

## SHARE PURCHASE AGREEMENT

**THIS SHARE PURCHASE AGREEMENT** is made as of October 22, 2025 (the “**Effective Date**”)

**AMONG:**

**TOTEC RESOURCES LTD.**, a corporation incorporated under the laws of the Province of British Columbia (the “**Purchaser**”)

**AND:**

**USHA RESOURCES LTD.**, a corporation incorporated under the laws of the Province of British Columbia (“**Usha**”)

**AND:**

**1540359 B.C. LTD.**, a corporation incorporated under the laws of the Province of British Columbia (the “**Corporation**”)

**AND:**

Each additional Person who after the date hereof acquires Units of the Corporation under the Concurrent Financing and agrees to become a party to, and bound by, this Agreement as an “Investor” by executing an Adoption Agreement (the “**Investors**”)

(Usha and the Investors, collectively, the “**Vendors**”)

**WHEREAS:**

- A. as of the Effective Date, Usha is the sole legal and beneficial owner of all of the Common shares in the capital of the Corporation (each, a “**Share**”) issued and outstanding as of the Effective Date (such Shares, the “**Usha Shares**”);
- B. as at of the Closing Time, the Investors will, together with Usha, be the legal and beneficial owners of all of the Shares issued and outstanding as at the Closing Time (such Shares, the “**Sale Shares**”);
- C. the Corporation is the beneficial and registered owner of the 489 mineral claims as set out in in Schedule “A” hereto (the “**Acquired Property**”), being the 489 mineral claims comprising Usha’s White Willow property;
- D. the Vendors wish to sell, transfer and assign to the Purchaser, and the Purchaser has agreed to acquire from the Vendors, all of the legal and beneficial interest of the Vendors in the Sale Shares, subject to the terms and conditions set forth in this Agreement (the “**Transaction**”), which will constitute the Purchaser’s Qualifying Transaction (as defined below); and
- E. as a result of the foregoing, the Purchaser will become the sole legal and beneficial owner, directly and indirectly of all the issued and outstanding shares in the capital of the Corporation.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

### ARTICLE 1 INTERPRETATION

**1.1 Definitions.** In this Agreement:

**“Acquired Property”** has the meaning set forth in the Preamble.

**“Adoption Agreement”** means the adoption agreement in the form attached hereto as Exhibit 1, pursuant to which the Investors will agree to become a party to, and bound by, this Agreement.

**“Affiliate”** means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to **“control”** another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term **“controlled”** shall have a similar meaning.

**“Agreement”** means this share purchase agreement, and the Exhibits and Schedules hereto attached.

**“Applicable Law”** means, with respect to any Person, property, transaction, event or other matter, any federal, state, provincial, territorial, local, municipal, foreign, international, multinational, or other constitution, law, statute, treaty, regulation, code (including, without limitation, competition law or regulation, statutory instruments, guidance notes, circulars, directives, decisions, rules and regulations), decree, ordinance, principle of common law or equity, rule, guidelines and policies (whether or not having the force of law), municipal by-law, Order (collectively, the **“Law”**) relating or applicable to such Person, property, transaction, event or other matter and includes Environmental Law.

**“Assignment Agreement”** means the assignment agreement between Usha and the Corporation dated October 22, 2025, pursuant to which the Corporation acquired the Acquired Property from Usha.

**“Books and Records”** means, whether in paper or electronic form, all books, records, files and papers of the Corporation, including financial records, manuals and data, sales, purchase and advertising documents, lists of present customers and suppliers, employment records, and the minute and share certificate books of the Corporation, to the extent maintained by the Corporation.

**“Business Day”** a day during which banks are opened in Vancouver, Canada for full normal working hours.

**“Change of Control Tax Returns”** has the meaning set forth in Section 6.10(a).

**“Closing”** has the meaning set forth in Section 4.1.

**“Closing Date”** has the meaning set forth in Section 4.1.

**“Closing Time”** means 12:01 am Vancouver time on the Closing Date.

**“Concurrent Financing”** means the private placement of up to 28,000,000 units of the Corporation (each, a **“Unit”**) at a price of \$0.15 per Unit, each Unit to be comprised of one (1) Share of the Corporation and one (1) warrant (a **“Warrant”**). Each Warrant will entitle the holder thereof to acquire one additional Share at an exercise price of \$0.25 for a period of two (2) years from the date of issuance.

**“Consideration Shares”** has the meaning set out in Section 2.2.

**“Consolidation”** means the consolidation of the share capital of the Purchaser, whereby every two (2) Purchaser Common Shares will be consolidated into one (1) Purchaser Common Share, which will be completed prior to the Closing.

**“Corporation”** has the meaning set forth in the Preamble.

**“Damages”** means any loss, damage (including indirect damages, consequential damages, incidental damages, special damages), diminution in value, lost profits, claim, settlement, award, fine, penalty, fee (including reasonable costs of investigation, remediation and professional fees, including those of attorneys, consultants and experts, any applicable state or local filing fees or organizational fees, and expenses paid in connection with the foregoing), charge, cost or expense incurred by an Indemnified Party; provided, however, that Damages shall not include exemplary or punitive damages unless awarded in connection with a Third Party Claim.

**“Disclosure Schedule”** means the schedule attached as Schedule “B” to this Agreement in which Usha discloses certain information, including but not limited to, exceptions to Usha's representations and warranties, specific details of the Corporation's properties, assets, liabilities, and any other pertinent information required by this Agreement.

**“Environmental Law”** means any federal, state, provincial (including the common law) or municipal law, statute, by-law, order, ordinance, code, regulation, rule, order or permit and all standards, guidelines, directives, policies, protocols, bulletins, Environmental Permits, now in effect in each jurisdiction in which the Corporation is carried on and other lawful requirements of any Governmental Authority, principles of common law and equity and all judicial and administrative decisions, orders and decrees that relate to pollution or protection of the environment, human health and safety, or relating to waste disposal or to emissions, discharges, Releases or threatened Releases of a Hazardous Substance or other environmental matters, and to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, handling and the like of Hazardous Substances.

**“Environmental Permits”** includes all permits, licenses, approvals, consents, authorizations, registrations, privileges, exemptions, waivers, variations, clearances, orders, certificates, and other concessions under any Environmental Laws.

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

**“Exchange”** means the TSX Venture Exchange.

**“Filing Statement”** means the filing statement of the Purchaser to be prepared in accordance with Exchange Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction*, which provides full, true and plain disclosure of all material facts relating to the Purchaser, the Corporation, and the Transaction, including all documents incorporated therein.

**“Fundamental Representations”** means the representations and warranties set forth in Sections 3.1(a) (*Enforceability of Obligations*), 3.1(b) (*Capitalization*), 3.1(c) (*Organization of the Corporation and Solvency*), 3.1(e) (*Non-contravention*), 3.1(o) (*Tax Matters*) and 3.1(s) (*Environmental Matters*).

**“Governmental Authority”** means any (i) multinational, federal, provincial, 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; (ii) subdivision, agent, commission, board, or authority of any of the foregoing; (iii) any quasi-governmental or

private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange.

**“Governmental Order”** means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

**“GST/HST”** means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA and the relevant provincial legislation, all as amended.

**“Hazardous Substance”** means any hazardous, dangerous or toxic substance, material or waste that is prohibited, controlled or regulated under any Environmental Law including pollutants, contaminants, dangerous goods or substances, toxic or hazardous substances or materials, wastes, petroleum hydrocarbons, volatile organic compounds, polyaromatic hydrocarbons, PCBs, UFFI, lead-based materials, asbestos containing materials, and specifically includes underground storage tanks.

**“Indemnified Party”** means a Person whom the Vendors or the Purchaser, as the case may be, is required to indemnify under Article 7.

**“Indemnified Taxes”** means any Damages arising as a result of any Taxes required to be paid by the Corporation (and any predecessor or successor thereto), in respect of a Pre-Closing Tax Period.

**“Indemnifying Party”** means, in relation to an Indemnified Party, the Party that is required to indemnify such Indemnified Party under Article 7.

**“Interim Period”** means the period from the date of this Agreement to the Closing Time.

**“ITA”** means the *Income Tax Act*, R.S.C. 1985, c. 1 (5<sup>th</sup> Supplement), as amended.

**“Investor Shares”** means the Shares of which the Investors are the legal and beneficial owners as at the Closing Time, and which form part of the Units.

**“Investors”** has the meaning set forth in the Preamble.

**“Knowledge of Usha”** means the actual knowledge, after due inquiry, of any of Deepak Varshney or Khalid Naeem.

**“Law”** has the meaning set out in the definition of **“Applicable Law”**.

**“Legal Proceeding”** means any litigation, action, suit, hearing, claim, or arbitration proceeding, whether civil, administrative, regulatory or criminal, before any Governmental Authority or arbitral body, and includes any appeal or review thereof and any application for leave for appeal or review.

**“Liability”** means any direct or indirect liability, debt, guaranty, responsibility, penalty, Lien, claim, damage, deficiency, fine, loss or obligation (including as related to Taxes), whether known or unknown, asserted or unasserted, disputed or undisputed, liquidated or unliquidated, joint or several, vested or unvested, absolute or contingent, accrued or unaccrued, determined or indeterminable, and whether due or to become due, regardless of when asserted.

