- (xiii) the Compensation Unit Warrants have been validly created and duly authorized by the Company and upon their issuance in accordance with the terms of this Agreement, the Compensation Option Certificate and the Compensation Unit Warrant Certificate, will constitute legally binding agreements of the Company, enforceable in accordance with the terms of the Compensation Unit Warrant Certificate;
- (xiv) the Compensation Warrant Shares have been validly authorized, reserved and allotted for issuance, and upon due exercise of the Compensation Unit Warrants in accordance with the Compensation Unit Warrant Certificate, the Compensation Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;
- (xv) the issuance and sale by the Company of the Unit Shares and the Warrants to the Purchasers, and the issuance by the Company of the CF Fee Shares, CF Fee Warrants and Compensation Options to the Agent, in accordance with the terms of this Agreement are exempt from the prospectus requirements of applicable Securities Laws in the Canadian Selling Jurisdictions and no document is required to be filed under the applicable Securities Laws in the Canadian Selling Jurisdictions and, except as have been obtained or completed, no proceeding is required to be taken and no approval, permit, consent, authorization or filing by the Company is required under applicable Securities Laws in the Canadian Selling Jurisdictions to permit such issuance and sale; it being noted, however, that the Company is required to file or cause to be filed with the applicable Securities Regulators, a report on Form 45-106F1 prepared and executed pursuant to NI 45-106, together with the prescribed filing fee, within 10 days following the Closing Date;
- (xvi) the issuance by the Company of (i) the Warrant Shares upon the due exercise of the Warrants, (ii) the CF Fee Warrant Shares upon the due exercise of the CF Fee Warrants, (iii) the Compensation Unit Shares and Compensation Unit Warrants upon the due exercise of the Compensation Options, and (iv) the Compensation Warrant Shares upon the due exercise of the Compensation Unit Warrants will be exempt from the prospectus requirements of applicable Securities Laws in the Canadian Selling Jurisdictions and no document is required to be filed under the applicable

Securities Laws in the Canadian Selling Jurisdictions and, except as have been obtained or completed, no proceeding is required to be taken and no approval, permit, consent, authorization or filing by the Company is required under applicable Securities Laws in the Canadian Selling Jurisdictions to permit such issuance;

- (xvii) no document is required to be filed under the applicable Securities Laws in the Canadian Selling Jurisdictions and, except as have been obtained or completed, no proceeding is required to be taken and no approval, permit, consent, authorization or filing by the Company is required under applicable Securities Laws in the Canadian Selling Jurisdictions in connection with the first trade of the Unit Shares, the Warrants, the Warrant Shares, the CF Fee Shares, the CF Fee Warrants, the CF Fee Warrant Shares, the Compensation Unit Shares, the Compensation Unit Warrants and the Compensation Warrant Shares by the holders thereof, as the case may be, provided that certain standard conditions are satisfied;
 - (xviii) the Unit Shares, the Warrants, the Warrant Shares, the CF Fee Shares, the CF Fee Warrants, the CF Fee Warrant Shares, the Compensation Options, the Compensation Unit Shares, the Compensation Unit Warrants and the Compensation Warrant Shares are not subject to the hold periods on first trade or resale under NI 45-106;
 - (xix) the TSXV has conditionally accepted the Offering, subject only to satisfaction by the Company of certain standard post-closing conditions imposed by the TSXV;
 - (xx) the Unit Shares and Warrants are “qualified investments” under the *Income Tax Act* (Canada) and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans and tax free savings accounts;
 - (xxi) the Transfer Agent, at its principal office in Vancouver, British Columbia, has been duly appointed as the transfer agent in respect of the Common Shares;
 - (xxii) the Warrant Agent at its principal office in Vancouver, British Columbia, has been duly appointed as the warrant agent in respect of the Warrants; and
 - (xxiii) as to such other matters as the Agent or its legal counsel may reasonably request prior to the Closing Time;
- (d) the Agent shall have received a favourable legal opinion addressed to the Agent, in form and substance satisfactory to the Agent’s counsel, acting reasonably, dated the Closing Date, from Clement, Fitzpatrick & Kenworthy, Inc., local counsel to the Company, which counsel in turn may rely to the extent appropriate in the

circumstances, as to matters of fact, on certificates of auditors, public officials and officers of CIWM, with respect to the following matters:

