

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is dated effective the 28th day of November, 2024.

BETWEEN:

██████████, a corporation organized under the laws of the Province of Alberta (the "**Purchaser**")

AND:

Cielo Waste Solutions Corp., a corporation organized under the laws of the Province of British Columbia (the "**Vendor**")

WHEREAS:

- A. The Vendor is the owner of the Lands, Equipment and Intellectual Property (collectively the "**Purchased Assets**"); and
- B. The Purchaser is desirous of purchasing the Purchased Assets from the Vendor and the Vendor is desirous of selling the Purchased Assets to the Purchaser, all on the terms and subject to the conditions set forth in this Agreement;

NOW THEREFORE in consideration of the respective covenants, agreements, representations, warranties and indemnities herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

Where used herein or in any of the Schedules hereto, the following terms shall have the following meanings:

- (a) "**Agreement**", "**hereto**", "**hereof**", "**herein**", "**hereby**", and "**hereunder**" and similar expressions mean and refer to this Asset Purchase Agreement as the same may be amended, modified or supplemented at any time or from time to time;
- (b) "**Closing**" means the completion of the transactions contemplated by this Agreement;
- (c) "**Closing Date**" means November 29, 2024 or such other date as the parties may agree;

- (d) **"Closing Time"** means 11:00 a.m. (Calgary time) on the Closing Date;
- (e) **"Dispute"** has the meaning ascribed thereto in Section 9.1;
- (f) **"Effective Date"** means the 29th day of November, 2024;
- (g) **"Encumbrances"** means mortgages, charges, pledges, security interests, liens, encumbrances, actions, rights, claims, acquisition rights of third parties, and equities of any nature, whatsoever or howsoever arising, and any rights or privileges capable of becoming any of the foregoing;
- (h) **"Equipment"** means all that equipment located on the Lands and listed on Schedule 1.1(h) hereto;
- (i) **"Governmental Charges"** means and includes all Taxes, customs duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any Governmental Entity;
- (j) **"Governmental Entity"** means any applicable: (i) multinational, federal, provincial, territorial, state, municipal, local or other governmental or public department, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above, and in each case having proper jurisdiction;
- (k) **"GST"** means the Goods and Services Tax imposed pursuant to the GST Legislation;
- (l) **"GST Legislation"** has the meaning ascribed thereto in Section 2.6;
- (m) **"Indemnified Party"** means either the Purchaser or the Vendor and who is actually or potentially entitled to indemnification from an Indemnifying Party pursuant to the provisions of this Agreement;
- (n) **"Indemnifying Party"** means either the Purchaser or the Vendor and from whom an Indemnified Party is seeking indemnification pursuant to the provisions of this Agreement;
- (o) **"Indemnity Claim"** has the meaning ascribed thereto in Section 7.3;
- (p) **"Intellectual Property"** means the entire right, title and interest in the invention or improvements of the Vendor in the following patents:
 - (i) [REDACTED];

- (ii) [REDACTED];
- (iii) [REDACTED]; and
- (iv) [REDACTED];

including all of the Vendor's right title and interest throughout the world in, to and associated with the foregoing and all related intellectual property rights of any nature and kind whatsoever related to the foregoing.

- (q) "**Lands**" means the land and buildings legally described as plan 9812255, lot 26 excepting thereout all mines and minerals;
- (r) "**Letter of Intent**" means the non-binding letter of intent to purchase between the Purchaser and the Vendor dated September 3, 2024, as amended by the amended non-binding letter of intent to purchase dated September 19, 2024, as further amended by the amended non-binding letter of intent to purchase dated October 29, 2024;
- (s) "**Permitted Encumbrances**" means those Encumbrances listed on Schedule 1.1(s) which will not be discharged;
- (t) "**Person**" includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, Governmental Entity or board or commission or authority, and any other form of entity or organization;
- (u) "**Promissory Note**" has the meaning ascribed to it in Section 2.3(d);
- (v) "**Purchase Price**" has the meaning ascribed thereto in Section 2.2;
- (w) "**Purchased Assets**" has the meaning ascribed to in Recital A to this Agreement;
- (x) "**Purchaser's Counsel**" means [REDACTED];
- (a) "**Schedules**" means, collectively, the schedules attached to this Agreement;
- (b) "**Security**" has the meaning ascribed hereto in Section 2.7
- (c) "**Tax**" or "**Taxes**" means all taxes, including income, capital, profit, sales, sales and use, value added, goods and services, harmonized sales, property, licence,

excise, franchise, surtax, education, health, payroll, pension, unemployment, and worker's compensation taxes and levies, duties, premiums, assessments, rates, fees, costs or other charges, including penalties, interest and fines imposed by or payable to any Governmental Entity;

- (d) "**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;
- (e) "**Third Party Liability**" has the meaning ascribed thereto in Section 7.3(b);
- (f) "**Vendor's Counsel**" means [REDACTED]
- (g) "**Warranty Claim**" means a claim made by either the Purchaser or the Vendor based on or with respect to the inaccuracy or breach of any representation or warranty made in this Agreement or in any document or certificate given at Closing in order to carry out the transactions contemplated hereby;

1.2 Currency

Unless otherwise indicated, all dollar amounts referred to in this Agreement shall be in Canadian funds.

1.3 Schedules

The Schedules are incorporated into this Agreement by reference and are deemed to form a part hereof.

1.4 Interpretation Not Affected by Headings or Party Drafting

The provision of a table of contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect the construction or interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to an Article, Section, recital, subsection, clause or Schedule refers to the specified Article, Section, recital, subsection, clause or Schedule of this Agreement. The term "**including**" shall mean including without limitation. The parties hereby acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

1.5 Knowledge

Where any representation or warranty or words to like effect contained in this Agreement is expressly qualified by reference to the knowledge of the Vendor, it shall be deemed to refer to the actual knowledge of the Vendor.