**“Lien”** means pledges, liens, charges, security interests, leases, title retention agreements, mortgages, restrictions, development agreements or similar agreements, easements, rights-of-way, title defects, options, rights of first offer or rights of first refusal, adverse claims, restrictive covenants, easements, joint use agreements, party wall agreements, work orders issued by any municipal corporation or other Governmental Authority, demands and equities of any nature

whatsoever or howsoever arising and any rights or privileges capable of becoming any of the foregoing.

**“Material Adverse Effect”** means any change, event or effect that individually or in the aggregate has had or would reasonably be expected to have a materially adverse effect on (i) the Acquired Property, the financial condition or results of operations of the Corporation, or (ii) the ability of the Vendors to consummate the transactions contemplated hereby on a timely basis; provided, that none of the following will be deemed in themselves, either alone or in combination, to constitute, and none of the following will be taken into account in determining whether there has been, a Material Adverse Effect: any adverse change, event or effect, directly or indirectly, arising out of or attributable to (a) general economic or political conditions, (b) any act of terrorism, war, military action or the escalation or worsening thereof, (c) any adoption, implementation, change or proposed change in Law (or interpretations thereof), or any change in the manner in which any Law is or may be enforced, (d) conditions generally affecting the industries in which the Corporation operates; or (e) changes in applicable accounting principles, including ASPE or IFRS (as applicable), or any applicable regulatory accounting rules (or the enforcement, implementation or interpretation thereof); except, in respect of clauses (a) through (e), to the extent such change, event or effect has a materially disproportionate effect on the Corporation, taken as whole, relative to other Persons operating in the industry in which the Corporation operates.

**“Material Contracts”** means the Assignment Agreement, which, for greater certainty, the Corporation may only become a party to at or before the Closing Date, and not necessarily as of the date of this Agreement.

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

**“Order”** means any order, judgment, decree, injunction, decision, directive, finding, ruling, award or writ of any Governmental Authority.

**“Ordinary Course of Business”** when used in relation to the taking of any action by the Corporation means that the action is consistent with past practices of the Corporation including as to quantity and frequency.

**“Outside Date”** means December 31, 2025 or such other date as Usha and Purchaser agree to in writing.

**“Party”** means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means every Party.

**“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

**“Purchase Price”** has the meaning set out in Section 2.2.

**“Purchaser”** has the meaning set out in the Preamble.

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

**“Purchaser Disclosure Documents”** means all forms, reports, schedules, statements, certifications and other documents, including without limitation all press releases, forms, reports, schedules, financial statements and notes and schedules to such financial statements, management’s discussion and analysis of financial condition and operations, certifications, annual

information forms, management information circulars, material change reports, NI 43-101 technical reports and other documents required to be publicly disclosed or filed by the Purchaser with the Securities Authorities pursuant to applicable Securities Laws since June 28, 2022;

**“Purchaser Exchange Approval”** has the meaning set out in Section 4.3(v).

**“Purchaser’s Indemnified Parties”** means the Purchaser and its Affiliates (including the Corporation after the Closing) and their respective shareholders, directors, officers and employees.

**“Purchaser Material Adverse Effect”** has the meaning set forth in Section 5.2(a).

**“Purchaser Shareholder Approval”** has the meaning set forth in Section 4.3(iv).

**“Qualifying Transaction”** means a Qualifying Transaction as defined in Policy 2.4 of the Exchange.

**“Regulatory Approval”** means any approval, consent, Order, authorization, notice, permit, licence, waiver or acknowledgement that is required from any Governmental Authority pursuant to Applicable Law in connection with the transactions contemplated by this Agreement, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement.

**“Related Party”** has the meaning set forth in Section 3.1(o)(v).

**“Release”** includes release, spill, leak, pump, discharge, inject, escape, leech, migrate, dispose, discharge, spray, inoculate, abandon, deposit, seep, pour, emit, empty, throw, dump, place and exhaust and when used as a noun has a similar meaning.

**“Representative”** when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

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

**“Securities Laws”** means the *Securities Act* (British Columbia), together with all other applicable federal and provincial securities Laws, and the rules and regulations and published policies of the securities authorities thereunder, as now in effect and as they may be promulgated or amended from time to time, and includes the rules and policies of the Exchange;

**“Shares”** has the meaning set out in the Preamble.

**“Tax Returns”** means all returns, reports, declarations, elections, notices, filings, information returns, documents, designations, forms, disclosures and statements or other information or filing, whether intangible, electronic or other form in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto.

**“Taxes”** means, with respect to any Person, all supranational, national, federal, provincial, state, local, foreign or other taxes, however denominated, including without limitation, all income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, *ad valorem* taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer

health taxes, government pension plan premiums and contributions, Canada Pension Plan and provincial pension plan contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority and any instalments, assessments or reassessments in respect thereof, interest, penalties, fines, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not, in all cases imposed by any Governmental Authority in respect thereof and whether disputed or not and which such Person may be obliged to pay, withhold, collect or remit and "Tax" means any one of such Taxes.

"**Technical Report**" has the meaning set out in Section 6.8.

"**Transaction**" has the meaning set forth in the Preamble.

"**Unit**" has the meaning set out in the definition of "Concurrent Financing".

"**Usha**" has the meaning set out in the Preamble.

"**Usha Exchange Approval**" has the meaning set out in Section 4.2(vi).

"**Usha Shareholder Approval**" has the meaning set out in Section 4.2(v).

"**Usha Shares**" has the meaning set out in the Preamble.

"**Vendor Indemnified Parties**" means the Vendors, Affiliates of the Vendors (other than, after Closing, the Corporation) and their respective shareholders, directors, officers and employees.

"**Warrant**" has the meaning set out in the definition of "Concurrent Financing".

**1.2 Actions on Non-Business Days.** If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

**1.3 Currency and Payment Obligations.** Except as otherwise expressly provided in this Agreement:

- (a) all dollar amounts referred to in this Agreement are stated in Canadian currency unless otherwise indicated; and
- (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account specified by the payee.

**1.4 Calculation of Time.** In this Agreement, except as otherwise expressly set forth herein, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Vancouver time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Vancouver time on the next succeeding Business Day.

**1.5 Additional Rules of Interpretation.**

- (a) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

- (b) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.
- (c) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections, Schedules or Exhibits are to Articles or Sections of this Agreement, and Schedules or Exhibits to this Agreement.
- (d) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.
- (e) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.
- (f) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision.
- (g) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.
- (h) *Absence of Presumption.* The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation of this Agreement or any amendments hereto.

**1.6 Schedules and Exhibits.** The Schedules and Exhibits to this Agreement are incorporated in this Agreement by reference and deemed to be a part hereof. Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement. The numbering of the Schedules corresponds with the numbering of Sections of this Agreement. Any matter disclosed in any Schedule shall be considered disclosed also for other Schedules for which it is reasonably apparent from the face of such disclosure that such matter is pertinent to the other Schedules. The Schedules and all information contained in them is confidential and may not be disclosed to any other Person except as permitted pursuant to this Agreement.

## **ARTICLE 2 SALE OF SHARES**

**2.1 Purchase and Sale.** At the Closing Time, and provided that all the conditions to the Closing herein set forth, in particular the conditions precedent referred to in Article 5, are satisfied (or waived, as the case may be), the Vendors shall sell to the Purchaser and the Purchaser shall purchase from the Vendors the Sale Shares, free and clear of all Liens.

**2.2 Purchase Price.** The aggregate price payable by the Purchaser to the Vendors for the Sale Shares (the “**Purchase Price**”) shall be satisfied, on the Closing Date, through the payment of \$50,000 to Usha and the issuance of Purchaser Common Shares as follows:

- (i) through the issuance by the Purchaser to Usha of 5,500,000 Purchaser Common Shares (on a post-Consolidation basis) at a deemed price of \$0.15 per share; and
- (ii) through the issuance by the Purchaser to each of the Investors of one Purchaser Common Share (on a post-Consolidated basis) for each Investor Share held by the Investor as of the Closing Date (after giving effect to the Concurrent Financing) at a deemed price of \$0.15 per share

(collectively, the “**Consideration Shares**”).

**2.3 Exchange Escrow.** The Parties acknowledge that the Consideration Shares to be issued pursuant to the Transaction may be subject to escrow provisions and seed share resale restrictions contained in the policies of the Exchange, and that such policies may require that any or all of the Consideration Shares issued pursuant to the Transaction be held in escrow and released, over time, as determined by the policies of the Exchange. Notwithstanding the foregoing, the Purchaser covenants and agrees that it will use its commercially reasonable efforts to ensure that the amount of the Consideration Shares issued pursuant to the Transaction that are subject to escrow imposed by the Exchange is minimized as much as possible in accordance with the policies of the Exchange.