- (i) the incorporation and subsistence of CIWM;
 - (ii) the corporate power and capacity of CIWM, under the laws of its jurisdiction of existence to carry on its business as presently carried on and to own, lease and operate its properties and assets; and
 - (iii) the authorized and issued capital of CIWM, and the ownership thereof;
- (e) the Agent shall have received executed copies of all of the lock-up agreements pursuant to section 2(a)(xviii) hereof;
 - (f) the Agent shall have received a certificate of status or similar certificate with respect to each jurisdiction in which the Company and CIWM are existing each dated within one Business Day prior to the Closing Date;
 - (g) the Agent shall have received a letter from the Transfer Agent as to the issued and outstanding Common Shares as at the close of business on the Business Day prior to the Closing Date;
 - (h) the Agent shall have received a letter from the Warrant Agent confirming its appointment as warrant agent under the Warrant Indenture;
 - (i) the Warrant Indenture shall have been executed and delivered by the parties thereto in form and substance satisfactory to the Agent and its counsel, acting reasonably; and
 - (j) the Agent receiving such further certificates, opinions of counsel and other documentation from the Company contemplated herein and as reasonably requested, provided, however, that the Agent or its counsel shall request any such certificate or document within a reasonable period prior to the Closing Time that is sufficient for the Company to obtain and deliver such certificate, opinion or document and that such certificate and documents are customary requests for a transaction of this nature, type and size.

8. Rights of Termination

The Company and the Agent will use their commercially reasonable efforts to cause all conditions in this Agreement to be satisfied.

In addition to any other remedies which may be available to the Agent, the Agent shall be entitled, at its sole option, to terminate and cancel, without any liability on the part of the Agent or on the part of the Purchasers, all of its obligations (and those of any Purchasers arranged by it) under this Agreement, by written notice to that effect given to the Company at or prior to the Closing Time, if at any time prior to the Closing:

- (a) there shall occur or come into effect any material change in the business, affairs (including, for the avoidance of doubt, any change to the board of directors or executive management of the Company, including the departure of the Company's chief executive officer or chief financial officer (or persons in equivalent position)), financial condition, prospects, capital or control of the Company and its subsidiaries, taken as a whole, or any change in any material fact or a new material fact, or there should be discovered any previously undisclosed fact which, in each case, in the reasonable opinion of the Agent, has or could reasonably be expected to have a significant adverse effect on the market price or value or marketability of the Units and/or Common Shares;
- (b) the state of the financial markets in Canada or elsewhere is such that in the reasonable opinion of the Agent, the Units cannot be marketed profitably;
- (c) an order shall have been made or threatened to cease or suspend trading in the Common Shares or any other securities of the Company, or to otherwise prohibit or restrict in any manner the distribution or trading of the Common Shares, Units or any other securities of the Company, or proceedings are announced or commenced for the making of any such order by any securities regulatory authority or similar regulatory or judicial authority or the TSXV, which order has not been rescinded, revoked or withdrawn;
- (d) there is an inquiry, action, investigation or other proceeding (whether formal or informal) commenced, announced or threatened or an order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation, the TSXV or any securities regulatory authority, in relation to the Company or any one of its officers or directors (except for any inquiry, action, suit, proceeding, investigation or order based upon activities of the Agent and not upon activities of the Company), which in the opinion of the Agent, acting reasonably, operates to prevent or materially restrict the distribution or trading of the Units or, which in the reasonable opinion of the Agent, materially and adversely affects or would be reasonably expected to materially and adversely affect the market price or value of the Common Shares or the distribution or trading of the Units;
- (e) there should develop, occur or come into effect or existence any event, action, state, or condition or any action, law or regulation, inquiry, including, without limitation, terrorism, accident, pandemic (including any material escalation in the severity of the Russian Federation's invasion of Ukraine and/or the Israel-Hamas war after the date hereof), natural disaster, public protest or major financial, political or economic occurrence of national or international consequence, or any action, government, law, regulation, inquiry or other occurrence of any nature, which, in the reasonable opinion of the Agent, seriously adversely affects or involves, or may seriously adversely affect or involve, the financial markets in Canada or the U.S. or the business, operations or affairs of the Company or marketability of the Units or the Common Shares;