ARTICLE 2
PURCHASE OF ASSETS

2.1 Purchase and Sale

On the Closing Date the Vendor shall assign, transfer and convey to the Purchaser, and the Purchaser shall purchase and accept from the Vendor, the Purchased Assets, free and clear of all Encumbrances other than the Permitted Encumbrances.

2.2 Consideration

Subject to adjustment as set out in this Agreement, the total consideration payable by the Purchaser to the Vendor hereunder for the Purchased Assets shall equal \$3,900,000.00 (the "**Purchase Price**") plus GST.

2.3 Payment of the Purchase Price

The Purchase Price shall be paid by the Purchaser to the Vendor as follows:

- (a) An immediately releasable and non-refundable deposit in the sum of \$100,000.00, which was paid directly to the Vendor on October 31, 2024;
- (b) The sum of \$200,000.00 (as adjusted pursuant to this Agreement) by solicitor's trust cheque or wire to the Vendor's Counsel on the Closing Date;
- (c) The sum of \$2,610,000.00 by assumption on the Closing Date of all amounts owing by the Vendor to First Choice Financial Incorporated and secured by, among other things, a mortgage registered against the Lands as registration number 231 265 199 and assignment of rents and leases 231 265 200; and
- (d) A promissory note in the amount of \$1,000,000.00 in the form set out in schedule 2.3(d) (the "**Promissory Note**").

2.4 Allocation of Purchase Price

The Purchase Price shall be allocated among the Purchased Assets in the manner provided in Schedule 2.4, which shall reflect the actual fair values attributed to such assets. The Vendor and the Purchaser will file their respective tax returns based upon and in accordance with such allocation and neither the Vendor nor the Purchaser shall take a position with any Governmental Entity charged with the collection of any Taxes or in any judicial proceedings which would be inconsistent with such allocation.

2.5 Purchase Price Adjustments

- (a) All normal adjustments for the Lands including but not limited to taxes, local improvement levies and assessments, municipal charges, rents, tenant deposits including interest, prepaid rent, and mortgage principal and interest that are

applicable with respect to the Lands will be the Vendor's responsibility for the entire Effective Date and thereafter will be assumed by the Purchaser.

- (b) In the event that the Purchaser has repaid the sum of \$700,000.00 of the principal amount owing pursuant to the Promissory Note and all accrued interest on or before May 15, 2025 then the remainder of the principal amount owing pursuant to the Promissory Note shall be considered forgiven, and the Purchase Price shall be further adjusted accordingly.
- (c) The Purchaser and the Vendor acknowledge that a stop order was issued by Foothills County on November 21, 2024 (the “**Stop Order**”) and a warning letter was issued by Foothills County on October 18, 2024 (the “**Warning Letter**”) both with respect to certain deficiencies on the Lands identified by the County. The Purchaser acknowledges that it has received a copy of both the Stop Order and the Warning Letter and, notwithstanding anything the contrary in this Agreement, the Purchaser agrees to accept all responsibility and costs with respect to rectifying the issues identified in the Stop Order and the Warning Letter. In exchange for the sum of \$15,000.00 (the “**Settlement Funds**”) the Purchaser hereby releases the Vendor from any losses, costs, or damages that the Purchaser may suffer as a result of the issues identified in the Stop Order or the Warning Letter. The Settlement Funds will be paid by the Vendor to the Purchaser by way of a downward adjustment to the Purchase Price.

2.6 Goods and Services Tax

- (a) The Vendor hereby represents and warrants to the Purchaser that the Vendor is registered for purposes of the *Excise Tax Act* (Canada) (hereinafter called the “**GST Legislation**”);
- (b) The Purchaser hereby represents and warrants to the Vendor that the Purchaser is registered for purposes of the GST Legislation;
- (c) With respect to the Lands, the Purchaser agrees to self report the GST payable on the Lands as required by the GST Legislation and pay any GST payable on the acquisition of the Lands directly to the Receiver General;
- (d) The Vendor and the Purchaser shall elect jointly pursuant to the provisions of Subsection 167(1) of the *Excise Tax Act* (Canada) by completing at or prior to Closing all prescribed forms and related documents in such manner as is prescribed, so that for purposes of the Excise Tax Act, no GST is payable in respect of the purchase and sale of the Purchased Assets. The Purchaser covenants that, forthwith after Closing, it will file with the Canada Revenue Agency, the joint election made under Section 167 and will provide the Vendor with written confirmation of such filing; and
- (e) The Purchaser shall indemnify and hold the Vendor harmless from and against any and all claims and liabilities respecting the payment of GST, any penalties

or interest thereon, and any and all costs (including legal fees on a solicitor and its own client basis) that may be suffered or incurred by the Vendor arising from or in connection with the sale of the Purchased Assets by the Vendor to the Purchaser. The foregoing undertaking and indemnity shall survive and shall not merge upon Closing.

2.7 Security

In order to secure the amounts owing by the Purchaser to the Vendor pursuant to the Promissory Note, the Purchaser shall grant the following security (the “**Security**”):

- (a) A second place mortgage charging the Land;
- (b) A second place Assignment of Insurance Proceeds; and
- (c) Such other documents as may be required by Vendor’s Counsel;

All in such form as may be requested by the Vendor. For clarity, and notwithstanding anything to the contrary in this Agreement, the Security shall constitute a second place charge only to the extent that First Choice Financial Incorporated has taken a first place security position which first place security shall not exceed the sum of \$2,610,000.00 plus interest and costs of enforcement.

2.8 Condition of Assets

The Purchaser acknowledges and agrees that the Lands and Equipment are purchased on an as is where is basis with no representation or warranty from the Vendor with respect to the condition of the Lands or Equipment or their suitability for any particular use. The Purchaser acknowledges having inspected the Lands and Equipment and being completely satisfied with the condition of the Lands (and the improvements located thereon) and the Equipment.