**2.4 Tax Election.**

- (a) It is intended that the purchase and sale transactions contemplated by this Agreement with respect to the sale of the Sale Shares will generally constitute a transaction that the Vendors may elect to treat on a tax deferral basis pursuant to Section 85(1) of the ITA, by treating the transaction as a rollover in its income tax return for the year in which the exchange occurred by not including in income any portion of the gain or loss which would otherwise have arisen on the disposition of the Sale Shares. The Purchaser shall not take any action that would interfere with the Vendors’ ability to make the aforementioned election pursuant to Section 85(1) of the ITA.
- (b) At the request and expense of any of the Vendors, the Purchaser shall sign and execute a Form T2057 prepared by such Vendor for the purpose of making a joint election to have the provisions of subsection 85(1) of the ITA apply to the transfer. It shall be the responsibility of the Vendors to prepare and file the Form T2057 with the Canada Revenue Agency. The Purchaser shall not be liable for any damages arising to the Vendors for a late filing of a Form T2057 or any errors or omissions on a Form T2057.
- (c) Notwithstanding anything contained in this Section 2.4, the Purchaser does not assume and shall not be liable for any taxes under the ITA or any other amount whatsoever which may be or become payable by the Vendors including, without limiting the generality of the foregoing, any taxes resulting from or arising as a consequence of the sale by the Vendors to the Purchaser of the Sale Shares herein contemplated, or the availability (or lack thereof) of the provisions of subsection 85(1) of the ITA, or the content or impact of any election made under subsection 85(1) of the ITA.

**ARTICLE 3  
REPRESENTATIONS AND WARRANTIES**

**3.1 Representations and Warranties about Usha and the Corporation.** As a material inducement to the Purchaser’s entering into this Agreement and completing the transactions contemplated by this

Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of Usha set out in this Section 3.1, Usha hereby represents and warrants to the Purchaser, as follows:

- (a) *Enforceability of Usha Obligations.* This Agreement constitutes the valid and binding obligation of Usha enforceable against Usha in accordance with its terms, subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought. The execution, delivery and performance by Usha of this Agreement and the documents to be delivered hereunder and the consummation by Usha of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Usha.
- (b) *Capitalization.*
  - (i) The authorized capital of the Corporation consists of an unlimited number of common shares, of which 5,500,000 common shares are issued and outstanding as at the Effective Date. All the Usha Shares have been duly authorized and are validly issued, fully paid and non-assessable, and Usha is the registered and beneficial owner of the Usha Shares, free and clear of all Liens.
  - (ii) All of the Investors Shares will have been, as of the Closing Time, duly authorized and validly issued, fully paid and non-assessable, and the Investors are the registered and beneficial owners of the Investor Shares, free and clear of all Liens.
  - (iii) Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all the Sale Shares, free and clear of all Liens.
  - (iv) Other than the Warrants, there are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in the capital of the Corporation or obligating the Vendors or the Corporation to issue or sell any shares of, or any other interest in, the Corporation. Other than as provided herein, there are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements, other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Shares. The Corporation does not own or have any interest in any shares or have securities, or another ownership interest, in any other person or entity.
- (c) *Organization of the Corporation and Solvency.* The Corporation is amalgamated, organized and subsisting under the laws of the Province of British Columbia. No proceedings have been taken or authorized by the Corporation or Usha or, to the knowledge of Usha, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding-up of the Corporation or Usha.
- (d) *Qualification to do Business.* The Corporation is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary, except where the failure to be so qualified or licensed or in good standing would not be material.
- (e) *Non-Contravention and No Consents or Governmental Authorization Required.* Except as set out in Section 3.1(e) of the Disclosure Schedule, none of the execution, delivery or performance of this

Agreement nor the consummation of the transactions contemplated hereby by Usha or the Corporation does or will result in a violation or breach of, result in a default or the incurrence of any Lien under, or require any action, consent, approval, filing or notice under, result in the loss of any benefit under, permit the acceleration of any obligation under or create in any party the right to terminate, modify or cancel (or trigger the same), as applicable:

- (i) any of the provisions of the constating documents of the Corporation or Usha;
  - (ii) any Material Contract to which the Corporation is a party or by which the Corporation or any of its properties or assets, including the Acquired Property, is bound; or
  - (iii) any Applicable Law in any material respect.
- (f) *Liabilities.* The Corporation holds no assets or Liabilities whatsoever, whether tangible or intangible, other than those assets or Liabilities that directly arise from or are associated with the Corporation's interest in the Material Contracts. The Corporation has not incurred, and does not currently possess, any debts, responsibilities, or claims outside of those explicitly linked to the Material Contracts, and no third party has any claim or right against the Corporation that is not directly connected to the Material Contracts.
- (g) *Books and Records.* The Books and Records have been maintained in accordance with commercially reasonable business practices and the requirements of the laws of the jurisdiction of incorporation of the Corporation. The minute books and stock record books of the Corporation, all of which have been made available to the Purchaser, are complete and accurate in all material respects and contain complete and accurate records of all meetings, and actions taken by written consent of, the stockholders, the board of directors and any committees of the board of directors of the Corporation, and no meeting, or action taken by written consent, of any such stockholders, board of directors or committee has been held for which minutes have not been prepared and are not contained in such minute books. At the Closing, all of those books and records will be in the possession of the Corporation.
- (h) *Real Property.* The Corporation does not currently own any real property or have any interest in any real property, including any leasehold interest, other than the interest in the Acquired Property.
- (i) *Material Contracts.* Each Material Contract is valid and binding on the Corporation in accordance with its terms and is in full force and effect. None of the Corporation or, to Usha's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of any intention to terminate, any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Material Contract have been made available to Purchaser. With respect to each Material Contract, the Corporation has performed in all material respects all obligations required to be performed by them prior to the date of this Agreement. Except as disclosed in Section 3.1(i) of the Disclosure Schedule, no consent or approval is required to be obtained by the Corporation or Usha, nor is any notice required to be given by the Corporation or Usha under any Material Contract in connection with the completion of the transactions contemplated herein. The Corporation is not a party to, nor has it entered into, any contracts, agreements, commitments, or understandings, whether written or oral, express or implied, other than the Material Contracts.

- (j) *Compliance with Applicable Law.* (a) the Corporation is not in violation of any Applicable Law, and (b) the Corporation is not subject to any Order of any Governmental Authority which is charged with regulating or supervising the Corporation that imposes any restrictions on the business of the Corporation. The Corporation has not directly or indirectly engaged in any activity or conduct that has or will result in a violation of Applicable Laws or any Order that would result in Liabilities. Neither Usha nor the Corporation has received any written or, to the Knowledge of Usha, oral notice from any Governmental Authority that alleges any material noncompliance (or that Usha or the Corporation is under investigation by any such Governmental Authority for alleged material noncompliance) with any Applicable Laws.
- (k) *Regulatory Approvals.* Except Usha Exchange Approval, no Regulatory Approval or filing with any Governmental Authority is required to be obtained or made by Usha or the Corporation in connection with the execution and delivery of, and performance by Usha of its obligations under, this Agreement or the Assignment Agreement.
- (l) *Legal Proceedings.*
  - (i) There are no Legal Proceedings pending, in progress or, to the Knowledge of Usha, threatened against or by the Corporation affecting any of its properties or assets, including, without limitation, the Acquired Property. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any Legal Proceedings that, individually or in the aggregate, would be material, or that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.
  - (ii) There are no outstanding Orders and no unsatisfied judgments, penalties or awards against or affecting the Corporation or any of its properties or assets, including the Acquired Property.
- (m) *Employment Matters.* The Corporation does not employ or engage, nor has it ever employed or engaged since incorporation, any individuals as employees or independent contractors. There are no current or past contractual obligations, agreements, or arrangements for employment or independent contracting services with any individual, either directly or indirectly, including but not limited to oral agreements, implied understandings, or any informal or written commitments.
- (n) *Insurance.* Section 3.1(n) of the Disclosure Schedule lists all insurance policies of the Corporation, which are all in full force and effect. All premiums due and payable under all such policies have been paid and the Corporation is otherwise in compliance in all material respects with the terms of such policies. The Corporation has not received any notice of cancellation or termination with respect to any such policy. There has been no denial of material claims nor material claims disputed by the Corporation's insurers.
- (o) *Tax Matters.*
  - (i) All Tax Returns that are required to be filed in all jurisdictions applicable to the Corporation have been duly and timely filed, and all such Tax Returns are true, correct and complete in all respects and disclose all Taxes required to be paid.
  - (ii) The Corporation has paid in full and when due all Taxes required to be paid by it. Since incorporation, the Corporation has not generated taxable income or undertaken transactions that would give rise to Liabilities for Taxes.