- (f) if the Agent is not satisfied in its sole discretion, acting reasonably, with its due diligence review and investigations in respect of the Company; or
- (g) any condition shall remain outstanding and uncompleted at any time after the time which is it required to be completed or waived, or the Company is in breach of any representation, warranty or covenant contained in this Agreement.

The rights of termination contained in this Section 8 may be exercised by the Agent and are in addition to any other rights or remedies the Agent may have in respect of any default, act or failure to act or non-compliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination by the Agent, there shall be no further liability on the part of the Agent to the Company or on the part of the Company to the Agent except in respect of any liability which may have arisen or may arise after such termination in respect of acts or omissions of the Company prior to such termination and in respect of Sections 10, 12, 13, 15, and 21 through to 28.

9. **Agent's Compensation.** In consideration of the services to be rendered by the Agent in connection with the Offering, the Company shall pay the Agent a cash commission (the "**Commission**") equal to 6.0% of the gross proceeds from the Offering. As additional consideration for the services to be rendered by the Agent in connection with the Offering, the Company shall (i) pay to the Agent the Corporate Finance Fee, payable 25% in cash and 75% by the issuance of that number of CF Fee Units (issued pursuant to the Listed Issuer Financing Exemption) calculated in accordance with the opening paragraphs of this Agreement, and (ii) issue to the Agent that number of non-transferable Compensation Options (the "**Compensation Options**") as is equal to 6.0% of the aggregate number of Units sold pursuant to the Offering. Each Compensation Option will entitle the holder thereof to acquire one unit of the Company (a "**Compensation Unit**") at a price equal to the Subscription Price until the Expiry Time. Each Compensation Unit shall be comprised of one Common Share (a "**Compensation Unit Share**") and one common share purchase warrant (a "**Compensation Unit Warrant**"), with each Compensation Unit Warrant exercisable at a price of \$0.40 until the Expiry Time to purchase one additional Common Share (a "**Compensation Warrant Share**"). The obligation of the Company to pay the Commission and the Corporate Finance Fee and to issue the Compensation Options and the CF Fee Units shall arise at the Closing Time. The Agent acknowledges and agrees that the Compensation Options, Compensation Unit Shares, Compensation Unit Warrants, Compensation Warrant Shares and CF Fee Units have not been registered under the U.S. Securities Act or any applicable securities laws of any state of the United States and may not be distributed into the United States or exercised in the United States and the Compensation Unit Shares, Compensation Unit Warrants, Compensation Warrant Shares and CF Fee Units may not be delivered to an address in the United States absent such registration or an applicable exemption therefrom.

10. **Expenses.** Whether or not the Offering is completed, the Company shall pay: (i) all expenses of or incidental to the creation, issue, sale or distribution of the Units; (ii) the fees and disbursement's of the Company's legal counsel; (iii) all costs incurred in connection with the preparation of the documents relating to the Offering; (iv) the reasonable fees and disbursements of the Agent's legal counsel, which in the case of the Agent's counsel, shall not exceed the maximum amount set out in the Engagement Letter (exclusive of taxes and disbursements, which shall be paid in addition to such fees); and (v) all reasonable fees and expenses (plus applicable

taxes) of the Agent. All fees and expenses incurred by the Agent or on its behalf shall be payable by the Company immediately upon receiving an invoice therefor from the Agent and shall be payable whether or not the Offering is completed. At the option of the Agent, such fees and expenses may be deducted from the gross proceeds otherwise payable to the Company at Closing.

