

October 25, 2018

STILLWATER CANADA LLC

2711 Centerville Road, Suite 400
Wilmington, Delaware, 19809
Attn.: Richard Stewart

Ref.: **IR Offer No. 1/2018**

Dear Sirs,

ALDEBARAN RESOURCES INC., a company duly organized and validly existing under the laws of the Province of Alberta, Canada, and for purposes of this Offer (as defined below) with its address at Dentons Canada LLP, 15th Floor, Bankers Court, 850 - 2nd Street SW Calgary, AB T2P 0R8, Canada (the "**Offeror**") hereby irrevocably offers to **STILLWATER CANADA LLC**, a company duly organized and validly existing under the laws of the State of Delaware, having an address at 2711 Centerville Road, Suite 400, Wilmington, Delaware, 19808 ("**Stillwater**") to enter into an investor rights agreement dated effective October 25, 2018 in the form attached hereto as Appendix A (including all exhibits and schedules thereto, the "**Offer**," and once accepted pursuant to the terms hereof, the "**Investor Rights Agreement**"). For purposes of the Offer, the Offeror, and Stillwater are collectively referred to herein as the "**Parties**," and each of the foregoing individually, as a "**Party**."

The Offer shall be deemed accepted by Stillwater upon receipt by the Offeror on or before October 25, 2018 11:59 PM New York Time (the "**Term**"), of a written notice from Stillwater confirming its acceptance of the terms and conditions hereof (the "**Acceptance Notice**"). In case Stillwater fails to accept the Offer on or before the expiration of the Term, the Offer shall automatically lose all force and effect.

If on or prior to the expiration of the Term, the Offeror receives the Acceptance Notice, the Investor Rights Agreement shall become in full force and effect in accordance with the terms and conditions set forth in Appendix A as if each of the Parties had executed and delivered the same and shall be legally binding upon, and enforceable against, each and all of the Parties. The Investor Rights Agreement shall be deemed entered into as of the date on which the Acceptance Notice is received by the Offerors.

Sincerely yours,

ALDEBARAN RESOURCES INC.

(signed) "*Mark Wayne*"

Name: Mark Wayne
Position: Chief Financial Officer

APPENDIX A
(see attached)

INVESTOR RIGHTS AGREEMENT

BETWEEN

STILLWATER CANADA LLC

and

ALDEBARAN RESOURCES INC.

October 25, 2018

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INVESTOR RIGHTS AGREEMENT

THIS AGREEMENT made the 25th day of October, 2018,

BETWEEN:

Stillwater Canada LLC, a company formed under the laws of the State of Delaware (the "**Investor**"),

- and -

Aldebaran Resources Inc., a body corporate incorporated under the laws of the Province of Alberta (the "**Company**").

WHEREAS in connection with the arrangement agreement dated June 28, 2018 (the "**Arrangement Agreement**") by and among Regulus Resources Inc., Sibanye Gold Limited ("**Sibanye Gold**") and the Company, the Company will issue *inter alia* the Sibanye Share Consideration, as defined in the Plan of Arrangement (as defined herein) to the Investor (an affiliate of Sibanye Gold);

AND WHEREAS in connection with the Sibanye Share Consideration to be issued pursuant to the Arrangement Agreement, the Company has agreed to grant certain rights set out herein to the Investor, on the terms and subject to the conditions set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Defined Terms

For the purposes of this Agreement, unless the context otherwise requires or unless otherwise expressly set out herein, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Act**" means the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9 and the regulations made thereunder, as in effect on the date hereof;

"**affiliate**" means, when describing a relationship between two Persons, that either one of them is under the direct or indirect control of the other, or each of them is directly or indirectly controlled by the same Person;

"**Agreement**" means this Investor Rights Agreement;

"**Anti-Corruption Laws**" means the U.S. Foreign Corrupt Practices Act of 1977, as amended; the *Corruption of Foreign Public Officials Act* (Canada); the UK Bribery Act of 2010; any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public

Officials in International Business Transactions; or any other applicable anti-bribery or anti-corruption Laws;

"Anti-Corruption Policies" has the meaning set out in Section 8.9;

"Anti-Money Laundering Laws" means applicable financial recordkeeping and reporting requirements, including those of the U.S. Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable anti-money laundering statutes of all jurisdictions where the relevant entity or any of its subsidiaries conducts business, the rules and regulations thereunder, and any related or similar rules, regulations, or guidelines issued, administered, or enforced by any Governmental Entities;

"Arrangement Agreement" has the meaning set out in the recitals hereto;

"Blackout Period" shall have the meaning set out in Section 7.1(c);

"Board" means the board of directors of the Company;

"Board Observer" shall have the meaning set out in Section 2.5;

"Business Day" means any day, other than Saturday, Sunday or any other day on which commercial banks are generally closed in New York, New York, Johannesburg, South Africa or Calgary, Alberta;

"Canadian Securities Authorities" means the applicable commissions or securities regulatory authorities of the provinces and territories of Canada;

"Canadian Securities Laws" means the applicable securities legislation of each of the provinces and territories of Canada and all published regulations, policy statements, orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, all as amended from time to time;

"Claim" means any claim, demand, action, suit, appeal, order, investigation, audit, proceeding or grievance;

"Common Shares" means the common shares in the capital of the Company issued and outstanding from time to time and includes any common shares that may be issued hereafter;

"Company Indemnified Party" shall have the meaning set out in Section 7.7;

"Control" means the power, direct or indirect, to cause the direction of the management and policies of another entity, whether through the ownership of voting securities, by contract or otherwise.

"Corrupt Acts" shall have the meaning set out in Section 8.2(a);

"Demand Registration" shall have the meaning set out in Section 7.1;

"Dilutive Event" shall have the meaning set out in Section 3.6;

"Distribution" means a distribution of Registrable Securities to the public by way of a Prospectus under Canadian Securities Laws in any applicable jurisdiction(s) in Canada;

"Effective Date" shall have the meaning set out in the Arrangement Agreement;

"Exercise Period" shall have the meaning set out in Section 3.3(a);

"Governmental Entity" means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or Regulatory Authority, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; (iii) any quasi-governmental or private body exercising any statutory, regulatory expropriation, land use or occupation, or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange, including the TSXV, the Johannesburg Stock Exchange, the New York Stock Exchange;

"Indemnified Party" shall have the meaning set out in Section 7.8;

"Indemnifying Party" shall have the meaning set out in Section 7.8;

"Investor Indemnified Party" shall have the meaning set out in Section 7.6;

"Investor Nominee" shall have the meaning set out in Section 2.1(a);

"Investor Percentage" means the percentage equal to the fraction, the numerator of which is the Common Shares held by the Investor and/or its affiliates and the denominator of which is all then issued and outstanding Common Shares;

"Issuance" shall have the meaning set out in Section 3.2;

"Issuance Notice" shall have the meaning set out in Section 3.2;

"JV Agreement" means the Option and Joint Venture Agreement between Stillwater Canada LLC and Aldebaran Resources Inc.;