- (iii) There are no outstanding or unresolved claims, assessments, deficiencies, audits, or legal proceedings with respect to Taxes against the Corporation, and there are no circumstances that would reasonably be expected to result in any such claims or proceedings.
  - (iv) There are no audits, investigations, or other proceedings pending or, to the knowledge of Usha, threatened against the Corporation by any Governmental Authority with respect to Taxes.
  - (v) Other than pursuant to the Assignment Agreement, the Corporation has not acquired property or services from, nor has it disposed of property or provided services to a person with whom it does not deal at arm's length (within the meaning of the ITA) (a "**Related Party**") for an amount that is other than the fair market value of such property or services, nor has the Corporation been deemed to have done so for purposes of the ITA.
  - (vi) The Corporation is not a party to any Tax sharing, Tax allocation, or similar agreement and has not been required to indemnify any other entity for Taxes.
  - (vii) The Corporation has prepared and maintains all records and documents required to be prepared and maintained under any Applicable Law with respect to Taxes.
  - (viii) The Corporation is not party to any joint venture, partnership or other arrangement or agreement that could be treated as a partnership or joint venture for Tax purposes.
  - (ix) No "Canadian exploration expenditures" are required to be incurred by the Corporation to holders of "flow-through shares" issued by the Corporation.
  - (x) The Corporation is not, and has never been, in default of any of its legal obligations in respect of any "flow-through" share financings previously undertaken by the Corporation.
- (p) *Interest in Properties.* Following the execution of the Assignment Agreement:
- (i) The Corporation is the sole legal and beneficial owner, and has valid and sufficient right, title and interest, free and clear of any Lien: (A) to its concessions, claims, leases, licences, and all other rights relating in any manner whatsoever to the interest in, or exploration for minerals on the Acquired Property and, in each case, as are necessary to perform the operation of its business as presently owned and conducted; (B) to its real property interests including licences (from landowners and authorities permitting the use of land by the Corporation), leases, rights of way, occupancy rights, surface rights, mineral rights, easements and all other real property interests and, in each case, as are necessary to perform the operation of its business as presently owned and conducted; and (C) to, or is entitled to the benefits of, the Acquired Property and to all benefits derived therefrom and mineral rights, and the Acquired Property is not subject to any material Lien except as is specifically identified on title or in the public registry.
  - (ii) All mineral property claims in which the Corporation has an interest or right, including the Acquired Property, have been validly located and recorded in accordance with all Applicable Laws and are valid and subsisting. The Corporation has all necessary surface rights, access rights and other rights and interests relating to the Acquired Property, granting the Corporation the right and ability to conduct its business as currently conducted, with only such exceptions as do not materially interfere with the use made by the Corporation of the

rights or interests so held, and each of the property interests or rights and each of the documents, agreements, instruments and obligations relating thereto and referred to above is currently in good standing in the name of the Corporation.

- (iii) All rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or required to be performed, as the case may be, on or prior to the date hereof under, with respect to, or on account of, the Acquired Property, have been duly paid or duly performed, as applicable.
- (iv) All costs, expenses, and liabilities required to be paid on or prior to the date of this Agreement relating to the Acquired Property have been properly and timely paid in all material respects.
- (v) Except as disclosed in Section 3.1(p)(v) of the Disclosure Schedule, (A) the Corporation has the exclusive right to deal with the Acquired Property; (B) no person or entity of any nature whatsoever other than the Corporation has any interest in the Acquired Property or any right to acquire or otherwise obtain any such interest; (C) there are no back-in rights, earn-in rights, rights of first refusal, off-take rights or obligations, royalty rights, streaming rights, or other rights of any nature whatsoever which would affect the Corporation's interests in the Acquired Property, and no such rights are threatened; (D) neither the Corporation nor Usha has received any written notice from any Governmental Authority or any other person of any revocation or intention to revoke, diminish or challenge its interest in the Acquired Property; and (E) the Acquired Property is in good standing under and comply in all material respects with all Applicable Laws and all work required to be performed has been performed and all taxes, fees, expenditures and all other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.
- (vi) There are no adverse claims, demands, actions, suits or proceedings that have been commenced or are pending or, to the knowledge of the Corporation, that are threatened, affecting or which would have a Material Adverse Effect on the Corporation's right, title or interest in the Acquired Property or the ability of the Corporation to explore or develop the Acquired Property, including the title to or ownership by the Corporation of the foregoing.
- (q) *Expropriation.* The Acquired Property has not been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced nor, to the knowledge of Usha, is there any intent or proposal to give any such notice or to commence any such proceeding.
- (r) *Description of Acquired Property.* The description of the Acquired Property as disclosed in Schedule "A" constitutes an accurate description of the Acquired Property, and Usha does not know of any claim or the basis for any claim, including a claim with respect to aboriginal or native rights, that might or could have a Material Adverse Effect on the right thereof to use, transfer or otherwise explore for mineral deposits on the Acquired Property.
- (s) *Environmental Matters.*
  - (i) Usha and the Corporation have carried on their operations on the Acquired Property in compliance with all applicable Environmental Laws and the Acquired Property complies with all applicable Environmental Laws. Usha and the Corporation have taken all requested or necessary steps and actions to comply with any notice, action, or proceeding with respect to any material non-compliance.

- (ii) Neither Usha nor the Corporation is subject to any contingent or other liability in respect of the Acquired Property relating to (a) the restoration or rehabilitation of land or water, or (b) non-compliance with Environmental Laws.
- (iii) The Acquired Property has not been used to generate, manufacture, refine, treat, recycle, transport, store, handle, dispose of, transfer, produce or process Hazardous Substances. Neither Usha nor the Corporation has caused or permitted the Release of any Hazardous Substances at, in, on, under or from the Acquired Property. All Hazardous Substances handled, recycled, disposed of, treated or stored on or off site of the Acquired Property by Usha or the Corporation have been handled, recycled, disposed of, treated and stored in material compliance with all Environmental Laws. To the knowledge of Usha, there are no Hazardous Substances at, in, on, under or migrating from the Acquired Property.
- (iv) Neither Usha nor the Corporation has caused or permitted the Release of any Hazardous Substances on or to the Acquired Property in such a manner as: (A) would reasonably be expected to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property; or (B) would be reasonably expected to result in imposition of a material lien, charge or other encumbrance or the expropriation of the Acquired Property.
- (v) Neither Usha nor the Corporation has received from any Person or Governmental Authority any notice of any material proceeding, material action or other material claim, liability or potential liability arising under any Environmental Law that is pending as of the date of this Agreement related to the Acquired Property.
- (t) *First Nations Claims.* There are no claims or any legal actions with respect to native, indigenous or other aboriginal rights currently or, to the knowledge of Usha, after due inquiry, pending or threatened with respect to the Acquired Property, and no dispute between Usha or the Corporation and any native, indigenous or other aboriginal group exists or, to the knowledge of Usha, is threatened or imminent with respect to any activities thereon.
- (u) *NGOs and Community Groups.* No dispute between the Corporation or Usha and any non-governmental organization, community, or community group exists or, to the knowledge of Usha, is threatened or imminent with respect to the Acquired Property or operations thereon.
- (v) *Brokers.* No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission from the Corporation or Usha in connection with the transactions contemplated by this Agreement.
- (w) *Full Disclosure.* No representation or warranty by Usha in this Agreement and no statement contained in the Schedules to this Agreement or any certificate or other document furnished or to be furnished to the Purchaser under this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which they are made, not misleading.

**3.2 Representations and Warranties of Investors.** As a material inducement to the Purchaser's entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Investors set out in this [Section 3.2](#), each of the Vendors individually represents and warrants to the Purchaser with respect to matters specific to such Vendor, as follows:

- (a) *Enforceability of Vendor Obligations.* This Agreement constitutes the valid and binding obligation of the Vendors enforceable against each of the Vendors in accordance with its terms, subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought. The execution, delivery and performance by the each of the Vendors of this Agreement and the documents to be delivered hereunder and the consummation by each of the Vendors of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of the Vendors.
- (b) *Qualification.* If the Vendor is an individual, they are of legal age and are legally competent to enter into and perform their obligations under this Agreement. If the Vendor is a corporation, it is incorporated and validly existing under the jurisdiction of its incorporation and has the corporate power and authority to enter into and perform its obligations under this Agreement.
- (c) *Capitalization.* Each of the Vendors is the legal and beneficial owner of the Investor Shares registered in its name in the corporate records of the Corporation as of the Closing Date, with good and marketable title free and clear of any and all Liens. Except for the Purchaser's rights under this Agreement, there is no option, agreement or other right capable of becoming such to acquire from the Investors any of the Investor Shares.
- (d) *No Conflicts.* The execution, delivery and performance by each of the Vendors of this Agreement and the documents to be delivered hereunder, and the consummation of the transactions contemplated hereby, do not and will not result in or constitute:
  - (i) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of the articles or by-laws of each such Vendor; or
  - (ii) the violation of any Applicable Law.
- (e) *Consents.* No consent, approval, waiver or authorization is required to be obtained by any of the Vendors from any person or entity (including any governmental authority) in connection with the execution, delivery and performance by any such Vendor of this Agreement and the consummation of the transactions contemplated hereby.
- (f) *Independent Legal and Financial Advice.* Each of the Vendors has been advised prior to entering into this Agreement to obtain, and has obtained or has waived such right to obtain, such independent legal, financial (including tax) and other advice as it deems to be necessary or advisable in connection herewith, and waives any claim which it may now or in the future have with respect to this Agreement or the subject matter of this Agreement based in any way on the absence of, lack of access to or shortness of time available to rely on such advice.

**3.3 Representations and Warranties of the Purchaser.** As a material inducement to Usha entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that Usha is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 3.3, the Purchaser represents and warrants to Usha as follows:

- (a) *Incorporation, Corporate Power and Solvency.* The Purchaser is a corporation organized and validly subsisting under the laws of British Columbia. The Purchaser has the power, authority and capacity to execute and deliver this Agreement and to perform its obligations hereunder and thereunder. No proceedings have been taken or authorized by the Purchaser or, to the knowledge of the

Purchaser, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding-up of the Purchaser.