11. **Survival of Representations and Warranties.** All representations, warranties, covenants and agreements of the Company herein contained or contained in any documents submitted pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Agent or the Purchasers with respect thereto, shall continue in full force and effect for the benefit of the Agent and the Purchasers for a period of three years following the Closing Date. For certainty, the provisions contained in this Agreement in any way related to the indemnification of the Agent by the Company or the contribution obligations of the Agent or those of the Company shall survive and continue in full force and effect, indefinitely, subject only to the applicable limitation period prescribed by law. The representations, warranties, covenants and agreements of the Agent herein contained and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Company with respect thereto, shall continue in full force and effect for the benefit of the Company for a period of three years following the Closing Date.

12. **Indemnity and Contribution.**

(a) The Company hereby agrees to indemnify and hold harmless the Agent and each of the officers, directors, employees, shareholders, partners, advisors and agents of the Agent and of each of the associates and affiliates of the Agent (such officers, directors, employees, shareholders, partners, advisors and agents are hereinafter collectively referred to as the “**Personnel**” and the Agent, the associates and affiliates of the Agent and the Personnel are collectively referred to as the “**Indemnified Persons**” and individually as an “**Indemnified Person**”) from and against any and all expenses, costs, losses, claims, actions, payments, damages and liabilities (including the aggregate amount paid in settlement of any litigation, action, suit, proceeding, claim or investigation (each an “**Action**”) and the reasonable fees and expenses of counsel that may be incurred in respect of receiving advice in connection with, or in investigating, defending or settling, any Action) of whatsoever nature or kind, joint or several, to which any Indemnified Person may become subject or otherwise involved in any capacity under statute or common law or otherwise by reason of, in connection with, or insofar as such expense, cost, loss, claim, action, payment, damage or liability is caused by, results from, arises out of or is based upon, directly or indirectly, the engagement of hereunder, the provision of services by the Agent hereunder or otherwise in connection with any matter referred to in, or related to, this Agreement; provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall have determined that:

(i) the Indemnified Person has been grossly negligent or dishonest, has been guilty of willful misconduct or has committed a fraudulent act in the course of rendering such services or has materially breached this Agreement; and

- (ii) the expense, cost, loss, claim, action, payment, damage or liability in respect of which indemnification is claimed was directly caused or occasioned by the gross negligence, dishonesty, willful misconduct, fraud or material breach referred to in clause (i) above.
- (b) If for any reason (other than the occurrence of any of the events referred to in clause (a)(i) above), the foregoing indemnification is unavailable to an Indemnified Person or, while available, is insufficient to hold such Indemnified Person harmless, then the Company shall contribute to the amount paid or payable by such Indemnified Person as a result of such expense, cost, loss, claim, action, payment, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and the Indemnified Person on the other hand but also the relative degrees of fault of the Company and the Indemnified Person, as well as any other relevant equitable considerations, provided that in any event the Company shall contribute to the amount paid or payable by the Indemnified Person as a result of such expense, cost, loss, claim, action, payment, damage or liability any excess of such amount over the amount of the fees actually received by the Indemnified Person from the Company hereunder. Subject to the exceptions outlined in (a)(i) and (a)(ii) above, the Company hereby agrees that no Indemnified Person shall have any liability to the Company or any associate or affiliate thereof or to any of the officers, directors, holders of securities or creditors of the Company or of any associate or affiliate thereof in respect of any Action and hereby waives any right to contribution which the Company may have against any Indemnified Person from the Company. The Company hereby waives any right which the Company may have of first requiring any Indemnified Person to proceed or enforce any right, power, remedy or security or to claim payment from any other person before claiming under the indemnity contained herein.
- (c) In case any Action is brought against an Indemnified Person or an Indemnified Person has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Company, the Indemnified Person will give the Company prompt written notice of any such Action of which the Indemnified Person has knowledge and the Company will undertake the investigation and defense thereof on behalf of the Indemnified Person, including the prompt employment of counsel acceptable to the Indemnified Persons affected and the payment of all expenses. The omission to so notify the Company shall not relieve the Company of any liability which the Company may have to any Indemnified Person hereunder provided that any such delay in or failure to give notice as herein required does not materially prejudice the defense of the Action and does not result in any material increase in the liability which the Company would otherwise have under the indemnity contained herein had the Indemnified Person not so delayed in giving, or failing to give, the notice herein required.
- (d) No admission of liability nor settlement, compromise or termination of any Action shall be made without the Company's consent and the consent of the Indemnified Persons affected; such consents not to be unreasonably withheld. Notwithstanding that the Company will undertake the investigation and defense of any Action, an