ARTICLE 3

COVENANTS, REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendor

The Vendor represents and warrants on its own behalf as follows and acknowledges that, notwithstanding any searches or investigations made by, or on behalf of, the Purchaser, and notwithstanding any information or document provided to the Purchaser, the Purchaser is relying upon such representations and warranties in connection with the acquisition of the Purchased Assets and the completion of the transactions contemplated hereby, that:

Corporate Matters

- (a) **Incorporation and Qualification of the Vendor.** The Vendor has been duly organized and is a valid and subsisting corporation under the laws of the Province of British Columbia, is extra-provincially registered in the Province of Alberta and is up to date with all filings required under the laws of British Columbia, Alberta and in such other jurisdictions where it carries on business,

and has the power to own or lease its property and to carry on its business as now being conducted by it, is duly qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the property owned or leased by it makes such qualification necessary.

- (b) **Corporate Authority and Binding Obligation.** The Vendor has good right, full corporate power and capacity to enter into this Agreement and to sell, assign, transfer and convey the Purchased Assets to be sold by it hereunder to the Purchaser in the manner contemplated herein and to perform all of its obligations under this Agreement and any ancillary agreement to which it is a party. The Vendor and the board of directors of the Vendor have taken all necessary actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of, this Agreement and the sale and transfer of the Purchased Assets to the Purchaser.
- (c) **Execution and Binding Obligations.** This Agreement is a legal, valid and binding obligation of the Vendor, enforceable against it in accordance with its terms, subject to: (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally; (ii) the fact that equitable remedies, including the remedies of specific performance and injunctive relief, may only be granted in the discretion of a court; and (iii) the fact that rights to indemnity may be limited under applicable law.
- (d) **Compliance with Constating Documents and Other Obligations.** Neither the execution and delivery of this Agreement, the completion of the transactions contemplated hereby, nor the fulfillment and compliance by the Vendor of the terms and conditions hereof will result in the violation of any provision of the constating documents of the Vendor or of any of the terms or provisions of any material note, bond, mortgage, contract, indenture, loan agreement, deed of trust, agreement, lien or other instrument, written or oral, to which the Vendor is a party or to which the Vendor may be subject or by which the Vendor is bound.
- (e) **Compliance with Applicable Laws.** None of the execution and delivery of this Agreement by the Vendor, the completion of the transactions contemplated hereby or the fulfillment and compliance by the Vendor of the terms and conditions hereof will result in the violation of any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to the Vendor.

Assets

- (f) **Condition of Assets.** The Lands and Equipment are sold as is where is and are free and clear of all Encumbrances other than the Permitted Encumbrances.

- (g) **Title to Assets.** The Vendor is the owner of and has good and marketable title to all of the Purchased Assets and at the Closing Date no Person other than the Vendor will have any interest (or right capable of becoming an interest) in any of the Purchased Assets other than through the Permitted Encumbrances.
- (h) **No Option to Purchase Assets.** No Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase or other acquisition from the Vendor of any of the Purchased Assets, other than pursuant to this Agreement.
- (i) **Conditional Sales Contracts.** The Vendor is not a party to any conditional sales contract, hire-purchase agreement or other title retention agreement in respect of the Purchased Assets.
- (j) **Commissions.** There are no claims for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who has acted for the Vendor in connection with the sale of the Purchased Assets.

Litigation

- (k) **Litigation.** There are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of the Vendor), pending or, to the knowledge of the Vendor, threatened, by or against or affecting the Purchased Assets, at law or in equity, or before or by any Governmental Entity. There are, to the knowledge of the Vendor, no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.

Tax Matters

- (l) **Governmental Charges.** There are no liens for any Governmental Charges (other than for Governmental Charges not yet due and payable) in respect of any of the Purchased Assets.
- (m) **Vendor's Residency.** The Vendor is not a non-resident of Canada within the meaning of the Tax Act.

Intellectual Property

- (n) **Owned Intellectual Property.** The Intellectual Property constitutes all of the intellectual property owned by the Vendor other than intellectual property utilized by the Vendor under license or otherwise.
- (o) **Unencumbered.** The Vendor owns and has the exclusive legal and beneficial right, title and interest in and to the Intellectual Property in its own name, free and clear of any Encumbrances.

- (p) **No Notice of Infringement.** The Vendor has not received any notice, complaint, threat or claim alleging: (a) the infringement, misappropriation, misuse or violation of any Intellectual Property Right or other right of any third party or breach of any duty or obligation owed to any third party in respect of the Purchased Assets; or, (b) that the Vendor does not own the Intellectual Property or, (c) in the case of Intellectual Property which is licensed to the Vendor, that they do not have the right to exploit the Intellectual Property in any way or manner whatsoever and there is no valid basis for any such claim.
- (q) **No Notice of Invalidity.** To the knowledge of Vendor, the Intellectual Property is valid. All maintenance fees or annuities necessary to maintain the Intellectual Property have been paid up to the Closing Date, and all filings necessary to maintain the Intellectual Property have been made up to the Closing Date.

Lands

- (r) **Use.** Except as identified in the Stop Order and the Warning Letter, the current use of the Lands and the buildings thereon complies with the existing municipal land use bylaw and any restrictive covenant on title.
- (s) **Location.** Except as identified in the Stop Order and the Warning Letter, to the best of the Vendor's knowledge, the location of the buildings and other improvements on the Lands:
 - (i) are on the Lands and not on any easement, right-of-way or neighbouring lands unless there is a registered agreement on title or, in the case of an encroachment into municipal lands or a municipal easement or right-of-way, the municipality has approved the encroachment in writing; and
 - (ii) complies with any restrictive covenant on title and municipal bylaws, regulations and relaxations, or the Buildings and improvements are "non-conforming buildings" as defined in the Municipal Government Act (Alberta).
- (t) **Notices.** Any government and local authority notices regarding:
 - (i) the Lands;
 - (ii) lack of permits for any development on the Lands; or
 - (iii) notices regarding any environmental conditions or problems on the Lands;

known to the Vendor have been disclosed in writing in this Agreement.