- (b) *Authorization by Purchaser.* The execution and delivery of this Agreement to be executed by it and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, subject to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of the rights of creditors and others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.
- (d) *Absence of Conflicting Agreements.* The execution, delivery and performance of this Agreement by the Purchaser do not result in or constitute:
  - (i) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of the articles or by-laws of the Purchaser or any agreement to which the Purchaser is a party; or
  - (ii) the violation of any Applicable Law.
- (e) *Regulatory Approvals.* Except the Purchaser Exchange Approval, no Regulatory Approval or filing with any Governmental Authority is required to be obtained or made by the Purchaser in connection with the execution and delivery of, and performance by the Purchaser of its obligations under this Agreement.
- (f) *Capitalization.* As of the date of this Agreement, the Purchaser's capitalization consists of the following (on a pre-Consolidation basis): (i) 6,126,000 Purchaser Common Shares; (ii) 602,600 stock options, 260,000 of which are each exercisable into one (1) Purchaser Common Share at \$0.05 per share until June 13, 2032 and 342,600 of which are each exercisable into one (1) Purchaser Common Share at \$0.10 per share until March 10, 2028.
- (g) *Securities Laws Matters.*
  - (i) The Purchaser is a capital pool company (as defined in the polices of the Exchange) and has not conducted any business operations other than to pursue a "Qualifying Transaction" (as defined in the polices of the Exchange) in compliance with Exchange Policy 2.4 and there are no material contracts or agreements to which the Purchaser is a party, or by which it is bound, other than as disclosed in the Purchaser Disclosure Documents.
  - (ii) The Purchaser Common Shares are listed and posted for trading on the Exchange and, except for such listing and trading, no securities of the Purchaser are listed or quoted for trading on any other stock or securities exchange or market. No order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Purchaser has been issued and no proceedings for such purpose are pending or threatened. Other than as a result of the Transaction, the Purchaser has not taken any action which would be reasonably expected to result in the delisting or suspension of the Purchaser Common Shares on or from the Exchange.

- (iii) The Purchaser is a “reporting issuer” in each of the Provinces of British Columbia, Alberta, and Ontario (as that term is defined under applicable Canadian Securities Laws), is not included in a list of defaulting reporting issuers (or equivalent) maintained by the applicable Securities Authorities in such provinces and the Purchaser is not in default of any material provision of applicable Canadian Securities Laws.
- (iv) The Purchaser has filed with the Securities Authorities, as applicable, a true and complete copy of all Purchaser Disclosure Documents. The Purchaser Disclosure Documents at the time filed or, if amended, as of the date of such amendment: (A) did not contain any misrepresentation; and (B) complied in all material respects with the requirements of applicable Securities Laws and the rules, policies and instruments of all Securities Authorities having jurisdiction over the Purchaser, except where such misrepresentation or non-compliance has not had and would not reasonably be expected to have a Material Adverse Effect on the Purchaser. The Purchaser has not filed any confidential material change or other report or other document with any Securities Authorities or other self-regulatory authority which at the date hereof remains confidential.
- (h) *Absence of Cease Trade Orders.* Other than the temporary halt imposed in connection with the Transaction, no order ceasing or suspending trading in the Purchaser Common Shares (or any of them) or any other securities of the Purchaser is outstanding and no proceedings for this purpose have been instituted or, to the knowledge of the Purchaser, are pending, contemplated or threatened.
- (i) *Brokers.* No broker, finder or investment banker is entitled to any brokerage, finder’s or other fee or commission from the Purchaser or any of the Purchaser’s Affiliates in connection with the transactions contemplated by this Agreement.
- (j) *Full Disclosure.* No representation or warranty by the Purchaser in this Agreement and no statement contained in the Schedules to this Agreement or any certificate or other document furnished or to be furnished to Usha under this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which they are made, not misleading.

#### **ARTICLE 4 CLOSING ARRANGEMENTS**

**4.1 Closing.** The completion of the purchase and sale of the Sale Shares in accordance with the provisions of this Agreement (the “**Closing**”) shall take place remotely via electronic transmission of documentation (such as by use of .pdf) on the third Business Day following the satisfaction or waiver by the Party entitled to the benefit of such condition of each of the conditions set forth in Article 5 (other than those conditions that by their terms or nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing), or on such other date or at such other time and place or by any such other method as the Purchaser and Usha mutually agree in writing; provided, for accounting purposes, the Closing shall be deemed to have occurred as of the Closing Time. The date on which the Closing occurs is herein referred to as the “Closing Date.” Except as otherwise provided for herein, all proceedings to be taken and all documents to be executed and delivered by all the Parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered.

**4.2 Vendors' Closing Deliveries.** At the Closing, the Vendors shall deliver or cause to be delivered to the Purchaser the following documents:

- (i) original certificates representing the Sale Shares (if certificated) duly endorsed in blank for transfer, or accompanied by irrevocable security transfer(s) duly executed by the Vendors;
- (ii) certified copies of all resolutions of the directors of the Corporation approving the entering into and completion of the transaction contemplated by this Agreement and the transfer of the Sale Shares hereunder;
- (iii) certified copies of, as applicable, all resolutions of the directors of Usha approving the entering into and completion of the transaction contemplated by this Agreement and the Assignment Agreement;
- (iv) a certificate from Usha confirming the matters set out in Sections 5.1(a) and 5.1(b) by a senior officer or director of Usha, in form and substance reasonably satisfactory to the Purchaser;
- (v) evidence of Usha having obtained the requisite approval from its shareholders for the completion of the Transaction as required by the policies of the Exchange and applicable Securities Laws ("**Usha Shareholder Approval**");
- (vi) evidence of the Exchange's conditional acceptance of the Transaction granted to Usha (the "**Usha Exchange Approval**");
- (vii) a recent certificate of status, compliance, good standing or similar certificate with respect to the Corporation issued by the appropriate government officials of its jurisdiction of incorporation or formation; and
- (viii) such other documents and ancillary agreements as the Purchaser reasonably requests and are reasonably necessary to consummate the transactions contemplated by the Agreement.

**4.3 Purchaser's Closing Deliveries.** At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendors the following documents:

- (i) the certificates representing the Consideration Shares;
- (ii) certified copies of all resolutions of the directors of the Purchaser approving the entering into and completion of the transaction contemplated by this Agreement;
- (iii) a certificate from the Purchaser confirming the matters set out in Sections 5.2(a) and 5.2(b) by a senior officer or director of the Purchaser, in form and substance reasonably satisfactory to Usha;
- (iv) evidence of the Purchaser having obtained the requisite approval from its shareholders for the completion of the Transaction as required by the policies of the Exchange and applicable Securities Laws ("**Purchaser Shareholder Approval**");
- (v) evidence of the Exchange's conditional acceptance of the Transaction granted to the Purchaser (the "**Purchaser Exchange Approval**");

- (vi) a recent certificate of status, compliance, good standing or similar certificate with respect to the Purchaser issued by the appropriate government officials of its jurisdiction of formation; and
- (vii) such other documents and ancillary agreements as Usha reasonably requests and are reasonably necessary to consummate the transactions contemplated by the Agreement.

## **ARTICLE 5 CONDITIONS OF CLOSING**

**5.1 Purchaser's Conditions.** The Purchaser shall not be obligated to complete the transactions contemplated by this Agreement, including the purchase of the Sale Shares, unless, at or before the Closing Time, each of the conditions listed below in this Section 5.1 has been satisfied, it being understood that the conditions in Section 5.1 are included for the exclusive benefit of the Purchaser. Each of the Vendor shall take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the conditions listed below in this Section 5.1 are fulfilled at or before the Closing Time.

- (a) *Representations and Warranties.* (i) The representations and warranties of Usha and the Investors set forth in this Agreement (other than the Fundamental Representations) shall be true and correct (without giving effect to any materiality, in all material respects, or Material Adverse Effect qualifications contained therein) in all material respects as of the Closing Date (except for such representations and warranties that are made as of a specified date, in which case they shall be true and correct as of the specified date); and (ii) the Fundamental Representations shall be true and correct in all respects as of the Closing Date.
- (b) *Vendors' Compliance and Deliverables.* Each of the Vendors shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time.
- (c) *No Law.* During the Interim Period, no Governmental Authority of competent jurisdiction shall have enacted, issued or promulgated any statute, rule, regulation, judgment, decree, injunction or other order (whether temporary, preliminary or permanent) that prohibits consummation of the transactions contemplated by this Agreement to be completed on or before the Closing Time.
- (d) *Due Diligence.* The Purchaser shall have been satisfied in its sole discretion with respect to the results of its due diligence investigation relating to the Corporation.
- (e) *No Material Adverse Effect.* No Material Adverse Effect shall have occurred since the date hereof.
- (f) *Exchange Approval.* The Purchaser shall have received the Purchaser Exchange Approval.
- (g) *Shareholder Approval.* The Purchaser shall have obtained the Purchaser Shareholder Approval.
- (h) *Concurrent Financing.* The Corporation shall have completed the Concurrent Financing for gross proceeds of at least CDN\$1,000,000.
- (i) *Technical Report.* The Technical Report on the Acquired Property shall have been completed in compliance with NI 43-101.
- (j) *Transaction Documents.* The documents set out in Section 4.2 shall have been executed and delivered by the parties thereto and true and complete copies shall have been delivered to the Purchaser.

**5.2 Vendors' Conditions.** The Vendors shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 5.2 has been satisfied, it being understood that the conditions in Section 5.2 are included for the exclusive benefit of the Vendors. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 5.2 are fulfilled at or before the Closing Time.