Indemnified Person will have the right to employ separate counsel with respect to any Action and participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Person unless: (i) the payment of such expenses has been authorized in writing by the Company; (ii) the Company has not assumed the defense of the Action within a reasonable period of time after receiving notice of the Action; (iii) the named parties to any such Action include both the Company and the Indemnified Person and the Indemnified Person shall have been advised by counsel to the Indemnified Person in writing that there is a conflict of interest between the Company and the Indemnified Person; or (iv) there are one or more defenses available to the Indemnified Person which are different from or in addition to those available to the Company; in which case such fees and expenses of such counsel to the Indemnified Person will be for the Company's account. The rights accorded to the Indemnified Persons hereunder shall be in addition to any rights an Indemnified Person may have at common law or otherwise.

- (e) The Company hereby acknowledges that the Agent acts as trustee for all of the other Indemnified Persons of the covenants and obligations of the Company contained in this Section 12 with respect to such Indemnified Persons and the Agent hereby accepts such trust and agrees to hold such covenants and obligations on behalf of itself and the other Indemnified Persons.
- (f) The indemnity and contribution obligations of the Company contained in this Section 12 shall be in addition to, and not in substitution for, any liability which the Company may otherwise have, shall extend upon the same terms and conditions to all Indemnified Persons and shall be binding upon and enure to the benefit of the respective successors and assigns of the Company and of each of the Indemnified Persons, as the case may be.
- (g) The rights to indemnification provided in this Section 12 shall not be limited to or otherwise affected by any other indemnity obtained from any other person in respect of any matter specified in this Agreement and shall continue in full force and effect until all possible liability arising out of the transactions contemplated by this Agreement has been extinguished by operation of law, provided, however that no Indemnified Person shall be entitled to "double recovery" in respect of any Action.

13. **Right of First Refusal.** From the date of this Agreement until the date that is eighteen (18) months from the Closing, the Agent shall be provided with a 5-day right of first refusal to: (i) act as the lead manager (whether as underwriter or as agent) for a minimum economic interest of at least 80% in connection with any offering of equity or debt securities of the Company undertaken by the Company, provided that the Company intends to appoint an agent or underwriter in respect of such offering; (ii) act as distribution agent with respect to any at-the-market offering of Common Shares undertaken by the Company; and (iii) act as exclusive financial advisor in connection with any transaction involving the Company, including any acquisition or disposal of any assets or securities out of the ordinary course of business, any material corporate transaction such as an amalgamation, recapitalization, merger, take-over bid, joint venture plan or arrangement or

reorganization, sale or a restructuring of the capital structure of the Company, as the case may be, depending upon the nature of the transaction and provided that the Company intends to appoint a financial advisor in connection with the transaction in question. If, 5 days after being approached in relation to any specific transaction, the Agent has not exercised this right, the Company may, in connection with such transaction, thereafter, seek to engage other advisers provided that the arrangements with such other advisers are entered into within 30 days thereafter and the terms of the transaction and engagement are no more favourable to such adviser than those offered to the Agent. Notwithstanding the foregoing, the 5-day right of first refusal provided herein shall not terminate in the event the Agent does not exercise such right when approached by the Company.