3.2 Representations and Warranties by the Purchaser

The Purchaser represents and warrants, and acknowledges that notwithstanding any searches or investigations made by, or on behalf of, the Vendor, and notwithstanding any information or document provided to the Vendor, the Vendor is relying upon such representations and warranties in connection with the completion of the transactions contemplated hereby, that:

- (a) **Incorporation and Qualification of the Purchaser.** The Purchaser has been duly organized and is a valid and subsisting corporation under the laws of the Province of Alberta and is up to date with all filings required under the laws of Alberta and in such other jurisdictions where it carries on business, and has the power to own or lease its property and to carry on its business as now being conducted by it, is duly qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the property owned or leased by it makes such qualification necessary.
- (b) **All Requisite Corporate Power.** The Purchaser has all requisite power and authority to enter into and to perform its obligations under this Agreement and this Agreement has been duly executed and delivered by the Purchaser and is a legal, valid and binding obligation of the Purchaser enforceable against the Vendor in accordance with its terms, subject only to any limitation under applicable laws relating to: (i) bankruptcy, winding-up, insolvency, arrangement and other laws of general application affecting the enforcement of creditor's rights; and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (c) **Compliance with Constating Documents and Other Obligations.** The entering into of this Agreement and the transactions contemplated hereby will not result in the violation of the constating documents of the Purchaser or of any of the terms and provisions of any material note, bond, mortgage, contract, indenture, loan agreement, deed of trust, agreement, lien or other instrument, written or oral to which the Purchaser is a party or to which the Purchaser or any of its properties or assets may be subject to or by which the Purchaser is bound.
- (d) **Commissions.** There are no claims for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary in connection with the purchase of the Purchased Assets.
- (e) **Compliance with Applicable Laws.** The entering into of this Agreement and the completion of the transactions contemplated hereby will not result in the violation of any law, judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to the Purchaser.
- (f) **Absence of Approvals Required.** No authorization, approval, order, licence, permit or consent of any Governmental Entity and no registration, declaration or filing by the Purchaser with any such Governmental Entity is required in

connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of the Purchased Assets.

- (g) **Residency of the Purchaser.** The Purchaser is not a non-resident of Canada within the meaning of the Tax Act. The Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act*.
- (h) **Funds.** The Purchaser has sufficient cash or other sources of available funds to enable the Purchaser to make payment of the Purchase Price and to perform its obligations hereunder.
- (i) **Receipt of Notices.** The Purchaser has received and reviewed a copy of the Stop Order and the Warning Letter.

ARTICLE 4

SURVIVAL OF REPRESENTATIONS AND WARRANTIES

4.1 Survival of Representations and Warranties and Indemnities of the Vendor

The representations and warranties and indemnities made by the Vendor in this Agreement, or contained in any document or certificate given in order to carry out the transactions contemplated hereby, will survive the Closing of the purchase and sale of the Purchased Assets and the completion of any other transactions contemplated herein and, notwithstanding such Closing or any investigation made by or on behalf of the Purchaser or any other Person or any knowledge of the Purchaser or any other Person, shall continue in full force and effect for the benefit of the Purchaser, subject to the following provisions:

- (a) except as provided in (b) of this Section 4.1, no Warranty Claim may be made or brought by the Purchaser after the date which is one (1) year following the Closing Date; and
- (b) any Warranty Claim or Indemnity Claim which is based upon or relates to Tax liability of the Vendor for a particular taxation year may be made or brought by the Purchaser at any time prior to the expiration of 30 days immediately following the expiration of the period (if any) during which an assessment, reassessment or other form of recognized document assessing liability for Tax, interest or penalties in respect of such taxation year under applicable Tax legislation could be issued (or, in the case of any such assessment or reassessment, until the issues in dispute have been fully resolved), assuming that the Purchaser does not file any waiver or similar document after the Closing Date extending such period as otherwise determined.

After the expiration of the period as provided in (a) of this Section 4.1, the Vendor will be released from all obligations and liabilities in respect of such representations and warranties and indemnities made by the Vendor contained in this Agreement or in any document or certificate given in order to carry out the transactions contemplated hereby, except with respect to any Warranty Claims made by the Purchaser in writing prior to the expiration of such period and subject to the rights of the Purchaser to make any claim permitted by (b) of this Section 4.1.

4.2 Survival of Representations and Warranties of the Purchaser

The representations and warranties made by the Purchaser and contained in this Agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby will survive the Closing of the purchase and sale of the Purchased Assets and completion of any other transactions contemplated herein and, notwithstanding such Closing or any investigation made by or on behalf of the Vendor or any other Person or any knowledge of the Vendor or any other Person, shall continue in full force and effect for the benefit of the Vendor provided that no Warranty Claim may be made or brought by the Vendor after the date which is one (1) year following the Closing Date.

ARTICLE 5 **CONDITIONS**

5.1 Conditions for Benefit of the Purchaser

The obligations of the Purchaser under this Agreement are subject to the conditions contained in this Section 5.1, which are for the exclusive benefit of the Purchaser, and any of which may be waived by the Purchaser at or before the Closing Date or such other date as may be set out below.

- (a) **Truth of Representations and Warranties.** All representations and warranties of the Vendor contained in this Agreement shall be true as at the Closing Time, with the same effect as though made on and as at the Closing Time.
- (b) **Vendor's Obligations.** The Vendor shall have performed and/or complied with all of its obligations under this Agreement, to the extent required to be performed and/or complied with on or before the Closing Time.
- (c) **Adverse Proceedings.** No claims shall be pending or threatened against the Vendor that may impair or prohibit the completion of the transactions contemplated by this Agreement.
- (d) **Closing Documents.** The Vendor shall have delivered to the Purchaser the documents noted in Section 6.2 duly executed by the parties thereto (other than the Purchaser).
- (e) **Lender Approval.** The Purchaser shall have obtained the consent of First Choice Financial Incorporated with respect to the assumption of the mortgage contemplated by section 2.3(c).