- (a) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 3.2 shall be true and correct at the Closing, except where the failure of such representations to be true and correct would not give rise to a material adverse effect on the Purchaser's ability to consummate the transactions contemplated by this Agreement.
- (b) *Purchaser's Compliance and Deliverables.* The Purchaser shall have performed and complied in all material respects with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time, which the Purchaser shall have performed and complied with in all respects.
- (c) *No Law.* During the Interim Period, no Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, judgment, decree, injunction or other order (whether temporary, preliminary or permanent) that prohibits consummation of the transactions contemplated by this Agreement to be completed on or before the Closing Time.
- (d) *Exchange Approval.* Usha Exchange Approval shall have been received by Usha.
- (e) *Shareholder Approval.* Usha shall have obtained Usha Shareholder Approval.
- (f) *Consolidation.* The Purchaser shall have completed the Consolidation.
- (g) *Transaction Documents.* The documents set out in Section 4.3 shall have been executed and delivered by the parties thereto and true and complete copies shall have been delivered to the Vendors.

## **ARTICLE 6 COVENANTS**

**6.1 Confidentiality.** Each Party agrees that it shall, and shall cause its Affiliates and its and their respective Representatives to, hold all Confidential Information of the other Party in strict confidence and shall not disclose such Confidential Information to any third party without the prior written consent of the disclosing Party. Each Party further agrees that it shall not use any Confidential Information of the other Party for any purpose other than in connection with the performance of its obligations under this Agreement. The obligations of confidentiality shall not apply to information which (i) is or becomes generally available to the public other than as a result of a disclosure by the receiving Party, its Affiliates or its or their Representatives; (ii) is or becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, provided that such source is not known by the receiving Party to be bound by a confidentiality obligation to the disclosing Party; or (iii) is independently developed by the receiving Party without use of or reference to the disclosing Party's Confidential Information. If a Party is required by applicable law, regulation or legal process to disclose any Confidential Information of the other Party, it shall provide the other Party with prompt notice of such requirement in order to enable the other Party to seek an appropriate protective order or other remedy. The provisions of this Section shall survive the termination of this Agreement.

**6.2 Efforts to Consummate.** Subject to any provision of this Agreement that expressly imposes a different standard from the standard set forth in this Section 6.2, from the date hereof until the Closing Date or the earlier termination of this Agreement in accordance with the terms hereof, the Purchaser and the Vendors shall use, and shall cause their respective Affiliates (including the Corporation) to use, their respective commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary, proper or advisable to consummate and make effective as promptly as reasonably practicable the transactions contemplated by this Agreement, including the satisfaction, but not a waiver, of the Closing conditions set forth in Article 5.

**6.3 Interim Period Covenants.** During the Interim Period, except as otherwise consented to by the Purchaser in writing, Usha shall cause the Corporation to conduct its business in the Ordinary Course of Business, including, but not limited to, refraining from the acquisition, disposition, or encumbrance of any assets, entering into or amending any Material Contracts, incurring any new indebtedness, issuing any new shares or securities (other than under the Concurrent Financing), or making any changes to the Corporation's capital structure. During the Interim Period, Usha shall also cause the Corporation to comply with all Applicable Laws and fulfill its obligations under existing agreements, contracts, and instruments.

**6.4 Exclusive Dealings.** During the Interim Period, Usha agrees that it shall not, directly or indirectly, solicit, initiate, entertain, or engage in any discussions or negotiations with, or provide any information or assistance to, any third party concerning any proposal or offer to acquire, in whole or in part, the Corporation, any of its assets or shares, or the Acquired Property. Usha further agrees to immediately cease and cause to be terminated any existing discussions or negotiations with any parties that may be ongoing with respect to any such acquisition proposal. Usha shall promptly notify the Purchaser of any inquiry, proposal, or offer related to any acquisition of the Corporation, its assets or shares, or the Acquired Property, including the terms thereof and the identity of the person or entity making the inquiry, proposal, or offer.

**6.5 Exchange Approval.** Following execution and delivery of this Agreement, Usha and the Purchaser each shall use commercially reasonable efforts to obtain their respective Usha Exchange Approval and Purchaser Exchange Approval. Each Party shall cooperate with the other in good faith to facilitate and expedite the process of obtaining such approvals, including providing any necessary documentation or information as required by the Exchange. All costs and expenses associated with obtaining their respective Exchange approvals shall be borne by the Party seeking the approval.

**6.6 Filing Statement.**

- (a) During the Interim Period, the Purchaser shall prepare the Filing Statement in accordance with Securities Laws and the requirements of the Exchange and ensure that the Filing Statement do not contain a misrepresentation or omit a material fact respecting all the disclosure concerning the Purchaser.
- (b) The Purchaser shall provide Usha and their counsel the reasonable opportunity to review and comment on the drafts of the Filing Statement.
- (c) Usha shall use commercially reasonable efforts to provide the Purchaser all the disclosure concerning the Corporation and Usha, including financial statements and management's discussion and analysis of the Corporation and Usha, that the Purchaser reasonably requests for inclusion in the Filing Statement and ensure that no such information or disclosure concerning the Corporation or Usha contains a misrepresentation or omits a material fact respecting the disclosure of the Corporation or Usha.

- (d) The Purchaser shall permit Usha, acting reasonably, to determine the form of the disclosure concerning the Corporation and Usha that the Purchaser requests for inclusion in the Filing Statement, all subject to the requirements of the Exchange and applicable Securities Authorities under applicable Securities Laws.
- (e) The Purchaser shall use commercially reasonable efforts to file with the Exchange copies of the Filing Statement.
- (f) The Purchaser and Usha shall use commercially reasonable efforts to resolve any concerns raised by the Exchange about the Filing Statement, the Concurrent Financing and the Transaction in a timely manner.

#### **6.7 Intentionally Deleted.**

**6.8 Technical Report.** Usha shall commission the preparation of a technical report on the Acquired Property in accordance with NI 43-101 (the “**Technical Report**”). The costs associated with the preparation of the Technical Report shall initially be borne by the Purchaser, provided that, in the event that this Agreement is terminated prior to completion of the Transaction, other than pursuant to Section 8.1(c)(i), Usha shall reimburse the Purchaser for all costs incurred in connection with the preparation of the Technical Report. The Purchaser shall advance the necessary funds directly to the party preparing the Technical Report. In the event Usha is required to reimburse the Purchaser, Usha shall do so within 30 days of receiving a written request from the Purchaser, accompanied by the relevant documentation evidencing the costs incurred.

**6.9 Concurrent Financing.** Without limiting the generality of Section 6.2, Usha shall use its commercially reasonable efforts to cause the Concurrent Financing to be completed as soon as practicable following the Effective Date. Each certificate representing the Warrants issued under the Concurrent Financing shall be in a form satisfactory to the Purchaser, acting reasonably, and shall include a customary adjustment clause, effective upon any change of control of the Corporation, thereby allowing the Warrants to automatically become exercisable into Purchaser Common Shares, without further action, upon the Closing Date.

#### **6.10 Change of Control Tax Returns**

- (a) Usha shall, as soon as practicable after the Closing Date, and, in any event, by no later than 120 days thereafter, cause the Corporation’s current accountants to duly prepare, in a manner consistent with prior tax returns filed by the Corporation, all tax returns required to be filed for the Corporation under the ITA and any applicable provincial counterpart, and to prepare any corresponding information returns and forms, in respect of the taxation years of the Corporation ending as a consequence of the signing of this Agreement and the Closing (collectively, the “**Change of Control Tax Returns**”). All Change of Control Tax Returns shall be prepared in a manner consistent with prior tax returns filed by the Corporation and shall be provided to the Purchaser for review and comment at least 20 Business Days prior to the date upon which such Change of Control Tax Returns are required to be filed. After review by the Purchaser, the Purchaser shall instruct the Corporation’s current accountants to file the Change of Control Tax Returns.
- (b) In connection with the preparation of Change of Control Tax Returns and audits relating to the Corporation by any Governmental Authority or any administrative or judicial proceeding resulting therefrom, the Purchaser will cause the Corporation to, and Usha and the Purchaser will, co-operate fully with one another, including the furnishing or making available of records, personnel (as reasonably required), books of account or other materials necessary or helpful for the preparation

of Change of Control Tax Returns, the conduct of audits or the defense of claims by a Governmental Authority as to the imposition of Taxes for any taxation years ending on or prior to the Closing Date.

**6.11 Third Party Consents.** Usha and the Purchaser shall cooperate, using commercially reasonable efforts to obtain all required consents on or prior to Closing.

**6.12 Notice of Certain Events.**

(a) During the Interim Period, Usha shall promptly notify the Purchaser of any:

- (i) fact, circumstance, event or action, the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Usha or the Investors hereunder not being true and correct, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 5.1 to be satisfied;
- (ii) notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and
- (iii) Legal Proceedings commenced or, to Usha's Knowledge, threatened against, relating to or involving or otherwise affecting Usha or the Corporation that, if pending on the date of this Agreement, would have been required to have been disclosed under Section 3.1(l), or that relates to the consummation of the transactions contemplated by this Agreement.