14. **Advertisements.** If the Offering is successfully completed, the Agent shall be permitted to publish, at its own expense, after giving the Company a reasonable opportunity to comment on the form and content thereof, such advertisements or announcements relating to the performance of services provided hereunder in such newspaper or other publications as the Agent considers appropriate, and shall further be permitted to post such advertisements or announcements on its website.

15. **Notices.** Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “notice”) shall be in writing addressed as follows:

(a) If to the Company, to:

Earthworks Industries Inc.
800 West Pender Street, Suite 615
Vancouver, British Columbia V6C 2V6

Attention: David Brent Atkinson
E-mail: david@earthworksinc.com

with a copy (for information purposes only and not constituting notice) to:

Bennett Jones LLP
100 King St West, Suite 3400
Toronto, Ontario, M5X 1A4

Attention: Marshall Eiding
E-mail: eidingerm@bennettjones.com

(b) If to the Agent, to:

Haywood Securities Inc.
200 Burrard St., Suite 700
Vancouver, British Columbia V6C 3L6

Attention: Sean MacGillis
E-mail: smacgillis@haywood.com

with a copy (for information purposes only and not constituting notice) to:

Cozen O'Connor LLP

Suite 1100, Bay Adelaide Centre – West Tower
333 Bay Street
Toronto, Ontario, M5H 2R2

Attention: Brian Fast / Alex Katznelson

Email: BFast@cozen.com / AKatznelson@cozen.com

or to such other address as any of the parties may designate by notice given to the other parties.

Each notice shall be personally delivered to the addressee or sent electronically to the addressee and (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent electronically shall be deemed to be given and received on the first Business Day following the day on which it is confirmed to have been sent.

16. **Time of the Essence.** Time shall, in all respects, be of the essence hereof.

17. **Canadian Dollars.** All references herein to dollar amounts are to lawful money of Canada unless otherwise indicated.

18. **Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

19. **Singular and Plural, etc.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

20. **No Fiduciary Duty.** The Company acknowledges and agrees that: (i) the purchase and sale of the Units pursuant to this Agreement, including the determination of the Subscription Price and any related discounts and commissions, is an arm's length commercial transaction between the Company, on the one hand, and the Agent, on the other hand; (ii) in connection with the Offering contemplated hereby and the process leading to such transaction, the Agent is and has been acting solely as principal and is not an agent or a fiduciary of the Company or its shareholders, creditors, employees or any other party; (iii) the Agent has not assumed and will not assume an advisory or fiduciary responsibility in favour of the Company with respect to the Offering contemplated hereby or the process leading thereto (irrespective of whether the Agent has advised or is currently advising the Company on other matters) and the Agent does not have any obligations to the Company with respect to the Offering contemplated hereby except the obligations expressly set forth in this Agreement; (iv) the Agent and its respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company; (v) the Agent has not provided any legal, accounting, regulatory or tax advice with respect to the Offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate; and (vi) it waives, to the fullest extent permitted by law, any claims the Company and its affiliates may have against the Agent for breach of fiduciary

duty or alleged breach of fiduciary duty and agrees that the Agent shall have no liability (whether direct or indirect) to the Company or any of its affiliates in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including shareholders, employees or creditors of the Company.

21. **Entire Agreement.** This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings with respect to the subject matter hereof, including without limitation the Engagement Letter.

22. **Amendments.** This Agreement may be amended or modified in any respect by written instrument only executed by all parties hereto.

23. **Severability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.