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

"Lock-Up Expiration Date" shall have the meaning set out in Section 5.1;

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

"Minimum Qualification Threshold" means the Investor and its affiliates own, directly or indirectly, 10% or more of the issued and outstanding Common Shares on the relevant date,

excluding from this calculation any outstanding Common Shares issued after the date of this Agreement pursuant to Dilutive Events;

"**NI 62-104**" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;

"**Notice Period**" shall have the meaning set out in Section 3.3;

"**Offered Securities**" shall have the meaning set out in Section 3.1;

"**Participation Right**" shall have the meaning set out in Section 3.1;

"**Participation Right Entitlement**" means, in respect of each Issuance in which an Issuance Notice is delivered,

- (i) the Participation Right Percentage, unless and until such time as the Investor has failed to acquire all Offered Securities to which it is entitled under Article 3 for any Issuance; and
- (ii) for each Issuance that occurs after the date on which Investor ceases to qualify for (i) above, the Investor Percentage (excluding the effects of any Dilutive Events) as the date the applicable Issuance Notice is delivered to Investor;

"**Participation Right Percentage**" means that number of the issued and outstanding Common Shares expressed as a percentage with the numerator being the number of Common Shares held by the Investor on the effective date of the Plan of Arrangement and the denominator of which is all the then issued and outstanding Common Shares;

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

"**Piggy-Back Registration**" shall have the meaning set forth in Section 7.2;

"**Plan of Arrangement**" has the meaning set forth in the Arrangement Agreement;

"**Prospectus**" means a preliminary prospectus and (final) prospectus, and any amendments thereto, as the context may require;

"**Regulatory Authorities**" means all securities commissions, stock exchanges or other similar regulatory authorities in Canada and, as applicable, the United States of America, Argentina, the Republic of South Africa and elsewhere;

"**Reporting Jurisdictions**" means British Columbia and Alberta;

"**Representatives**" means, with respect to a Person, such Person's directors, officers, employees, shareholders, partners, managers, investment managers, consultants, representatives, advisors and agents;

"ROF I" means Route One Fund I, L.P., a limited partnership formed under the laws of the State of Delaware;

"ROF III" means Route One Fund II, L.P., a limited partnership formed under the laws of the State of Delaware;

"ROMF" means Route One Master Fund, L.P., an exempted limited partnership formed under the laws of the Cayman Islands;

"Route One" means ROF I, ROF III and ROMF;

"Route One Subscription Agreement" means the Subscription and Shareholders Agreement by and among Aldebaran Resources Inc., Regulus Resources Inc. and ROF I, ROF II and ROMF, dated June 27, 2018;

"Sanctioned Territory" means any country, region, or territory that is the subject or the target of Sanctions, including, without limitation, Crimea Region of Ukraine, Cuba, Iran, North Korea (Democratic People's Republic of Korea), and Syria;

"Sanctions" means any sanctions administered or enforced by the U.S. Government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority;

"Securities" means collectively, equity or voting securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity or voting securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity or voting securities;

"TSXV" means the TSX Venture Exchange; and

"Unsuitable Director" means a person who (i) has been at any time charged with (x) acting in material breach of the law, (y) committing any serious criminal offense or (z) materially breaching any fiduciary or other duty to the Company, or (ii) is the subject or target of any Sanctions. For purposes of this definition, the term "Unsuitable Director" shall not include any Person who has been charged with, but determined by a court of competent jurisdiction to have been not guilty or not civilly liable for, any such matters.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

- (a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an "Article" or "Section" followed by a number or letter refer to the specified Article or Section to this Agreement;

- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) the word "including" is deemed to mean "including without limitation";
- (f) the terms "party" and "the parties" refer to a party or the parties to this Agreement;
- (g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;
- (h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (i) all references to a percentage ownership of shares shall be calculated on a non-diluted basis;
- (j) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (k) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.3 Entire Agreement

This Agreement and the Arrangement Agreement constitute the entire agreement between the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, between the parties hereto. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in the aforesaid agreements.

1.4 Time of Essence

Time shall be of the essence of this Agreement.

1.5 Governing Law and Submission to Jurisdiction

- (a) This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Alberta and the federal laws of Canada applicable in that province.
- (b) Each of the parties irrevocably and unconditionally: (i) submits to the nonexclusive jurisdiction of the courts of the Province of Alberta over any action or proceeding arising

out of or relating to this Agreement; (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts; and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

ARTICLE 2 BOARD OF DIRECTORS

2.1 Nomination Right

- (a) The Board shall consist of no less than five (5) and no more than seven (7) directors. The Investor shall be entitled to designate one (1) nominee to serve as a director of the Company for election or appointment to the Board, (such nominee, the "**Investor Nominee**"). An Investor Nominee must: (i) consent in writing to serve as a director; (ii) be eligible to serve as a director (A) under the Act and (B) pursuant to the rules of the TSXV and any other stock exchange on which the Common Shares are then listed and/or traded; and (iii) not be an Unsuitable Director.
- (b) The Company covenants and agrees, upon 10 days' written notice by the Investor to the Company, to forthwith take all necessary steps, including increasing the size of the Board or causing the resignation of a director, to cause the appointment of an individual selected by the Investor to serve on the Board as the initial Investor Nominee until the next annual meeting of the Company's shareholders, appoint the initial Investor Nominee between shareholder meetings if allowable pursuant to the Company's bylaws, and in the event that it is necessary to seek shareholder approval for the election of the initial Investor Nominee, the Company shall call and hold a meeting of its shareholders to consider the election of the Investor Nominee as soon as reasonably practicable, and in any event such meeting shall be held within 75 days of the Company receiving such written notice by the Investor.
- (c) The Company shall use commercially reasonable efforts to ensure that the Investor Nominee is elected to the Board, including soliciting proxies in support of the Investor Nominee's election and taking the same actions taken by the Company to ensure the election of the other nominees selected by the Board for election to the Board.
- (d) The Investor shall have the right to replace the Investor Nominee for any reason (including without limitation, by reason of a replacement request being made by the Investor Nominee), it being understood and agreed that the conditions set forth in Section 2.1(a)(i), (ii) and (iii) shall apply to any such new Investor Nominee. The Investor

Nominee shall have the right to resign at any time, and the Company's bylaws will permit such resignation.