(b) Purchaser's receipt of information under this Section 6.12 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Usha in this Agreement and shall not be deemed to amend or supplement the Schedules to this Agreement.

**6.13 Further Assurances.**

Each of the Parties hereto shall execute such documents and perform such further acts as may be reasonably required to carry out the provisions hereof and the actions contemplated hereby. Each of Usha and the Purchaser shall, on or prior to the Closing Date, have used its commercially reasonable efforts to fulfill or obtain the fulfillment of the conditions precedent to the consummation of the transactions contemplated hereby, including the execution and delivery of any documents, certificates, instruments or other papers that are reasonably required for the consummation of the transactions contemplated hereby.

**ARTICLE 7  
INDEMNIFICATION**

**7.1 Survival.** All representations, warranties, covenants and agreements contained herein and all related rights to indemnification will survive the Closing for a period of 18 months years from the Closing Date; provided, however, the Fundamental Representations will survive the Closing Date for six (6) years.

**7.2 Indemnity by Usha.** Subject to Section 7.5, from and after the Closing and subject to the limitations set forth in this Article 7, Usha shall indemnify the Purchaser's Indemnified Parties and save them fully harmless against, and will reimburse them for, any Damages which may be imposed upon or suffered or incurred by the Purchaser's Indemnified Parties arising out of or in connection with or as a result of:

- (i) any incorrectness in or breach of any representation or warranty of Usha contained in Section 3.1 or in any certificate or instrument executed and delivered at the Closing pursuant to this Agreement in confirmation thereof;
- (ii) any breach or non-fulfilment of any covenant or agreement on the part of Usha contained in this Agreement or in any certificate or instrument executed and delivered at the Closing pursuant to this Agreement in confirmation thereof; and
- (iii) any Indemnified Taxes.

**7.3 Indemnity by Vendors.** Subject to Section 7.5, from and after the Closing and subject to the limitations set forth in this Article 7, each Investor shall individually indemnify the Purchaser's Indemnified Parties and save them fully harmless against, and will reimburse them for, any Damages which may be imposed upon or suffered or incurred by the Purchaser's Indemnified Parties arising out of or in connection with or as a result of:

- (i) any incorrectness in or breach of any representation or warranty specific to such Investor contained in Section 3.2; and
- (ii) any breach or non-fulfilment of any covenant or agreement on the part of such Vendor contained in this Agreement.

**7.4 Indemnity by the Purchaser.** Subject to Section 7.5, from and after the Closing and subject to the limitations set forth in this Article 7, the Purchaser shall indemnify the Vendor Indemnified Parties and save them fully harmless against, and will reimburse or compensate them for, any Damages arising from, or in connection with:

- (i) any breach of any representation or warranty of the Purchaser contained in this Agreement or in any certificate or instrument executed and delivered at the Closing pursuant to this Agreement in confirmation thereof; and
- (ii) any breach or non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement or in any certificate or instrument executed and delivered at the Closing pursuant to this Agreement in confirmation thereof.

**7.5 Monetary Limitations.**

(a) *Damages from Vendors.*

- (i) Notwithstanding anything contained in this Agreement to the contrary, except in the case of wilful misconduct, intentional misrepresentation or fraud or indemnities in Sections 7.2(i) or Section 7.3(i) relating to Fundamental Representations, the Purchaser Indemnified Parties shall not be entitled to any claim for indemnification pursuant to Section 7.2(i) or Section 7.3(i) unless and until the aggregate amount of all claims under Section 7.2(i) or Section 7.3(i), as the case may be, is equal to or greater than \$10,000, it being understood, however, that after the aggregate indemnification claims exceed \$10,000, an indemnification claim can be made under Section 7.2(i) or Section 7.3(i) for the entire amount of such indemnification claims.
- (ii) Other than in the case of wilful misconduct, intentional misrepresentation or fraud or indemnities in Section 7.2(i) or Section 7.3(i) relating to Fundamental Representations, the

aggregate amount of all indemnification claims that the Vendors shall be liable for under Section 7.2 or Section 7.3 shall not exceed the Purchase Price.

- (b) *Damages from Purchaser.* Notwithstanding anything contained in this Agreement to the contrary, other than in the case of wilful misconduct, intentional misrepresentation or fraud (i) the Purchaser shall not be liable for any amounts for which Vendor Indemnified Parties are otherwise entitled to indemnification pursuant to Section 7.4(i) unless the aggregate amount of all Damages for which Vendor Indemnified Parties are entitled to indemnification pursuant to Section 7.4(i) exceeds, on a cumulative basis, \$10,000 and then from the first dollar of the Damages, and (ii) the aggregate amount of all indemnification claims that the Purchaser shall be liable for under Section 7.4 shall not exceed the Purchase Price.

**7.6 Materiality Scrape.** For purposes of calculating the amount of any Damages arising from an indemnification claim under Section 7.2(i) or Section 7.3(i), all “*material*”, “*Material Adverse Effect*” and similar qualifications and words of similar import contained in such representation and warranty shall be disregarded.

**7.7 Agency for Non-Parties.** Notwithstanding Section 9.12, each Party hereby accepts each indemnity in favour of each of its Indemnified Parties who are not Parties as agent and trustee of that Indemnified Party. Each Party may enforce an indemnity in favour of any of that Party’s Indemnified Parties on behalf of each such Indemnified Party.

**7.8 Mitigation.** Each Indemnified Party shall use reasonable efforts to mitigate any claim or liability that such Indemnified Party asserts or is reasonably likely to assert under this Article 7.

**7.9 No Double Recovery.** No Indemnified Party shall be entitled to recover from any Indemnifying Party under this Article 7 or under any other agreement delivered pursuant to this Agreement more than once in respect of the same Damages (notwithstanding that such Damages may result from breaches of multiple provisions of this Agreement and/or other agreements delivered pursuant to this Agreement).

#### **7.10 Indemnification Procedures**

- (a) Whenever any claim shall arise for indemnification hereunder, the Indemnified Party shall promptly provide written notice of such claim to the Indemnifying Party. Such notice by the Indemnified Party shall: (i) describe the claim in reasonable detail; (ii) include copies of all material written evidence thereof; and (iii) indicate the estimated amount, if reasonably practicable, of the Damages that has been or may be sustained by the Indemnified Party.
- (b) In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any action by a person who is not a party to this Agreement, the Indemnifying Party, at its cost and upon written notice to the Indemnified Party, may assume the defence of any such action. The Indemnified Party shall be entitled to participate in the defence of any such action, with its counsel and at its own cost, subject to the Indemnifying Party’s right to control the defence thereof. If the Indemnifying Party does not assume the defence of any such action, the Indemnified Party may, but shall not be obligated to, defend against such action in such manner as it may deem appropriate, including settling such action, after giving notice of it to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate and no action taken by the Indemnified Party in accordance with such defence and settlement shall relieve the Indemnifying Party of its indemnification obligations herein provided with respect to any damages resulting therefrom.
- (c) The Vendors and the Purchaser shall cooperate with each other in all reasonable respects in connection with the defence of any claim, including: (i) making available records relating to such

claim; and (ii) furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defence of such claim. The Indemnifying Party shall not settle any action without the Indemnified Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed).

**7.11 Characterization of Indemnification Payments; Exclusive Remedy.**

- (a) Unless otherwise required by Law, any payment made pursuant to this Article 7, shall be treated as an adjustment to the Purchase Price.
- (b) Each of the Parties acknowledges and agrees that (other than claims arising from fraud, criminal activity or wilful misconduct on the part of a Party in connection with the transactions contemplated by this Agreement) from and after the Closing, the indemnification provisions in this Article 7 shall be the sole and exclusive remedy of the Purchaser's Indemnified Parties and Vendor Indemnified Parties with respect to the subject matter of this Agreement including this Agreement and the transactions contemplated by this Agreement.

**7.12 Effect of Investigation.** The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 5.1 or Section 5.2, as the case may be.

**ARTICLE 8  
TERMINATION**

**8.1 Grounds for Termination.** This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of Usha and the Purchaser;
- (b) by the Purchaser by written notice to Usha, if:
  - (i) the Purchaser is not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by any of the Vendors under this Agreement that would give rise to the failure of any of the conditions specified in Article 7, and such breach, inaccuracy or failure has not been cured by the Vendors within ten (10) days of the applicable Vendors' receipt of written notice of such breach from the Purchaser; or
  - (ii) any of the conditions set forth in Section 5.1 shall not have been fulfilled by the Outside Date, unless such failure shall be due to the failure of the Purchaser to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing Date; and
- (c) by Usha by written notice to the Purchaser, if:
  - (i) the Vendors are not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in Article 7, and such breach, inaccuracy or failure

has not been cured by the Purchaser within ten (10) days of Purchaser's receipt of written notice of such breach from Usha; or

- (ii) any of the conditions set forth in Section 5.2 shall not have been fulfilled by the Outside Date, unless such failure shall be due to the failure of the Vendors to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing Date.

**8.2 Effect of Termination.** In the event of the termination of this Agreement in accordance with this Article 8, this Agreement shall forthwith have no further force or effect and there shall be no liability on the part of any Party except:

- (i) the obligations of the Parties under this Section 8.2, Section 9.1, Section 9.2 and provisions that by their nature should survive will survive any termination of this Agreement; and
- (ii) that nothing herein shall relieve any Party from liability for any breach of any provision hereof occurring prior to termination.