24. **Governing Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to any rule or principle of the conflict of laws that would apply the laws of any other jurisdiction. The parties hereby irrevocably agree that any legal action or proceedings against it with respect to this Agreement may be brought in the Courts of the Province of Ontario and, by execution and delivery of this Agreement, the parties hereby irrevocably submit to such jurisdiction.

25. **Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, the Agent and the Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein, this Agreement shall not be assignable by any party without the written consent of the other parties.

26. **Further Assurances.** Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

27. **Other Agent Business.** The Company acknowledges that the Agent and certain of its respective affiliates: (i) act as traders of, and dealers in, securities both as principal and on behalf of their clients and, as such, may have had, and may in the future have, long or short positions in the securities of the Company or related entities and, from time to time, may have executed or may execute transactions on behalf of such persons, (ii) may provide research or investment advice or portfolio management services to clients on investment matters, including the Company, (iii) may participate in securities transactions on a proprietary basis, including transactions in the Offering or other securities of the Company or related entities, and (iv) nothing in this Agreement shall restrict their ability to conduct business in the ordinary course and in compliance with applicable laws.

28. **Use of Advice.** The Company acknowledges and agrees that all written and oral opinions, advice, analyses and materials provided by the Agent in connection with this Agreement and its

engagement hereunder are intended solely for the Company's benefit and the Company's internal use only with respect to the Offering and the Company agrees that no such opinion, advice, analysis or material will be used for any other purpose whatsoever or reproduced, disseminated, quoted from or referred to in whole or in part at any time, in any manner or for any purpose, without the Agent's prior written consent in each specific instance. Any advice or opinions given by the Agent hereunder will be made subject to, and will be based upon, such assumptions, limitations, qualifications, and reservations as the Agent, in its sole judgment, deems necessary or prudent in the circumstances. The Agent expressly disclaims any liability or responsibility by reason of any unauthorized use, publication, distribution of or reference to any oral or written opinions or advice or materials provided by the Agent or any unauthorized reference to the Agent or this engagement.

29. **Language.** The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language only. *Les parties reconnaissent avoir expressément demandé que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.*

30. **Effective Date.** This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

31. **Schedules.** The following schedules are attached to this Agreement, which schedules are deemed to be incorporated into and form part of this Agreement:

Schedule "A" – List of Options, Warrants and Convertible Securities

32. **Counterparts, Facsimile and PDF.** This Agreement may be executed in any number of counterparts and by original or electronic signature and in facsimile or PDF copy, each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

[Signature Page Follows]

If the Company is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agent.

HAYWOOD SECURITIES INC.

Per: Signed (Sean MacGillis)
Name: Sean MacGillis
Title: Managing Director, Investment Banking

The foregoing is hereby accepted on the terms and conditions therein set forth.

DATED as of this 2nd day of November, 2023.

EARTHWORKS INDUSTRIES INC.

Per: *Signed (David Brent Atkinson)*

Name: David Brent Atkinson

Title: President & Chief Executive Officer

SCHEDULE "A"

LIST OF OPTIONS, WARRANTS AND CONVERTIBLE SECURITIES

This is Schedule "A" to the Agency Agreement dated November 2, 2023 between Earthworks Industries Inc. and Haywood Securities Inc.

A. Options

Issuance Date	Number of Options (each exercisable to acquire one Common Share)	Expiry Date	Exercise Price
July 14, 2022	5,850,000	July 31, 2027	\$0.15
June 1, 2023	250,000	July 31, 2025	\$0.20
July 15, 2023	300,000	July 31, 2025	\$0.35
Total:	6,400,000		

B. Warrants

Issuance Date	Number of Warrants (each exercisable to acquire one Common Share)	Expiry Date	Exercise Price
May 15, 2023	4,500,000	May 15, 2024	\$0.40
April 24, 2022	635,000	February 28, 2024	\$0.35
September 21, 2022	2,571,400	September 21, 2024	\$0.30
November 10, 2022	2,612,500	December 3, 2024	\$0.30
Total:	10,318,900		