5.2 Conditions for Benefit of Vendor

The obligations of the Vendor under this Agreement are subject to the conditions contained in this Section 5.2, which are for the exclusive benefit of the Vendor, and any of which may be waived by the Vendor at or before the Closing Date or such other date as may be set out below.

- (a) **Truth of Representations and Warranties.** All representations and warranties of the Purchaser contained in this Agreement shall be true as of the Closing Time, with the same effect as though made on and as of the Closing Time.
- (b) **The Purchaser's Obligations.** The Purchaser shall have performed and/or complied with all of its obligations under this Agreement, to the extent required to be performed and/or complied with on or before the Closing Time.
- (c) **Purchase Price and Closing Documents.** The Purchaser shall have delivered to the Vendor the Purchase Price and the documents noted in Section 6.3 duly executed by the Purchaser.
- (d) **Contractual and Regulatory Approvals.** All consents and approvals of third parties required to be obtained in relation the sale of the Purchased Assets as set out in this Agreement shall have been obtained by the Vendor.
- (e) **Lender Approval.** The Vendor shall have obtained the consent of First Choice Financial Incorporated with respect to the assumption of the mortgage contemplated by section 2.3(c) on terms and conditions satisfactory to the Vendor.

5.3 Termination

This Agreement may be terminated at any time prior to the Closing Time, by the agreement in writing of the Purchaser and the Vendor, or by written notice promptly given to the other Party in the following instances:

- (a) by the Purchaser, if all of the conditions for Closing for the benefit of the Purchaser shall not have been satisfied or waived on or before the Closing Time (or such other date as set out in section 5.1), other than as a result of a breach of this Agreement by the Purchaser; or
- (b) by the Vendor, if all of the conditions for Closing for the benefit of the Vendor shall not have been satisfied or waived on or before the Closing Time (or such other date as set out in section 5.2), other than as a result of a breach of this Agreement by the Vendor.

ARTICLE 6 **CLOSING ARRANGEMENTS**

6.1 Closing

The Closing shall take place at the offices of the Purchaser's Counsel on the Closing Date and the offices of the Vendor's Counsel. Except where otherwise indicated, documents may be executed and exchanged by electronic means on the Closing Date and shall have the same effect as originals. Notwithstanding that the Closing Date and the Effective Date may not be the same, upon Closing occurring the transaction will be deemed to have been completed on the Effective Date.

6.2 Documents to be Delivered by the Vendor

Provided the Vendor has first received payment of the full Purchase Price as per the statement of adjustments, the Vendor will deliver to the Purchaser on the Closing Date the following:

- (a) **Certified Resolutions of the Directors of the Vendor.** A certified copy of a resolution of the directors of the Vendor approving the transactions contemplated by this Agreement, including the transfer of the Purchased Assets;
- (b) **Receipt.** A duly executed receipt for the Purchase Price;
- (c) **General Conveyance Agreement.** A bill of sale transferring the Equipment to the Purchaser;
- (d) **Transfer.** A wet ink original transfer of the Lands into the name of the Purchaser;
- (e) **GST Form 44.** A GST election as contemplated by section 2.6(d), duly executed by the Vendor;
- (f) **Statement of Adjustments.** A statement of adjustments with respect to the Lands to the Effective Date; and
- (g) **Other Documents.** Such other documents, agreements or items as are contemplated by this Agreement or as may reasonably be requested by the Purchaser or the Purchaser's Counsel.

6.3 Documents to be Delivered by the Purchaser

The Purchaser will deliver to the Vendor at Closing the following:

- (a) **Certified Directors' Resolution of the Purchaser.** A certified copy of resolutions of the directors of the Purchaser approving the transactions contemplated herein;
- (b) **Payment of the Purchase Price.** A wire transfer, bank draft or solicitor trust cheque in the amount set out in Section 2.3(b) hereof, plus applicable GST;
- (c) **GST.** GST certificate and indemnity in the form requested by the Vendor or Vendor's Counsel with respect to the sale of the Lands;
- (d) **GST Form 44.** A GST election as contemplated by section 2.6(d), duly executed by the Purchaser;
- (e) **Promissory Note.** The wet ink original Promissory Note, duly executed by the Purchaser;
- (f) **Security.** The wet ink original Security duly executed by the Purchaser;

- (g) **Confirmation from Lender.** Confirmation from First Choice Financial Incorporated that: (i) all amounts owing by the Vendor to First Choice Financial Incorporated have been assumed by the Purchaser in full; (ii) that the Vendor has no further liability to First Choice Financial Incorporated; (iii) that all security registered against the Vendor including land titles registration 231 265 199 and 231 265 200 and all registrations in the Personal Property Registry will be discharged within 30 days of the Closing Date; (iv) that First Choice Financial Incorporated consents to granting of the Security by the Purchaser; and (v) that First Choice Financial Incorporated will not lend the Purchaser more than \$2,600,000.00 until such a time as the Purchaser has repaid the Promissory Note in full; all in such form as may be accepted by the Vendor, acting reasonably;
- (h) **Title Insurance.** The Purchaser shall purchase a policy of title insurance with respect to registration of the transfer of the Land, any security required by First Choice Financial Incorporated, and the mortgage forming part of the Security, satisfactory to the Vendor, acting reasonably, and provide a copy of the same to the Vendor on Closing, the cost of which will be split equally between the Purchaser and the Vendor; and
- (i) **Other Documents.** Such other documents, agreements or items as are contemplated by this Agreement or as may reasonably be requested by the Vendor or the Vendor's Counsel.

ARTICLE 7
INDEMNITIES AND LIMITATION OF LIABILITY

7.1 Indemnity by the Vendor

- (a) Subject to Sections 7.3 and 7.4 herein, the Vendor hereby agrees to indemnify and save the Purchaser and any affiliates, shareholders, directors, officers, employees, agents or representatives thereof harmless from and against any actual or threatened claims, demands, actions, causes of action, suits, investigations, damages, losses, deficiencies, fees, costs, liabilities and expenses which may be made or brought against any of the foregoing or which any of the foregoing may suffer or incur as a result of, in respect of, or arising out of:
 - (i) any non-performance or non-fulfillment of any covenant or agreement on the part of the Vendor contained in this Agreement or in any document given thereby in order to carry out the transactions contemplated hereby;
 - (ii) any misrepresentation, inaccuracy, incorrectness or breach of any representation or warranty made by the Vendor contained in this Agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby;

- (iii) or which are attributable to the Business or the Purchased Assets, which accrue or arise as a result of any condition or circumstance existing or occurring prior to the Closing Date; and
 - (iv) all costs and expenses including, without limitation, legal fees on a solicitor-and-his own client basis, incidental to or in respect of the foregoing.
- (b) The obligations of indemnification by the Vendor pursuant to paragraph (a) of this Section 7.1 shall be subject to the following:
- (i) the limitations referred to in Section 4.1 with respect to the survival of the representations and warranties by the Vendor;
 - (ii) the provisions of Sections 7.3 and 7.4; and
 - (iii) The maximum liability of the Vendor pursuant to this paragraph 7.1 shall be limited to the actual amount received by the Vendor pursuant to this sale.

7.2 Indemnity by the Purchaser

- (a) Subject to Sections 7.3 and 7.4 herein, the Purchaser hereby agrees to indemnify and save the Vendor harmless from and against any actual or threatened claims, demands, actions, causes of action, suits, investigations, damages, losses, deficiencies, costs, liabilities and expenses which may be made or brought against the Vendor or which the Vendor may suffer or incur as a result of, in respect of or arising out of:
- (i) any non-performance or non-fulfillment of any covenant or agreement on the part of the Purchaser contained in this Agreement or in any document given thereby in order to carry out the transactions contemplated hereby;
 - (ii) any misrepresentation, inaccuracy, incorrectness or breach of any representation or warranty made by the Purchaser contained in this Agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby; and
 - (iii) all costs and expenses including, without limitation, legal fees on a solicitor-and-his own client basis, incidental to or in respect of the foregoing.
- (b) The obligations of indemnification by the Purchaser pursuant to paragraph (a) of this Section 7.2 shall be subject to the following:
- (i) the limitations referred to in Section 4.1 with respect to the survival of the representations and warranties by the Purchaser; and

- (ii) the provisions of Section 7.3 and 7.4.

7.3 Provisions Relating to Indemnity Claims

The following provisions will apply to any claim by an Indemnified Party for indemnification pursuant to Section 7.1, Section 7.2 or Section 7.5 hereof (hereinafter, in this Section, called an "**Indemnity Claim**"):

- (a) as soon as reasonably practicable after becoming aware of any matter that may give rise to an Indemnity Claim, the Indemnified Parties (or any of them) will provide to the Indemnifying Party written notice of the Indemnity Claim specifying (to the extent that information is available) the factual basis for the Indemnity Claim and the amount of the Indemnity Claim or, if an amount is not then determinable, an estimate of the amount of the Indemnity Claim if an estimate is feasible in the circumstances;
- (b) if an Indemnity Claim relates to an alleged liability of the Indemnified Party to any other Person (hereinafter, in this Section, called a "**Third Party Liability**"), including without limitation any Governmental Entity, which is of a nature such that the Indemnified Party is required by applicable law to make a payment to a Third Party before the relevant procedure for challenging the existence or quantum of the alleged liability can be implemented or completed, then the Indemnified Parties (or any of them) may, notwithstanding the provisions of paragraphs (c) and (d) of this Section 7.3, make such payment and forthwith demand reimbursement for such payment from the Indemnifying Party in accordance with this Agreement; provided that, if the alleged liability to the third party, as finally determined upon completion of settlement negotiations or related legal proceedings, is less than the amount which is paid by the Indemnifying Party in respect of the related Indemnity Claim, then the Indemnified Parties (or any of them) shall, forthwith following such final determination, pay to the Indemnifying Party the amount by which the amount of the liability, as finally determined, is less than the amount which was so paid by the Indemnifying Party;
- (c) Indemnified Parties (or any of them) shall not negotiate, settle, compromise or pay (except in the case of payment of a final judgment) any Third Party Liability as to which it proposes to assert an Indemnity Claim, except with the prior consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed), unless there is a reasonable possibility that such Third Party Liability may materially and adversely affect the Business, the Purchased Assets or the condition of the Indemnified Parties (or any of them), in which case the Indemnified Parties (or any of them) shall have the right, after notifying the Indemnifying Party, to negotiate, settle, compromise or pay such Third Party Liability without prejudice to its rights of indemnification hereunder;

- (d) with respect to any Third Party Liability, provided the Indemnifying Party first admits in writing the right of the Indemnified Parties (or any of them) to indemnification for the amount of such Third Party Liability which may at any time be determined or settled, then in any legal, administrative or other proceedings in connection with the matters forming the basis of the Third Party Liability, the following procedures will apply:
- (i) except as contemplated by subparagraph (iii) of this paragraph, the Indemnifying Party will have the right to assume carriage of the compromise or settlement of the Third Party Liability and the conduct of any related legal, administrative or other proceedings, but the Indemnified Parties (or any of them) shall have the right and shall be given the opportunity to participate in the defense of the Third Party Liability, to consult with the Indemnifying Party in the settlement of the Third Party Liability and the conduct of related legal, administrative and other proceedings (including consultation with counsel) and to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Party and the Indemnified Parties (or any of them) shall be retained by the Indemnifying Party;
 - (ii) the Indemnifying Party will co-operate with the Indemnified Parties (or any of them) in relation to the Third Party Liability, will keep the Indemnified Parties (or any of them) fully advised with respect thereto, will provide the Indemnified Parties (or any of them) with copies of all relevant documentation as it becomes available, will provide, to the extent lawful, the Indemnified Parties (or any of them) with access to all records and files relating to the defence of the Third Party Liability and will meet with representatives of the Indemnified Parties (or any of them) at all reasonable times to discuss the Third Party Liability; and
 - (iii) notwithstanding subparagraphs (i) and (ii) of this paragraph, the Indemnifying Party will not settle the Third Party Liability or conduct any legal, administrative or other proceedings in any manner which could, in the reasonable opinion of the Indemnified Parties (or any of them), have a Material Adverse Effect on the Business, the Purchased Assets or the condition of the Indemnified Parties (or any of them), except with the prior written consent of the Indemnified Parties (or any of them);
- (e) if, with respect to any Third Party Liability, the Indemnifying Party does not admit the right of the Indemnified Parties (or any of them) to indemnification or declines to assume carriage of the settlement or of any legal, administrative or other proceedings relating to the Third Party Liability, then the following provisions will apply:

- (i) the Indemnified Parties (or any of them), at their discretion, may assume carriage of the settlement or of any legal, administrative or other proceedings relating to the Third Party Liability and may defend or settle the Third Party Liability on such terms as the Indemnified Parties (or any of them), acting in good faith, consider advisable; and
- (ii) any cost, loss, damage or expense incurred or suffered by the Indemnified Parties (or any of them) in the settlement of such Third Party Liability or the conduct of any legal, administrative or other proceedings shall be added to the amount of the Indemnity Claim.

7.4 Consequential Losses

Notwithstanding any other provision of this Agreement, no party shall have any liability to any other party under this Article 7:

- (a) in respect of indirect or consequential losses or damages including loss of profits;
- (b) to the extent of any related and reasonably determinable Tax benefit available to the Vendor or the indemnified party as a result of the matters giving rise to the Indemnity Claim; or
- (c) to the extent that any damages, losses, deficiencies, costs, liabilities and expenses could reasonably have been minimized or avoided had the Person entitled to be indemnified hereunder exercised reasonable diligence and ordinary care in attempting to minimize or avoid aggravating such damages, losses, deficiencies, costs, liabilities and expenses.

7.5 Tax Effect

If any indemnification payment received hereunder by an indemnitee would constitute taxable income to such indemnitee, the indemnitor shall pay to the indemnitee at the same time and on the same terms, as to interest and otherwise, as the indemnification payment an additional amount sufficient to place the indemnitee in the same after-tax position as it would have been in if the indemnification payment had been received tax-free.

ARTICLE 8 **NOTICES**

8.1 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or email and addressed:

- (a) to the Purchaser at:



[REDACTED]
[REDACTED]

(b) to the Vendor at:

[REDACTED]
[REDACTED]

Email: rjackson@cielows.com

Any notice so given shall be deemed conclusively to have been given and received when so personally delivered or sent by electronic communication or on the third day following the sending thereof by private courier. Any Party may change any particulars of its address for notice by notice to the others in the manner aforesaid.

ARTICLE 9 **ARBITRATION**

9.1 Reasonable Commercial Efforts to Settle Disputes

If any controversy, dispute, claim, question or difference (a "**Dispute**") arises with respect to this Agreement or its performance, enforcement, breach, termination or validity, the parties shall use all reasonable commercial efforts to settle the Dispute. To this end, they shall consult and negotiate with each other in good faith and understanding of their mutual interests to reach a just and equitable solution satisfactory to all parties. Notwithstanding the foregoing, the provisions of this Article 9 shall not apply to any Dispute arising under the Promissory Note or the Security.

9.2 Arbitration

Except as is expressly provided in this Agreement, if the parties do not reach a mutually acceptable solution pursuant to Section 9.1 within a period of ten (10) business days following the first notice of the Dispute by any party another, then upon written notice by such party to the other, the Dispute shall be finally settled by arbitration in accordance with the provisions of the *Arbitration Act* (Alberta), based upon the following:

- (a) the arbitration tribunal shall consist of one arbitrator appointed by mutual agreement of the parties, or in the event of failure to agree within ten (10) business days following delivery of the written notice to arbitrate, any party may apply to a judge of the Court of King's Bench of Alberta to appoint an arbitrator. The arbitrator shall be qualified by education and training to pass upon the particular matter to be decided;
- (b) the arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within thirty (30) business days of the appointment of the arbitrator;

- (c) after written notice is given to refer any Dispute to arbitration, the parties will meet within ten (10) business days of delivery of the notice and will negotiate in good faith to agree upon the rules and procedures for the arbitration, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk, failing which, the rules and procedures for the arbitration shall be determined by the arbitrator;
- (d) the arbitration shall take place in Calgary, Alberta;
- (e) except as otherwise provided in this Agreement or otherwise decided by the arbitrator, the fees and other costs associated with the arbitrator shall be shared equally by the adverse parties and each party shall be responsible for its own costs;
- (f) the arbitration award shall be given in writing, shall provide reasons for the decision, and shall be final and binding on the parties, not subject to any appeal, and shall deal with the question of costs of arbitration and all related matters (for greater clarity the arbitration award shall not deal with interest as the parties acknowledge and agree that the issue of interest is dealt with in this Agreement);
- (g) judgment upon any award may be entered in any court having jurisdiction or application may be made to the court for a judicial recognition of the award or an order of enforcement, as the case may be;
- (h) all Disputes referred to arbitration (including without limitation the scope of the agreement to arbitrate, any statute of limitations, conflict of laws rules, tort claims and interest claims) shall be governed by the substantive law of Alberta and the federal laws of Canada applicable therein; and
- (i) the parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the parties, their counsel and any Person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise.

ARTICLE 10
MISCELLANEOUS

10.1 Time of the Essence

Time shall be of the essence of this Agreement.

10.2 Entire Agreement

This Agreement, including the Schedules hereto supersedes any previous verbal or written agreement between the parties hereto, including the Letter of Intent, and constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and except as herein stated and in the instruments and documents to be executed and delivered pursuant hereto, contains all of the representations and warranties of the respective parties.

10.3 Governing Law

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

10.4 Enurement

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns, as the case may be.

10.5 Fees and Expenses

Each party to this Agreement shall be responsible for their own legal and accounting fees and other charges incurred in connection with the preparation of this Agreement, all negotiations between the parties and the consummation of the transactions contemplated hereby.

10.6 Counterpart

This Agreement may be executed by facsimile or scanned email in as many counterparts as there are parties hereto and, upon execution by all parties, all counterpart copies shall be read as one agreement and as if all parties had signed the same agreement.

10.7 Number and Gender

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of any gender shall include all genders, including the neutral gender.

10.8 No Announcements

Except as may be required by law, regulatory authority or any stock exchange, no announcements or disclosures concerning the transactions contemplated by this Agreement may be made by any party, its employees, agents or representatives to the public, suppliers, customers or employees of the Business unless previously approved by the other party, which approval will not be unreasonably withheld once the Closing has occurred. In the event that a party is required by law, regulatory authority or stock exchange to make an announcement or disclosure concerning the transactions contemplated by this Agreement, such party shall forthwith notify the other party and shall use its reasonable commercial efforts to obtain approval of the other party as to the form,

nature and extent of the disclosure and all the parties shall cooperate in a timely manner in order to enable compliance with such legal, governmental, regulatory or stock exchange requirement, while at the same time preserving the confidentiality of such transactions to the extent reasonably possible.

10.9 Attornment

The parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of Alberta for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against either party in such court. The parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of Alberta and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

10.10 Amendment

No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby.

10.11 Waiver

At any time prior to the Closing, the parties hereto may: (a) extend the time for the performance of any of the obligations or other acts of the other party hereto; (b) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto; and (c) waive compliance with any of the obligations of the other party or any of the conditions to its own obligations contained herein to the extent permitted by law. Any agreement on the part of the Purchaser, on the one hand, and the Vendor on the other to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of the Purchaser and the Vendor. The failure of a party to exercise any right or remedy shall not be deemed or constitute a waiver of such right or remedy in the future. No waiver of any of the provisions of this Agreement or the documents relating hereto shall be deemed or shall constitute a waiver of any other provision hereof or thereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

10.12 Assignability

This Agreement shall not be assigned by either party without the prior written consent of the other party hereto

10.13 Severability

If any provision of this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality or enforceability of such provision in any other jurisdiction and

the validity, legality or enforceability of any other provision of this Agreement shall not be affected.

10.14 Further Assurances

Each of the parties hereto will from time to time, at the request of any other party hereto and without further consideration, execute and deliver such other documents and do such other things as may be necessary or desirable to give effect to the provisions of this Agreement.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto effective as of the year and date first above written.

████████████████████

Per: /s/ "████████████████████"

Per: _____

CIELO WASTE SOLUTIONS CORP.

Per: /s/ "Ryan Jackson"

Per: _____

SCHEDULE 1.1(H)

EQUIPMENT

1. Desulfurization Unit
2. R&D Skid unit
3. Misc equipment located on the Lands

SCHEDULE 1.1(S)

PERMITTED ENCUMBRANCES

751 042 740 – Utility Right of Way

981 247 498 – Caveat re: Development Agreement

981 247 502 – Utility Right of Way re: MD of Foothills No. 31

991 122 285 – Caveat re: Restrictive Covenant

SCHEDULE 2.3(D)

PROMISSORY NOTE

PROMISSORY NOTE

Date: November [REDACTED], 2024

Principal Amount \$1,000,000.00

FOR VALUE RECEIVED, [REDACTED] (the "**Undersigned**") does promise to pay to Cielo Waste Solutions Corp. (the "**Lender**"), of the Province of British Columbia, the sum of \$1,000,000.00 (the "**Principal Amount**") together with interest thereon as follows:

- a) The Undersigned shall pay interest on the Principal Amount outstanding from time to time at the rate of 7.5% per annum calculated daily and payable monthly not in advance;
- b) On February 15, 2025 the Undersigned will pay the sum of \$200,000.00 plus all interest accrued to the Lender;
- c) On May 15, 2025 the Undersigned will pay the sum of \$200,000.00 plus all interest accrued to the Lender;
- d) On August 15, 2025 the Undersigned will pay the sum of \$150,000.00 plus all interest accrued to the Lender;
- e) On November 15, 2025 the Undersigned will pay the sum of \$150,000.00 plus all interest accrued to the Lender;
- f) On February 15, 2026 the Undersigned will pay the sum of \$150,000.00 plus all interest accrued to the Lender; and
- g) On May 15, 2026 the Undersigned will pay the final sum of \$150,000.00 plus all interest accrued to the Lender.

Upon default in payment of any payment when due hereunder, the entire Principal Amount and accrued interest shall become immediately due and payable without notice or demand and the undersigned covenants to pay interest thereon at the rate aforesaid, both before and after judgment, until paid in full. The covenant to pay interest shall not merge on the taking of a judgment or judgments with respect to any of the obligations herein stipulated for.

The Undersigned may prepay the Principal Amount, without penalty for said prepayment, but any particular prepayment shall not affect the Undersigned's obligation to pay, in accordance with the terms of this Promissory Note, the Principal Amount and all interest hereunder. In the event that the Undersigned has repaid the sum of \$700,000.00 of the Principal Amount and all accrued interest on or before May 15, 2025 then the remainder of the Principal Amount shall be considered forgiven and the Principal Amount shall be considered paid in full.

The Undersigned hereby waives demand and presentment for payment, notice of non-payment, protest, notice of protest, notice of dishonour, bringing of suit and diligence in taking any action.

The failure of the Lender to exercise any of its rights hereunder in any instance shall not constitute a waiver thereof in that or any other instance.

This Promissory Note shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.



Per: _____
[name of President], President
(Affix Corporate Seal)

SCHEDULE 2.4

ALLOCATION OF PURCHASE PRICE

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total:			\$3,900,000.00