- (e) The Company shall advise the Investor of the date on which proxy solicitation materials are to be mailed for the purpose of any meeting of shareholders at which directors of the Company are to be elected at least 15 Business Days prior to such mailing date and the Investor shall advise the Company in writing of the identity of its Investor Nominee(s) at least ten days prior to the mailing date. If the Investor does not advise the Company of the identity of its Investor Nominee prior to any such deadline, then the Investor will be deemed to have nominated its incumbent nominee.
- (f) In the event that an individual designated as the Investor Nominee does not receive a majority of votes in favour of their election, or ceases to serve whether due to such Investor Nominee's death, disability, resignation or removal, as a director of the Company, then the Investor will be entitled to designate in writing to the Company a replacement Investor Nominee to replace such individual and, subject to the Act and the requirements in Section 2.1(a)(i), (ii) and (iii), the Company shall immediately appoint such replacement Investor Nominee to the Board pursuant to section 111 of the Act.
- (g) Notwithstanding the foregoing, if the TSXV and any other stock exchange on which the Common Shares are then listed and/or traded objects to the Investor Nominee (including, for greater certainty, if the personal information form for an Investor Nominee is not approved by the TSXV or such other stock exchange), such Investor Nominee will immediately resign as a director of the Company.
- (h) All notices of Board meetings shall be delivered in accordance with the by-laws of the Company.
- (i) At the Investor's election, the Investor Nominee shall be a member of each committee of the Board, subject to the Investor Nominee meeting the requisite requirements for inclusion on such committee (financial/audit background for the audit committee and technical/mining background for the technical committee). If the Investor Nominee does not meet the requisite requirements for membership on a committee, the Investor Nominee shall be permitted to attend all such committee's meetings as an observer.
- (j) The Investor Nominee shall be entitled to be reimbursed by the Company for reasonable travel and other expenses incurred by the Investor Nominee in connection with his or her duties as a director. The Investor Nominee shall be entitled to the same compensation as other members of the Board, unless the Investor Nominee is a full-time employee of the Investor or its affiliate, in which case the Investor Nominee shall not be entitled to compensation.

2.2 Management to Endorse and Vote

The Company agrees that management of the Company shall, in respect of every meeting of the shareholders at which directors of the Company are to be elected, and at every reconvened meeting following an adjournment thereof or postponement thereof, endorse and recommend the Investor Nominee identified in the proxy materials for election to the Board, and shall vote the Common Shares and any other shares of the Company entitled to vote in the election of directors in respect of which

management is granted a discretionary proxy in favour of the election of such Investor Nominee to the Board at every such meeting, and the Company shall use its commercially reasonable efforts to cause its directors and officers to vote their Common Shares and any other shares of the Company entitled to vote in the election of directors in favour of the election of such Investor Nominee to the Board at every such meeting.

2.3 Information Right

The Company shall provide to the Investor Nominee elected to the Board or to the Board Observer copies of (a) all board packages, notices, minutes, opinions, consents and other materials that it provides to the Board or committee members, including any draft versions, proposed written consents, and exhibits and annexes to any such materials, at the same time and in the same manner as such information is delivered to the Board or committee members, and (b) all information provided by the Company to Route One. Notwithstanding Section 2.5, the Company hereby consents to the Investor Nominee and the Board Observer sharing any such information described in clauses (a) and (b) above with the Investor on a confidential basis. Notwithstanding the foregoing, the Company agrees that if the Investor Nominee or the Board Observer provides written notice at any time that it would like to stop receiving any or all of such documents and other information, the Company shall immediately stop providing such documents and other information to the Investor Nominee or Board Observer, as applicable (unless and until such time as the Investor Nominee or Board Observer, as applicable, provides written notice to the Company that it would like to resume receiving such documents and other information).

2.4 Directors' Liability Insurance

The Company hereby agrees to maintain directors' liability insurance that provides adequate and customary coverage limits and terms for similar companies. The Investor Nominee shall be entitled to the benefit of any directors' liability insurance, as well as to any indemnity to which other directors of the Company are entitled.

2.5 Board Observer Right

The Company agrees that the Investor shall, at the Investor's option, have the right to appoint one (1) individual as a non-voting observer to the Board (a "**Board Observer**"). The Board Observer shall be entitled to attend meetings of the Board and any committee of the Board and to receive all information provided to the members of the Board or its committees; provided, however that: (i) the Board Observer shall not be entitled to vote on any matter submitted to the Board or any of its committees nor to offer any motions or resolutions to the Board or such committees; (ii) the Company may withhold information or materials from the Board Observer and exclude such Board Observer from any meeting or portion thereof if (as determined by the Board in good faith) access to such information or materials or attendance at such meeting would (A) adversely affect the attorney-client or work product privilege between the Company and its counsel; (B) is otherwise required to avoid any disclosure that is restricted by any agreement with another Person; and (iii) the Board Observer shall be subject to the same obligations as directors of the Board with respect to confidentiality, conflicts of interest and misappropriation of corporate opportunities (and shall provide, prior to attending any meetings or receiving any information or materials, such agreements, undertakings or assurances to such effect as may be requested by the Company).

2.6 Termination of Rights

The nomination rights and related rights set out in this Article 2 shall cease to be available to the Investor and shall be of no force or effect upon the date that the Investor Percentage falls below the Minimum Qualification Threshold, and the Shareholder shall cause its Investor Nominee to resign from the Board upon the Investor Percentage becoming less than the Minimum Qualification Threshold.

ARTICLE 3 **PARTICIPATION RIGHT**

3.1 Issuance of Additional Securities

Subject to Section 3.5, the Company hereby grants to the Investor the right (the "**Participation Right**") (directly or through an affiliate) to purchase up to such number of the Securities (the "**Offered Securities**") that the Company may from time to time propose to issue from treasury or sell to any Person that will allow the Investor to maintain its then Participation Right Entitlement upon completion of such issuance or sale.

3.2 Additional Issuance Notices

- (a) The Company shall give written notice (each, an "**Issuance Notice**") of any proposed issuance or sale described in Section 3.1 (each, an "**Issuance**") to the Investor within five Business Days after any meeting of the Board at which any such issuance or sale is approved. The Issuance Notice shall, if applicable, be accompanied by a written offer from any prospective subscriber/transferee seeking to purchase Offered Securities and shall set forth the material terms and conditions of the proposed issuance, including:
 - (i) the number and description of the Offered Securities proposed to be issued and the percentage of the Company's outstanding Securities such issuance would represent;
 - (ii) the proposed issuance date, which shall be at least twenty Business Days from the date of the Issuance Notice;
 - (iii) the proposed purchase price per share and the rights, privileges, restrictions, terms and conditions of other terms of such Offered Securities and such Issuance;
 - (iv) the expected use of proceeds of such Issuance; and
 - (v) the applicable exemption (if any) from prospectus requirements.
- (b) If Offered Securities are being offered by the Company on different terms to different purchasers, then each such transaction shall be treated as a separate Issuance for the purposes of this Article 3.

3.3 Exercise of Pre-Emptive Rights

- (a) The Investor shall for a period of ten Business Days after the receipt of an Issuance Notice (the "**Exercise Period**") have the right to elect irrevocably to purchase all or any

portion of its pro rata portion of the Offered Securities at the purchase price and on substantially the same terms and conditions set forth in the Issuance Notice by delivering a written notice to the Company (an “**Exercise Notice**”) (provided that, if the Investor is prohibited by Canadian Securities Laws or other applicable law from participating on substantially the terms and conditions of an Issuance, the Company shall use commercially reasonable efforts to enable the Investor to participate on terms and conditions that are as substantially similar as circumstances permit).

- (b) If the Company receives an Exercise Notice from the Investor, then the Company shall, subject to the receipt and continued effectiveness of all required approvals (including the approval(s) of the TSXV and any other stock exchange on which the Common Shares are then listed and/or traded and any required approvals under Canadian Securities Laws and any shareholder approval required under applicable law), which approvals the Company shall use all commercially reasonable efforts to promptly obtain (including by applying for any necessary price protection confirmations, seeking shareholder approval (if required) in the manner described below, and using its commercially reasonable efforts to cause the management and each member of the Board to vote their Common Shares and any shares of the Company entitled to vote in the matter and all votes received by proxy in favour of the issuance of the Offered Securities to the Investor), issue to the Investor, against payment of the subscription price payable in respect thereof, that number of Common Shares or other Offered Securities, as applicable, set forth in the Exercise Notice.
- (c) If the Company is required by the TSXV or otherwise under applicable law to seek shareholder approval for the issuance of the Offered Securities to the Investor, then the Company shall call and hold a meeting of its shareholders to consider the issuance of the Offered Securities to the Investor as soon as reasonably practicable, and in any event such meeting shall be held within 75 days after the date that the is advised that it will require shareholder approval, and shall recommend approval of the issuance of the Offered Securities and shall solicit proxies in support thereof.
- (d) The closing of any purchase by the Investor shall be consummated concurrently with the consummation of the issuance or sale described in the Issuance Notice; provided that the closing of any purchase by the Investor may be extended beyond the closing of the transaction in the Issuance Notice to the extent necessary to (i) obtain required approvals from Governmental Entities and other required third party approvals or consents (and the Company shall use its commercially reasonable efforts to obtain such approvals); and (ii) permit the Investor to complete its internal funding process following the Exercise Period, provided the extension under this Section 3.3(d)(ii) shall not exceed 30 days.

3.4 Sales to Prospective Buyer

- (a) If the Investor fails to elect to purchase any of the Offered Securities prior to the end of the Exercise Period, the Company shall be free to complete the proposed Issuance described in the Issuance Notice with respect to which the Investor failed to exercise the option set forth in Section 3.3 on terms no less favourable to the Company than those set forth in the Issuance Notice (except that the amount of Offered Securities to be issued or sold by the Company may be reduced); provided that: (i) such issuance or sale is closed within 30 calendar days after the expiration of the Exercise Period (subject to the

extension of such period for a reasonable time not to exceed 60 calendar days to the extent reasonably necessary to obtain any necessary approvals); and (ii) for the avoidance of doubt, the price at which the Offered Securities are sold is at least equal to or higher than the purchase price described in the Issuance Notice.

- (b) If the Company has not sold such Offered Securities within such time period, the Company shall not thereafter issue or sell any Offered Securities without first again offering such Securities to the Investor in accordance with the procedures set forth in this Article 3.

3.5 Closing of the Issuance

(a) Upon the issuance of any Offered Securities in accordance with Section 3.3, the Company shall deliver to the Investor certificates (if any) evidencing the Offered Securities, which Offered Securities shall be issued free and clear of any adverse claims (other than those arising hereunder and those attributable to the actions of the purchasers thereof), and the Company shall so represent and warrant to the purchasers thereof, and further represent and warrant to such purchasers that such Offered Securities shall be, upon issuance thereof to the Investor and after payment therefor, duly authorized, validly issued, fully paid and non-assessable.

(b) The Investor shall deliver to the Company the purchase price for the Offered Securities purchased by it by certified bank cheque, bank draft or wire transfer of immediately available funds. Each party to the purchase and sale of Offered Securities shall take all such other actions as may be reasonably necessary to consummate the purchase and sale including, without limitation, entering into such additional agreements as may be necessary or appropriate.

3.6 Issuances Not Subject to Participation Rights

Notwithstanding anything to the contrary contained herein, Sections 3.1 to 3.5 inclusive will not apply to any Issuances (each such issuance of securities pursuant to this Section 3.6 hereof being referred to as a "**Dilutive Event**"):

- (a) to directors, officers, employees or consultants of the Company and/or its subsidiaries in connection with the Company's compensation policies;
- (b) to agents or underwriters engaged by the Company in connection with capital raising activities undertaken by the Company or on the exercise, conversion or exchange of any exercisable, convertible or exchangeable securities of the Company issued to such agents or underwriters, including broker warrants in each case to the extent such issuance represents compensation paid by the Company to such agents or underwriters;
- (c) on the exercise, conversion or exchange of any issued exercisable, convertible or exchangeable securities outstanding as of the date of this Agreement;
- (d) of incentive stock options to purchase Common Shares granted by the Company in the ordinary course pursuant to the Company's stock option plan; or
- (e) of Common Shares issued on the exercise of incentive stock options to purchase Common Shares granted by the Company in the ordinary course pursuant to the Company's stock option plan.

3.7 No Conflict with Shareholders' Rights Plan

The Company shall ensure that any shareholder rights plan or similar instrument adopted by the Company shall not restrict, limit, prohibit or conflict with the exercise by the Investor of its pre-emptive rights under this Article 3.

3.8 Termination of Participation Right

The Participation Right set out in this Article 3 shall cease to be available to the Investor and shall be of no force or effect upon the date that the Investor Percentage falls below the Minimum Qualification Threshold.

ARTICLE 4

VOTING SUPPORT AND STANDSTILL

4.1 Voting Support

Subject to Section 4.3, the Investor shall, and shall cause its affiliates to vote or cause to be voted all Common Shares that it beneficially owns, or over which it or its affiliates have control or direction, directly or indirectly, (a) for so long as the Investor Percentage is equal to or greater than the Minimum Qualification Threshold, in favour of the nominee of the Board nominated by Route One pursuant to Article 10 of the Route One Subscription and Shareholders Agreement, if any, and (b) until the fifth anniversary of the Effective Date, in favour of all nominees of the Board specified on Schedule I hereto, in each case at any annual or other meeting of Company shareholders at which members of the Board are proposed to be elected, and, for greater certainty, shall not withhold any vote or vote against any of the foregoing, and without limiting the foregoing, the Company shall not, and shall cause its affiliates not to knowingly take any action in contravention of or adverse to any such nominations, including to support the nomination of another individual as a director of Company in lieu of such nominees. The Investor and its affiliates shall, however, be under no obligation to vote in favor of a nominee of the Board who is an Unsuitable Director and should such an Unsuitable Director be nominated may withhold their votes or vote against any such Unsuitable Director, or take any action in contravention of or adverse to any such Unsuitable Director, including to support the nomination of another individual as a director of the Company in lieu of any such Unsuitable Director.

4.2 Standstill

Subject to Section 4.3, until the date that is 24 months from the date hereof, the Investor shall not, directly or indirectly, whether alone or jointly or in concert with any other Person, without the prior written consent of the Company:

- (a) acquire, agree to acquire, or make any proposal or offer to acquire, directly or indirectly, ownership of (or control or direction over) any securities of the Company or any of its affiliates provided that: (i) the Investor may acquire additional securities of the Company at any time so long as the Investor Percentage does not exceed the Participation Right Percentage; and (ii) the Investor may at any time make a proposal to the Board to acquire all, but not less than all, of the issued and outstanding Common Shares of the Company;

- (b) solicit proxies from shareholders or other security holders of the Company or any of its affiliates or otherwise attempt to influence the conduct of the shareholders or other security holders of the Company or any of its affiliates;
- (c) solicit, initiate or engage in any discussions or negotiations, or enter into any agreement, commitment or understanding, or otherwise act jointly or in concert with any Person in order to propose or effect any take-over bid, tender or exchange offer, amalgamation, merger, arrangement or other business combination involving the Company or any of its affiliates; or
- (d) make any public announcement with respect to the foregoing or inconsistent with the foregoing, or assist, advise, encourage or agree, discuss, negotiate or otherwise act in concert with, any Person to do any of the foregoing (including by providing or arranging any financing).

4.3 Termination of Article 4

- (a) Section 4.2 shall cease to be of any force or effect as and from the earlier of:
 - (i) the execution by the Company of a binding definitive written agreement with a Person with respect to a transaction relating to the acquisition of at least a majority of the issued and outstanding Common Shares or the sale of all or substantially all of the assets of the Company;
 - (ii) the date that any Person, other than the Investor or one of its affiliates, makes a take-over bid or acquires, offers to acquire or announces an intention to acquire or offer to acquire, directly or indirectly, Common Shares which equal or exceed 50% of the then issued and outstanding Common Shares and which the Investor determines, acting reasonably, is credible;
 - (iii) the date that any Person, other than the Investor or one of its affiliates, acquires, directly or indirectly, by purchase or otherwise, beneficial ownership of 50% or more of the Common Shares (calculated in accordance with section 1.8 of NI 62-104);
 - (iv) the date that any Person, other than the Investor or one of its affiliates, (A) solicits or announces an intention to solicit proxies to remove or replace members of the Board, or (B) submits a notice under the Company's advance notice by-law or policy to nominate one or more members to the Board, provided in each case that the Investor determines, acting reasonably, that any such solicitation, intention or nomination is credible;
 - (v) the date that the Company publicly announces an intention to solicit a take-over bid or similar transaction for the Company, or an intention to enter into a transaction as described in Section 4.3(a)(i) or Section 4.3(a)(ii) above;
 - (vi) the date of any public announcement by the Company that the Board has waived, or has agreed to waive, the application of, or has redeemed or agreed to redeem any rights issued pursuant to, any shareholders rights plan adopted by the Company; or

- (vii) the date the Company files for court protection from its creditors.
- (b) The Company agrees to provide the Investor with written notice forthwith of any of the events or actions listed in Section 4.2(a).

ARTICLE 5

TRANSFER RESTRICTIONS

5.1 Resale Restrictions

Until the date that is 24 months from the date hereof (the “**Lock-Up Expiration Date**”), without the prior written approval of the Company, the Investor agrees not to Transfer, and to cause its affiliates not to Transfer, any Common Shares.

5.2 Permitted Transfers

Notwithstanding Section 5.1, the Investor has the right at any time to sell or transfer any Common Shares held by the Investor and/or its Affiliates:

- (a) to an affiliate of the Investor, provided that prior written notice of such sale or transfer is given to the Company and that such affiliate agrees to be bound by this Agreement by way of instrument in writing acceptable to the Company, acting reasonably; or
- (b) as a result of the consummation of a transaction which has been approved by a resolution of the Company shareholders, or made to an offeror in relation to a take-over bid where the offeror pursuant to such take-over bid is proposing to acquire such Common Shares from the Investor and/or its affiliates in connection with an identical offer made to all holders of Common Shares (in terms of price, timing, proportion of securities sought to be acquired and conditions) and does not acquire such Common Shares unless the offeror also acquires a proportionate number of Common Shares actually tendered to such identical offer.

5.3 Termination of Transfer Restrictions

The provisions of this Article 5 shall cease to be of any force or effect in the event that the Investor Percentage falls below the Minimum Qualification Threshold.

ARTICLE 6

INFORMATION RIGHTS

For so long as the Investor Percentage is equal to or greater than the Minimum Qualification Threshold, Investor shall be entitled to receive, as soon as reasonably practicable after the end of each fiscal year, the annual financial information of the Company, including copies of all information provided by the Company and/or its subsidiaries to Route One and/or its subsidiaries, in addition to the information of the Company provided to the Investor Nominee and Board Observer in accordance with Section 2.3. Notwithstanding the foregoing, the Company agrees that if the Investor provides written notice at any time that it would like to stop receiving any or all of such documents and other information, the Company shall immediately stop providing such documents and other information to the Investor (unless and until such time as the Investor provides written notice to the Company that the Investor would like to resume receiving such documents and other information).

ARTICLE 7
DEMAND REGISTRATION RIGHTS

7.1 Registration Rights.

(a) If, at any time following the date that is twenty-four months following the date of this Agreement, the Company receives a written request from the Investor that the Company file a prospectus under securities laws qualifying, for distribution in Canada, all or any portion of any Common Shares then held by the Investor or its affiliates, the Company will promptly (and in any event within 90 calendar days) following the date of receipt of the written request referred to above, prepare and file, in the applicable jurisdictions, a prospectus in order to qualify the distribution of all of such Common Shares of the Investor specified in its request and use its commercially reasonable efforts to receive a final receipt or equivalent document in respect of such prospectus from each applicable securities commission (a "**Demand Registration**"), provided that any such Demand Registration must include Common Shares with an aggregate gross sales price of at least \$5,000,000.

(b) The Investor will be entitled to request one Demand Registration per calendar year.

(c) Notwithstanding the foregoing, the Company shall not be required to effect a Demand Registration in the event the Board determines in its good faith judgment, after consultation with the Investor and its financial advisors, that (i) either (A) the effect of the filing of a Prospectus would materially interfere with a pending or proposed material financing, acquisition, company reorganization or similar material transaction involving the Company; or (B) there exists at the time material non-public information relating to the Company the disclosure of which would be materially adverse to the Company, and (ii) it is therefore in the best interests of the Company to defer the filing of a Prospectus at such time, in which case the Company's obligations under this Section 7.1 will be deferred for a period ending on the later of (A) 60 days following the date of the Company's receipt of such Demand Registration request and (B) 5 days following the date such material interference has ceased or such material non-public information has been publicly disclosed, as applicable; provided that in no event shall such deferral period under the foregoing clause (A) or (B) exceed 90 days (such deferral period is referred to herein as a "**Blackout Period**"); provided further that the Company shall only be permitted to defer a Demand Registration for one Blackout Period per calendar year.

7.2 Piggy-Back Registration.

(a) If the Company proposes to file a preliminary prospectus or prospectus supplement under applicable securities laws in connection with the distribution by way of a public offering of the Securities (including a secondary offering of Securities held by shareholders other than the Investor), the Company will, at all such times, give the Investor at least ten Business Days' written notice of such filing. Upon the written request of the Investor, given within five Business Days after receipt of such notice by the Investor, the Company will use its commercially reasonable efforts to cause all of the Securities that the Investor has requested to be included in the filing to be included in and sold pursuant to the prospectus or prospectus supplement; provided, however, that if such proposed distribution is to be effected on a bought deal basis, or another public offering, which is not expected to include a road show, the notice periods set forth in this Section 7.2 shall not be applicable and the Company shall give the Investor prompt notice, given the speed and urgency with which bought deals (or such other public offerings) are currently carried out in common market practice of its right to participate thereunder and the Investor shall have only such time as is reasonably practicable under the circumstances to notify the Company that it will participate in the bought deal or such other public offering, failing which the Company shall be free to pursue the bought deal or such other public offering without the participation of the Investor (a "**Piggy-Back Registration**").

(b) If the proposed distribution is not completed within 180 calendar days of a notice of a Piggy-Back Registration, the related notice of a Piggy-Back Registration delivered by the Investor hereunder shall be deemed to be withdrawn and the Company shall again be required to comply with the procedures set out in this Section 7.2 with respect to any proposed Distribution.

(c) The Company shall not be obligated to effect any Piggy-Back Registration under this Section 7.2 incidental to the distribution of any of its Securities in connection with any public offering in respect of the acquisition or merger after the date hereof by the Company or any of its subsidiaries or with any other Person or businesses.

(d) Notwithstanding the foregoing, in the event the lead underwriter or lead agent for the offering advises the Company and the Investor that in its good faith opinion, the inclusion of such Piggy-Back Registration Securities may adversely affect the price or success of the offering or otherwise limit the number of shares able to be sold by the Company in connection with such offering, the Company shall include in such Piggy-Back Registration, in the following priority: (i) first, such number of securities the Company proposes to sell; (ii) second, a pro rata number of Piggy-Back Registration Securities requested by the Investor to be included in such Registration or other securities requested by any other shareholder of the Company to be included in such Registration to the extent that such lead underwriter or lead agent reasonably believes such securities may be included in the offering without adversely affecting the price or success of the offering or otherwise limit the number of shares able to be sold by the Company in connection with such offering.

7.3 Underwriting in Demand Registration.

If the Investor intends to distribute Securities covered by its request for a Demand Registration by means of an underwriting, it will so advise the Company as part of its request for such Demand Registration. The Investor will enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Investor in consultation with the Company, it being acknowledged that the underwriter or underwriters so selected and approved must be of nationally recognized standing in Canada. The Company will also take all such other actions as the Investor or the underwriters reasonably request in order to expedite or facilitate the disposition of the Investor's Securities.

7.4 Underwriting in Piggy-Back Registration.

In connection with any offering pursuant to a Piggy-Back Registration involving an underwriting of the Securities being issued by the Company, the Company will include in such underwriting any Securities that the Investor wishes to include. The Company will make commercially reasonable efforts to ensure such underwriting agreement contains terms which are customarily required of sellers under a secondary offering and will consult with the Investor in the negotiation of any such terms with the underwriters. To the extent the Investor participates in such underwritten Piggy-Back Registration offering, the Investor shall be a party to the underwriting agreement relating to such offering and may, at its discretion, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of the underwriters of such offering (other than those relating to the Investor and any Securities of the Company held by it) shall also be made to and for the benefit of the Investor and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of the Investor.

7.5 Rights and Obligations of the Investor.

(a) The Investor will furnish to the Company such information and execute such documents regarding the Securities and the intended method of disposition thereof as the Company may reasonably require in order to effect the requested qualification for sale or other disposition.

(b) If an underwritten public offering is contemplated, the Investor shall execute an underwriting agreement containing customary representations, warranties and indemnities (and contribution covenants) relating only to written information furnished by or on behalf of the Investor expressly for use in connection with such prospectus for the benefit of the Company and the underwriters.

(c) The Investor shall have the right to withdraw from a proposed underwritten public offering at any time prior to the signing of any binding agreement in respect of the offering (including, for clarity, an underwriting agreement or bought deal letter), without incurring any obligation to the Company or any proposed underwriter except, in the case of a Demand Registration, to pay the expenses of the proposed underwritten public offering in the event that the offering does not proceed (unless the Investor designates such Demand Registration as its annual Demand Registration). The Investor shall notify the Company immediately upon the occurrence of any event as a result of which any of the aforesaid prospectuses includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they are made.

7.6 Indemnification by the Company.

In connection with any Demand Registration or Piggy-Back Registration, the Company will indemnify and hold harmless, to the fullest extent permitted by applicable Laws, the Investor and its Representatives (collectively, the "**Investor Indemnified Parties**") from and against any and all Losses arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any prospectus, or any amendment thereto, including all documents incorporated therein by reference, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or as incurred, arising out of or based upon any failure by the Company to comply with applicable securities laws; provided that the Company will not be liable under this Section 7.6 for any settlement of any action effected without its written consent, which consent will not be unreasonably withheld or delayed; provided further that the indemnity provided for in this Section 7.6 will not apply to any Losses to the extent (and only to the extent) arising out of or based upon any untrue statement or omission or alleged untrue statement or omission made in reliance upon information furnished in writing by the Investor to the Company or the underwriters of the offering expressly for use in the prospectus. Any amounts advanced by the Company to a Investor Indemnified Party pursuant to this Section 7.6 as a result of such Losses will be returned to the Company if it is finally determined by a court in a judgment not subject to appeal or final review that such Investor Indemnified Party was not entitled to indemnification by the Company. If the indemnification provided for in this section is unavailable to an Investor Indemnified Party (other than by reason of exceptions provided in this section) then the Company, in lieu of indemnifying such Investor Indemnified Party, shall contribute to the amount paid or payable by such Investor Indemnified Party as a result of the claims, losses, damages or liabilities in such proportion as is appropriate to reflect the relative fault of the Company, on the one hand, and of such Investor Indemnified Party, on the other hand, in connection with the events or circumstances which resulted in the claims, losses, damages or liabilities as well as any other relevant equitable considerations. The relative fault of the Company, on the one hand, and of such Investor Indemnified Party, on the other hand, shall be determined by reference to, among other things, those Persons' relative intent, knowledge, access to information and opportunity to correct or prevent the events or circumstances resulting in such Losses.

7.7 Indemnification by the Investor.

In connection with any Demand Registration or Piggy-Back Registration, the Investor will indemnify and hold harmless, to the fullest extent permitted by applicable Laws, the Company and its Representatives (collectively, the "**Company Indemnified Parties**") from and against any and all Losses arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any prospectus, or any amendment thereto, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, to the extent (and only to the extent) such untrue statement

or omission or alleged untrue statement or omission is made in reliance upon information furnished in writing by the Investor to the Company or the underwriters of the offering expressly for the purpose of being included in such prospectus; provided that the Investor will not be liable under this Section 7.7 for any settlement of any action effected without its prior written consent, which consent shall not be unreasonably withheld or delayed. Any amounts advanced by the Investor to a Company Indemnified Party pursuant to this Section 7.7 as a result of any such Losses will be returned to the Investor if it is finally determined by a court in a judgment not subject to appeal or final review that such Company Indemnified Party was not entitled to indemnification by the Investor. If the indemnification provided for in this Section 7.7 is unavailable to a Company Indemnified Party (other than by reason of exceptions provided in this section) then the Investor, in lieu of indemnifying such Company Indemnified Party, shall contribute to the amount paid or payable by such Company Indemnified Party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the Investor, on the one hand, and of such Company Indemnified Party, on the other hand, in connection with the events or circumstances which resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of the Investor, on the one hand, and of such Company Indemnified Party, on the other hand, shall be determined by reference to, among other things, such Persons' relative intent, knowledge, access to information and opportunity to correct or prevent the events or circumstances resulting in such Losses. Notwithstanding the foregoing, in no event shall the aggregate amounts payable by the Investor by way of indemnity and/or contribution under this Section 7.7 exceed the net proceeds from the applicable offering actually received by the Investor, except in the case of fraud by the Investor.

7.8 Defense of the Action by the Indemnifying Parties.

Each Party entitled to indemnification under Article 6 (the "**Indemnified Party**") will give written notice to the Party or Parties required to provide indemnification (the "**Indemnifying Party**") promptly after such Indemnified Party has actual knowledge of any Claim as to which indemnity may be sought, but the omission to so notify the Indemnifying Party will not relieve the Indemnifying Party from any liability which it may have to the Indemnified Party pursuant to the provisions of Article 7 except to the extent of the damage or prejudice, if any, suffered by such delay in notification. The Indemnifying Party will assume the defense of such action, including the employment of counsel to be chosen by the Indemnifying Party to be reasonably satisfactory to the Indemnified Party, and payment of expenses. The Indemnified Party will have the right to employ its own counsel in any such case, but the legal fees and expenses of such counsel will be at the expense of the Indemnified Party, unless (a) the employment of such counsel is authorized in writing by the Indemnifying Party in connection with the defense of such action, (b) the Indemnifying Party fails to assume the defense of such Claim within a reasonable time after receipt of notice of such Claim (including not having employed counsel to take charge of the defense of such Claim), or (c) the Indemnified Party reasonably concludes, based on the opinion of counsel, a conflict of interest may exist between the Indemnified Party and the Indemnifying Party with respect to such Claims, including because there may be defenses available to the Indemnified Party which are different from or additional to those available to the Indemnifying Party (in each of cases (b) and (c), the Indemnifying Party will not have the right to direct the defense of such action on behalf of the Indemnified Party if the Indemnified Party notifies the Indemnifying Party that the Indemnified Party has elected to employ separate counsel), in any of which events the reasonable fees and expenses will be borne by the Indemnifying Party. No Indemnifying Party, in the defense of any such Claim or litigation, will, except with the prior written consent of each Indemnified Party, consent to the entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such Claim.

7.9 Expenses.

All fees and expenses relating to Demand Registrations and Piggy-Back Registrations, shall be borne by the Company other than any and all commissions payable to any underwriter for an underwritten offering or agent for an agency offering that are attributable to the Securities to be sold by the Investor pursuant to any Demand Registration or Piggy-back Registration and the fees, disbursements and expenses of legal counsel to the Investor, which commissions, fees, disbursements and expenses shall be borne by the Investor.

ARTICLE 8

COVENANTS OF THE COMPANY

8.1 Compliance with Laws

The Company will undertake to comply in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, the Company has all permits, licenses, franchises, authorizations, orders and approvals of, and has made all filings, applications and registrations that are required in order to permit the Company to own or lease its properties and assets and to carry on their business as presently conducted and that are material to the business of the Company.

8.2 Compliance with Anti-Money Laundering and Sanctions Laws

The Company hereby represents, warrants and covenants to the Investor as follows:

- (a) The Company will undertake to, and shall procure that any and all employees, agents, related entities, and third parties acting on its behalf, comply with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions, and ensure that no business is done directly or indirectly in any Sanctioned Territory, with individuals or entities that are the subject or target of any Sanctions, or with entities ultimately owned by any such individuals or entities. The operations of the Company are and have been conducted at all times in compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions, and no action, suit, or proceeding by or before any court or governmental or regulatory agency, authority, or body or any arbitrator involving the Company with respect to any applicable Anti-Corruption Laws, Anti-Money Laundering Laws or Sanctions is pending or, to the Company's knowledge, threatened. The Company will undertake to implement appropriate policies and procedures designed to reasonably assure compliance with this Section 8.2(a).
- (b) None of the Company or the Argentina Subsidiaries nor any director, officer, or employee of the Company or either Argentina Subsidiary nor, to the Company's knowledge, any third-party agent, affiliate, or other person associated with or acting on behalf of the Company or any Argentina Subsidiary has: (i) used any funds for any unlawful contribution, gift, entertainment, or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise, or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office;

(iii) violated or is in violation of any provision of the Anti-Corruption Laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback, or other unlawful or improper payment or benefit. The Company has instituted, and maintains and enforces, policies and procedures designed to promote and ensure compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

- (c) None of the Company or the Argentina Subsidiaries nor any directors, officers, or employees of the Company or either Argentina Subsidiary, nor, to the Company's knowledge, any third-party agent, affiliate, or other person associated with or acting on behalf of the Company or any Argentina Subsidiary, is currently the subject or the target of any Sanctions, nor is the Company or any Argentina Subsidiary located, organized, or resident in a Sanctioned Territory, and the Company will not directly or indirectly use the proceeds of the transaction hereunder, or lend, contribute, or otherwise make available such proceeds to any subsidiary, joint venture partner, or other person or entity: (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions; (ii) to fund or facilitate any activities of or business in any Sanctioned Territory; or (iii) in any other manner that will result in a violation by any person of Sanctions. None of the Company or the Argentina Subsidiaries has knowingly engaged in and is not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Territory.

8.3 General Approval

The Company shall not, without the prior written approval of the Investor, create or issue any class of shares or other equity securities having voting or other rights superior to the Common Shares.

8.4 Covenant to Remain a Reporting Issuer

- (a) The Company shall, during the term of this Agreement, use commercially reasonable efforts to:
- (b) maintain the Company's status as a "reporting issuer" not in default under the Canadian Securities Laws in each of the Reporting Jurisdictions; and
- (c) maintain the listing of the Common Shares on the Exchange, the Toronto Stock Exchange or another stock exchange acceptable to the Investor;
- (d) provided that these covenants shall not restrict or prevent the Company from engaging in or completing any transaction which would result in the Company ceasing to be a "reporting issuer" or the Common Shares ceasing to be listed on the Exchange, so long as the holders of Common Shares receive cash or securities of an entity which is listed on a stock exchange in Canada, the NYSE, AMEX, LSE, NASDAQ or such other exchange as may be agreed upon by the Company and the Investor or the holders of the Common Shares have approved the transaction.

8.5 Constitutional Documents

The Company shall maintain articles of incorporation and by-laws that are consistent with the terms set forth in this Agreement.

8.6 Subsidiary Security Issuances

The Company shall not undertake or cause any offering, sale or issuance of any securities of any subsidiary to any Person other than the Company or an affiliate of the Company, other than issuances to Route One pursuant to the Route One Subscription Agreement.

8.7 Accounting Policies

The Company's financial year end shall be June 30. No changes will be made to the accounting policies of the Company without advanced written notice to the Investor at least 90 days prior to the proposed date of implementation of such change.

8.8 Related Party Matters

Other than in respect of equity financings of the Company provided by Route One (or its affiliates) in which the Investor has a participation right pursuant to Article 3 or provided by the Investor (or its affiliates), the entering into by the Company of any transaction, or series of related transactions, with a related party (as defined in MI 61-101) having an aggregate value in excess of \$1 million shall require the unanimous approval of the directors voting on the matter, subject to fiduciary duties of the directors. Any director with a conflict of interest in any particular transaction will disclose such conflict to the Board and refrain from voting on such matters in accordance with the Act.

8.9 Anti-Corruption Policies

- (a) The Company shall comply with the anti-corruption (including anti-bribery, anti-money laundering and other customary policies) and sanctions policies in the form attached hereto as Exhibit A (the "**Anti-Corruption Policies**"), and shall not consent to any material amendments or grant any waivers thereof without the Investor's prior written consent. At such time as the Company may acquire the Additional Interest (as defined in the JV Agreement) or otherwise obtain Control of Peregrine Metals Limited, the Company shall cause Peregrine Metals Limited and its subsidiaries to effectively maintain the Anti-Corruption Policies.
- (b) The Company hereby agrees and covenant to the Investor that the Outside Training Firm (as defined in the Anti-Corruption Policies) appointed to provide the annual training to the Compliance Officer (as defined in the Anti-Corruption Policies) shall be reasonably acceptable to the Investor.

ARTICLE 9

INDEMNIFICATION

9.1 Indemnification

- (a) The Company shall indemnify and save the Investor Indemnified Parties harmless from and against, and shall pay for, any and all Losses suffered by, imposed on or asserted against any Investor Indemnified Party, whether under the provisions of any statute or otherwise, in any way directly or indirectly caused by, arising from or in consequence of:
 - (i) any breach or non-performance of any covenant to be performed by the Company under this Agreement; or
 - (ii) any misrepresentations, misstatements or omissions in the Information Circular (other than any misrepresentations, misstatements or omissions in any materials furnished by the Investor expressly for inclusion in any such filing).
- (b) The indemnification obligations under this Article 8 shall survive the Effective Date in accordance with Section 10.2.

ARTICLE 10

MISCELLANEOUS

10.1 Termination

This Agreement shall terminate and all rights and obligations hereunder shall cease immediately upon the parties hereto agreeing in writing to terminate the Agreement.

10.2 Survival

The covenants of the Company in this Agreement shall survive the Effective Date and continue in full force and effect until fully performed in accordance with their terms or, in the case of any continuing obligations or negative covenants, indefinitely.

10.3 Notices

- (a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

- (i) in the case of the Investor:

Stillwater Canada LLC
c/o Sibanye Gold Limited
Constantia Office Park

Bridgeview House, Building 11
Corner 14th Avenue and Hendrik Potgieter Street
Gauteng, South Africa

Attention: Richard Stewart
E-mail: [REDACTED]

with copies to:

Linklaters LLP
1345 Avenue of the Americas
New York, NY 10105

Attention: Peter Cohen-Millstein
E-mail: [REDACTED]

and

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9 Canada

Attention: Ivan T. Grbešić
E-mail: [REDACTED]

in the case of the Company:

Aldebaran Resources Inc.
c/o1500, 850 – 2nd Street SW
Calgary, AB T2P 0R8

Attention: **John Black**
E-mail: [REDACTED]

with a copy to:

Dentons Canada LLP
1500, 850 – 2nd Street SW
Calgary, AB T2P 0R8

Attention: Grant MacKenzie
E-mail: [REDACTED]

- (b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Calgary time) at the place of receipt, then on the next following Business Day) or, if mailed, on the third Business Day following the date of mailing; provided, however, that if at the time of mailing or within three Business Days thereafter there is or occurs a labour

dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

- (c) Either party may at any time change its address for service from time to time by giving notice to the other party in accordance with this Section 10.3.

10.4 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on either party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

10.5 Assignment

No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other party. Notwithstanding the foregoing, the Investor may assign and transfer all of its rights, benefits, duties and obligations under this Agreement in their entirety, without the consent of the Company, to an affiliate of the Investor, provided that any such assignee shall, prior to any such transfer, agree to be bound by all of the covenants of the Investor contained herein and comply with the provisions of this Agreement, and shall deliver to the Company a duly executed undertaking to such effect in form and substance satisfactory to the Company, acting reasonably.

10.6 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

10.7 Expenses

Except as otherwise expressly provided in this Agreement, each party will pay for its own costs and expenses incurred in connection with the negotiation, preparation, execution and performance of this Agreement and the transactions contemplated herein, including the fees and expenses of legal counsel, financial advisors, accountants, consultants and other professional advisors.

10.8 Further Assurances

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

10.9 Right to Injunctive Relief

The parties agree that any breach of the terms of this Agreement by either party would result in immediate and irreparable injury and damage to the other party which could not be adequately compensated by damages. The parties therefore also agree that in the event of any such breach or any

anticipated or threatened breach by the defaulting party, the other party shall be entitled to equitable relief, including by way of temporary or permanent injunction or specific performance, without having to prove damages, in addition to any other remedies (including damages) to which such other party may be entitled at law or in equity.

10.10 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if each party had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

[Remainder of page intentionally left blank.]

SCHEDULE I

APPROVED BOARD NOMINEES

John E. Black

Kevin B. Heather

Mark Wayne

October 25, 2018

ALDEBARAN RESOURCES INC.

Dentons Canada LLP, 15th Floor,
Bankers Court, 850 - 2nd Street SW Calgary,
AB T2P 0R8, Canada Province of Alberta, Canada
Attn: Mark Wayne - Chief Financial Officer

Ref.: IR Offer No. 1/2018

Dear Sirs,

The undersigned hereby irrevocably accepts your IR Offer No. 1/2018 dated October 25, 2018.

Yours sincerely,

STILLWATER CANADA LLC

(signed) "*Justin Froneman*"

Name: Justin Froneman
Title: Officer