## **ARTICLE 9 GENERAL**

**9.1 Expenses.** Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).

**9.2 Public Announcements.** Unless otherwise required by Applicable Law (based on the advice of legal counsel), no Party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or any of the terms hereof or otherwise communicate with any news media without the prior written consent of each of Usha and the Purchaser (which consent shall not be unreasonably withheld or delayed), and such Parties shall cooperate as to the timing and contents of any such announcement. In respect of any such public announcement required by Applicable Law (based on the advice of legal counsel), the Party required to make such disclosure shall use commercially reasonable efforts to provide a copy of any such release to the other Party in order to allow the other party to provide any non-binding comments which it may have.

### **9.3 Notices.**

(a) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

- (i) if to the Corporation or the Vendors, to:

Usha Resources Ltd. (as Vendor Representative)

"REDACTED"

(ii) if to the Purchaser, to:

Totec Resources Ltd.

"REDACTED"

- (b) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 4:30 p.m. Vancouver time on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.
- (c) *Change of Address.* Any Party may from time to time change its address under this Section 9.3 by notice to the other Party given in the manner provided by this Section 9.3.

**9.4 Time of Essence.** Time shall be of the essence of this Agreement in all respects.

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

**9.6 Amendment.** No amendment of this Agreement shall be effective unless made in writing and signed by the Purchaser and Usha.

**9.7 Waiver.** A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver, and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

**9.8 Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

**9.9 Attornment.** Each of the Parties hereby irrevocably and unconditionally submits and consents to the exclusive jurisdiction of the courts of the province of British Columbia, over any Legal Proceeding brought by any Party arising out of or relating to this Agreement, and each of the Parties hereby irrevocably and unconditionally (i) agrees that all claims with respect to any such Legal Proceeding shall be heard and determined in the courts of the province of British Columbia and (ii) waives any objection that it may hereafter have to the laying of the venue of any such Legal Proceeding in any such court or that Legal Proceeding brought in any such court has been brought in an inconvenient forum.

**9.10 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in such Province and this Agreement shall be treated, in all respects, as a British Columbia contract.

**9.11 Successors and Assigns; Assignment.** This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of, in the case of Usha, the Purchaser, or, in the case of the Purchaser, Usha.

**9.12 Third Party Beneficiaries.** This Agreement is for the sole benefit of the Parties, and except as specifically provided for in Article 7, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

**9.13 Vendor Representative.**

(a) Each Vendor, on behalf of the Vendor and its successors, heirs and permitted assigns, hereby irrevocably appoints (the "**Appointment**") Usha as the Vendors' representative, agent and attorney-in-fact (the "**Vendor Representative**") for all purposes set forth in this Agreement, including the full power and authority to (i) perform the transactions to be performed by a Vendor under this Agreement; (ii) disburse any funds received to the Vendors; (iii) execute and deliver on behalf of each Vendor any amendment, waiver, and any and all documents and instruments which may be executed and delivered pursuant to this Agreement; (iv) give and receive notices on behalf of the Vendors; (v) make, dispute, and settle all claims under this Agreement (including in connection with any matter that only relates to one specific Vendor but not all Vendors); (vi) investigate, assert, commence, prosecute, contest, defend, negotiate, settle, compromise or otherwise resolve any claim arising out of or related to this Agreement or any of the transactions hereunder or thereunder, including to take any action (or determine not to take action) in

connection with the investigation, assertion, commencement, prosecution, contesting, defense, negotiation, settlement, compromise or other resolution of any claim for indemnification pursuant to Article 7; (vii) interpret the terms of this Agreement and any other related agreement; (viii) terminate this Agreement in accordance with its terms and (ix) to do each and every act and exercise all rights that are either (A) necessary or appropriate, in the sole and absolute judgment of the Vendor Representative, for the accomplishment of the foregoing or (B) specifically required by the terms of this Agreement. The Appointment, being coupled with an interest, is irrevocable, may be delegated by the Vendor Representative, and will not be revoked by the insolvency, bankruptcy, death, incapacity, dissolution, liquidation or other termination of existence of any Vendor.

- (b) The Vendor Representative shall have no liability to any Vendor for any act done or omitted, including errors in judgment, under this Agreement as the Vendor Representative while acting in good faith and not in a manner constituting fraud, gross negligence or willful misconduct, and any act done or omitted pursuant to the advice of counsel will be conclusive evidence of such good faith. Each Vendor shall severally, and not jointly or jointly and severally, indemnify and hold and save harmless the Vendor Representative from and against such Vendor's proportionate share (based on the Vendor's ownership interest in the Corporation) of any loss, damage, liability, and expenses of any nature whatsoever (including reasonable legal fees) that the Vendor Representative may sustain or incur as a result of any action or omission taken by the Vendor Representative in relation to the Appointment and performance of such role, save for any such loss, damage, liability or expenses attributable to the fraud, gross negligence or willful misconduct of the Vendor Representative.
- (c) If the Vendor Representative becomes unable to perform the Vendor Representative's responsibilities or resigns from such position, the Vendor Representative shall select another Vendor(s) or principal of a Vendor to fill such vacancy and such substituted representative shall: (i) be the Vendor Representative for all purposes of this Agreement; and (ii) exercise the rights and powers of, and be entitled to the indemnity, reimbursement and other benefits of, the Vendor Representative under this Agreement.

**9.14 Personal Information.** This Agreement and the transactions contemplated herein require the Vendors to provide certain personal information to the Purchaser. Such information is being collected by the Purchaser for the purposes of completing the issuance of the Consideration Shares, which includes, without limitation, determining each Vendor's eligibility for the issuance of the Consideration Shares under applicable securities legislation, preparing and registering any certificates representing each Vendor's Consideration Shares, completing filings required by the Exchange or other regulatory authorities, indirect collection of information by the Exchange or securities regulatory authorities under authority granted in applicable securities legislation and the administration and enforcement of the applicable securities legislation by the securities regulatory authorities. Each of the Vendors acknowledges and agrees that the Purchaser may be required by law or otherwise to disclose to securities regulatory authorities the identity of the Vendor (or, if the Vendor is not an individual, the identity of the Vendor's directors, officers, and/or controlling shareholders) and that the Vendor's personal information including the Vendor's (or each of the Vendor's director's, officer's, and/or controlling shareholder's) full name, residential address, email address and other details of its share issuance hereunder will be disclosed by the Purchaser to: (a) the Exchange and other securities regulatory authorities; (b) the Purchaser's registrar and transfer agent; and (c) any of the other parties involved in the issuance of the Consideration Shares, including legal counsel to the Purchaser; and may be disclosed by the Purchaser to: (d) the Canada Revenue Agency; and (e) any other person to whom it is required to disclose such information under applicable legislation or authority. By executing this Agreement, each of the Vendors consents to and authorizes the foregoing collection, use and disclosure

of the Vendor's personal information. Each of the Vendors also consents to and authorizes the filing of copies or originals of any of this Agreement (including attachments) below as may be required to be filed with the Exchange or other securities regulatory authorities in connection with the transactions contemplated hereby. In addition, each of the Vendors consents to and authorizes the collection, use and disclosure of all such personal information by the Exchange and other securities regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time. The contact information for the officer of the Purchaser who can answer questions about this collection of information is "REDACTED"

**9.15 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

*(signature page follows)*



**SCHEDULE "A"**  
**ACQUIRED PROPERTY**

"REDACTED"

**SCHEDULE "B"**  
**DISCLOSURE SCHEDULE**

**EXHIBIT 1**  
**ADOPTION AGREEMENT**

This Adoption Agreement (“**Adoption Agreement**”) is executed on \_\_\_\_\_, 2025, by the undersigned (the “**Holder**”) pursuant to the terms of that certain Share Purchase Agreement dated as of October 22, 2025 (the “**SPA**”) among Totec Resources Ltd., Usha Resources Ltd., and 1540359 B.C. Ltd. (the “**Corporation**”), as such SPA may be amended or amended and restated hereafter. Capitalized terms used but not defined in this Adoption Agreement shall have the respective meanings ascribed to such terms in the SPA. By the execution of this Adoption Agreement, the Holder agrees as follows.

**1. Acknowledgement**

Holder acknowledges that the Holder is purchasing Units of the Corporation under the Concurrent Financing, in which case the Holder shall be considered an “**Investor**” for all purposes of the SPA.

**2. Agreement**

Holder hereby (a) agrees that its Units and the underlying Investor Shares and Warrants shall be bound by and subject to the terms of the SPA and (b) adopts the SPA with the same force and effect as if Holder were originally a party thereto.

**3. Notice**

Any notice required or permitted by the SPA shall be given to Holder at the address or email listed below Holder’s signature hereto.

**4. Signature; Counterparts; Delivery.**

This Adoption Agreement may be executed in one or more counterparts, all of which will be considered one and the same agreement and will become effective when one or more counterparts will have been signed by each party and delivered to the other party. Delivery of an executed counterpart of this Adoption Agreement transmitted electronically, for example in portable document format (PDF) or by other electronic transmission (including using DocuSign and similar applications) shall be equally effective as delivery of a manually executed counterpart of this Adoption Agreement.

**[NAME]**

By: \_\_\_\_\_

Address:

Email: