

EARTHLABS INC.
As Vendor

- and -

1377900 B.C. LTD.
As Purchaser

- and -

ALS CANADA LTD.
As Guarantor

PURCHASE AGREEMENT

October 25, 2022

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Exhibit "A"	Form of Non-Competition and Non-Solicitation Agreement
Exhibit "B"	Form of Transition Services Agreement
Exhibit "C"	Accounting Principles
Exhibit "D"	Form of Executive Employment Agreement
Exhibit "E"	Form of General Employment Agreement
Exhibit "F"	Form of Consulting Agreement
Exhibit "G"	Residual Contract Value

PURCHASE AGREEMENT

THIS AGREEMENT dated as of October 25, 2022

BETWEEN:

EARTHLABS INC.
(formerly GoldSpot Discoveries Corp.)

As Vendor

- and -

1377900 B.C. LTD.

As Purchaser

- and -

ALS CANADA LTD.

As Guarantor

RECITALS:

- A. The Vendor owns the Transferred Interests (as defined herein), which comprise the entirety of the Vendor's interests in the Business (as defined herein).
- B. The Vendor wishes to sell and the Purchaser wishes to purchase the Transferred Interests, upon the terms and subject to the conditions set forth in this Agreement.
- C. The Purchaser is a wholly-owned subsidiary of ALS (as defined herein).

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined herein) agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions. In this Agreement, including the Recitals to this Agreement, unless the context otherwise requires:

- (1) **"Accountant"** has the meaning attributed to that term in Section 2.5(3).
- (2) **"Accounting Principles"** means the accounting principles, practices, methodologies, policies, procedures and classifications set forth in Exhibit "C".
- (3) **"Accounts Payable"** means, at any point of determination, all trade and other accounts payable, notes payable and other debts due or accruing by the Person in question relating to goods and/or services received prior to the Effective Time, determined in accordance with Section 1 of the Accounting Principles.

- (4) “**Accounts Receivable**” means, at any point of determination, all trade and other accounts receivable (including accounts receivable in respect of holdbacks), notes receivable and other debts due or accruing to the Person in question relating to goods and/or services provided prior to the Effective Time, and the full benefit of any related security, determined in accordance with Section 1 of the Accounting Principles.
- (5) “**Act**” means the *Canada Business Corporations Act*.
- (6) “**Affiliate**” has the meaning attributed to that term in the Act.
- (7) “**Agreement**” means this purchase agreement (including all exhibits to this purchase agreement) and the Disclosure Letter (including all schedules to the Disclosure Letter), as amended, supplemented, restated and replaced from time to time in accordance with its provisions.
- (8) “**ALS**” means ALS Canada Ltd., a corporation existing under the federal laws of Canada.
- (9) “**Applicable Law**” means any statute, code, ordinance, decree, rule, regulation, municipal by-law, judicial or arbitral or administrative or ministerial or departmental or regulatory judgment, regulatory policy (including the policies of the TSXV), practice, guideline, order, decision, ruling or award or any provision of the foregoing, and a principle of common law, civil law or equity, binding on or affecting the Person referred to in the context in which such word is used.
- (10) “**Approvals**” means franchises, licences, qualifications, authorizations, consents, certificates, registrations, exemptions, waivers, filings, grants, notifications, privileges, rights, orders, judgments, rulings, directives, Permits, and other permits and approvals, including without limitation, approvals of the TSXV.
- (11) “**Appurtenances**” means, with respect to any real property: (a) all buildings, structures, fixtures, improvements and appurtenances located on or forming part of that real property, including those under construction; and (b) all rights of way, licences, rights of occupation, easements or other similar rights appurtenant to and for the benefit of that real property.
- (12) “**Arm’s Length**” has the meaning attributed to that term in the Tax Act.
- (13) “**Assets**” means all undertakings, property, assets, rights and interests of the Vendor used exclusively in connection with the Business, including as set forth on Schedule 1.1(13) of the Disclosure Letter, and which includes the following:
- (a) the Accounts Receivable of the Business;
 - (b) all rights, interests and obligations of the Vendor in and to the Leased Property and the Leases, including any prepaid rents paid in the Ordinary Course, deposits, options to renew or extend the term of such Leases, options to purchase and/or rights of first refusal under the Leases, and all leasehold improvements owned by the Vendor and forming part of the Leased Property;
 - (c) the Personal Property and all rights, interests and obligations of the Vendor in and to the Personal Property Leases, including any prepaid rents paid in the Ordinary Course, security deposits and/or options to renew or purchase;
 - (d) Inventories;

- (e) all rights, interests and obligations of the Vendor under or pursuant to all warranties, representations and guarantees, express, implied or otherwise, of or made by suppliers or others insofar as they relate exclusively to the Assets and the Business;
 - (f) Intellectual Property;
 - (g) the Information Technologies;
 - (h) all rights, interests and obligations of the Vendor in and to all Contracts to which the Assets or the Business is bound or affected, as set forth on Schedule 5.2(25) of the Disclosure Letter, except those Contracts for the Key Employees set forth in Schedule 1.1(86) and those Service Providers set forth in Schedule 5.2(43) of the Disclosure Letter;
 - (i) all Approvals issued to the Vendor in connection with the Business, to the extent that such Approvals are capable of assignment;
 - (j) the Books and Records;
 - (k) all prepaid charges (except prepaid insurance), deposits, sums and fees paid by the Vendor in the Ordinary Course which are exclusively related to the Assets or the Business before the Effective Time;
 - (l) all goodwill of the Vendor insofar as it relates exclusively to the Assets or the Business, including the present telephone numbers, internet domain addresses, email addresses having an @goldspot.ca address, and other communications numbers and addresses of the Vendor insofar as they relate exclusively to the Assets or the Business;
 - (m) any GST/HST, QST, PST and Other Sales Taxes receivables of the Vendor that relate exclusively to the Exploration Technology Division or the Assets as the Effective Time; and
 - (n) all proceeds of any or all of the foregoing received or receivable after the Effective Time.
- (14) “**Assignment and Assumption Agreement**” has the meaning attributed to that term in Section 4.1(1)(j)(xvi).
- (15) “**Associate**” has the meaning attributed to that term in the Act.
- (16) “**Assumed Liabilities**” means all Liabilities and obligations incurred in connection with the Assets and the Exploration Technology Division from and after the Effective Time, including the following:
- (a) all Accounts Payable of the Exploration Technology Division;
 - (b) all Liabilities and obligations in connection with the Assets from and after the Effective Time, including, without limitation, all rights and obligations as guarantor of all Contracts between Géotric and Moneris Solutions Corp. as of the Effective Time;
 - (c) all costs and charges associated with the Intellectual Property, including with respect to any registrations, renewals, filings or other entitlements or protections associated therewith on or after the Closing Date;
 - (d) all Liabilities and obligations arising after the Effective Time under or pursuant to all warranties, representations and guarantees, express, implied or otherwise, of or made by the

Vendor insofar as they relate exclusively to the Assets and the Exploration Technology Division;

- (e) all Liabilities and obligations associated with (i) all Contracts set forth on Schedule 5.2(25) of the Disclosure Letter by which any of the Assets or the Exploration Technology Division is bound or affected; and (ii) all Transferred Employees from and after the Effective Time including Liabilities and obligations under all Statutory Plans and related to any required notice of termination, termination and/or severance pay (required under Applicable Law and/or by contract), salary, wages, statutory holiday pay, overtime pay, payroll or employer health taxes, commissions, bonuses, employee plan payments and/or contributions, vacation entitlements, vacation pay and expense reimbursements;
 - (f) all Deferred Revenue Obligations owing as of the Effective Time;
 - (g) the Employee Severance Amounts for the Transferred Employees;
 - (h) all costs and charges associated with the Approvals issued in connection with the Assets and the Exploration Technology Division, including with respect to any registrations, renewals, filings or other entitlements or protections associated therewith on or after the Closing Date;
 - (i) all Liabilities with respect to collection and remittance of Other Sales Tax, GST/HST and QST, as applicable, exclusively in connection with the Assets and the Exploration Technology Division; and
 - (j) all Liabilities and obligations relating to any or all of the foregoing paid or payable after the Effective Time.
- (17) “**Base Purchase Price**” has the meaning attributed to that term in Section 2.2(1).
- (18) “**Books and Records**” means all books, records, files and papers of the Vendor (insofar as such books, records, files and papers relate exclusively to the Assets, the Business and/or the Assumed Liabilities) and of the Purchased Entities (in all respects), and including title documentation, computer programs (including source codes and software programs), computer manuals, computer data, financial and Tax working papers, financial and Tax books and records, business reports, business plans and projections, sales and advertising materials, sales and purchases records and correspondence, trade association files, research and development records, lists of present and former customers and suppliers, personnel and employment records, employee data and plan records of the Employee Plan, minute and share certificate books, all other documents and data (technical or otherwise), and all copies and recordings of the foregoing.
- (19) “**Business**” means the business currently carried on by the Vendor through its Exploration Technology Division, and by the Purchased Entities, including but not limited to the business of the development, maintenance and marketing of geological exploration consulting services that specialize in the application of machine learning and other automated data assessment technologies and tools, inclusive of the businesses carried on by the Purchased Entities.
- (20) “**Business Day**” means any day, except Saturdays and Sundays, on which banks are generally open for non-automated business:
- (a) for purposes of Section 10.15, in the place specified in that Section; and
 - (b) for all other purposes in this Agreement, in Toronto, Ontario, Canada.

- (21) “CASL” means the Canadian Anti-Spam Legislation.
- (22) “CASL Requirements” means all of the obligations, restrictions and prohibitions of or applicable to the Purchased Entities or the Vendor in connection with CASL regardless of the authority under which they are imposed, including resolutions of the board of directors of each of the Purchased Entities and the Vendor, policies, agreements and CASL provisions to which the Purchased Entities or the Vendor is subject.
- (23) “CERS” means the Canada Emergency Rent Subsidy.
- (24) “CEWS” means the Canada Emergency Wage Subsidy.
- (25) “CEWS/CERS Return” means any and all returns, reports, records, calculations, declarations, elections, attestations, notices, forms, designations, filings, and statements filed or required to be filed, or required to be kept on file in respect of CEWS or CERS.
- (26) “CFPOA” means the *Corruption of Foreign Public Officials Act* (Canada).
- (27) “Change of Control Payments” means any payments due from the Vendor or the Purchased Entities to any Employee(s) of either of the Purchased Entities or of the Vendor or pursuant to any consulting agreements entered into by a Service Provider with either of the Purchased Entities or the Vendor, that would arise as a direct result of the Closing.
- (28) “Claim” has the meaning attributed to that term in Section 8.1(1).
- (29) “Closing” means the completion of the Transactions on the Closing Date in accordance with this Agreement.
- (30) “Closing Certificates” has the meaning attributed to that term in Section 5.4(a).
- (31) “Closing Date” means the date of Closing, which shall be a date occurring on the end of a calendar month as may be agreed to by the Parties, that is as soon as reasonably practicable following receipt of conditional approval of the TSXV for the Transactions, provided that the Closing Date shall not be later than the Outside Date.
- (32) “Closing Date Cash Payment” has the meaning attributed to that term in Section 2.3.
- (33) “Confidentiality Agreement” means the confidentiality agreement dated April 20, 2022 between ALS Limited and the Vendor.
- (34) “Constituting Documents” means, with respect to any Person, its articles or certificate of incorporation, amendment, amalgamation or continuance, memorandum and articles of association, letters patent, supplementary letters patent, by-laws, partnership agreement, limited liability company agreement or other similar document, and all unanimous shareholder agreements, other shareholder agreements, voting trusts, pooling agreements and similar Contracts, arrangements and understandings applicable to the Person’s Equity Interests, all as amended, supplemented, restated and replaced from time to time.
- (35) “Consulting Agreements” means the agreements to be entered into between certain of the Key Employees and the Essential Employees, and the Purchaser, substantially in the form attached as Exhibit “F”.
- (36) “Contact List” has the meaning attributed to that term in Section 6.8(1).

- (37) “**Contaminant**” means any substance, emission or thing, howsoever occurring, which has, or may have, an adverse effect on the environment, any ecological system or natural resource, the use or enjoyment of property, or human health or safety, and includes any “contaminant” or “pollutant” or any type of “waste”, in each case which is regulated by any Applicable Law.
- (38) “**Contract**” means any agreement, contract, indenture, lease, occupancy agreement, deed of trust, licence, option, undertaking, promise or any other commitment or obligation, whether oral or written, express or implied, other than a Permit.
- (39) “**CRA**” means the Canada Revenue Agency or any successor agency.
- (40) “**Current Assets**” means, without duplication, all current assets of the Person in question, as applicable, immediately prior to the Closing, included in those accounts and line items set forth in the illustrative balance sheet in Exhibit “C”, provided that Current Assets shall exclude: (a) amounts receivable for claims of indemnity or insurance; (b) Deferred Income Tax Assets; and (c) Tax credits receivable, in each case, determined in accordance with the Accounting Principles in effect immediately prior to the Closing.
- (41) “**Current Liabilities**” means, without duplication, all current Liabilities of the Person in question immediately prior to the Closing, included in those accounts and line items set forth in the illustrative balance sheet in Exhibit “C”, provided that Current Liabilities shall exclude: (a) Deferred Revenue Obligations related to customers into whose equity stock the Vendor has invested, of an amount up to six million dollars (\$6,000,000.00); (b) Deferred Income Tax Liabilities; (c) the Retained Liabilities; and (d) all Indebtedness, in each case, determined in accordance with the Accounting Principles in effect immediately prior to the Closing.
- (42) “**Data**” means all data contained in the Information Technologies, including but not limited to Personal Information, and all other information and data compilations used in connection with the Business or by any of the Purchased Entities, whether or not in electronic form.
- (43) “**Deferred Income Tax Assets**” means all “deferred income tax assets” as determined in accordance with IFRS including, without duplication, “deferred income tax assets” as calculated in accordance with the most recent Financial Statements, including deferred income tax assets relating to undepreciated capital costs for tax purposes being greater than book value.
- (44) “**Deferred Income Tax Liabilities**” means all “deferred income tax Liabilities” as determined in accordance with IFRS including, without duplication, “deferred income tax Liabilities” as calculated in accordance with the most recent Financial Statements, including deferred income tax Liabilities relating to undepreciated capital costs for tax purposes being less than book value.
- (45) “**Deferred Revenue Obligations**” means the deferred revenue obligations owing by the Exploration Technology Division as of the Effective Time and which, for greater certainty, entail the obligation to provide services to customers for which payment has already been received (in cash or other form of consideration).
- (46) “**Direct Claim**” has the meaning attributed to that term in Section 8.1(2).
- (47) “**Disclosure Letter**” means the disclosure letter dated as at the date hereof and delivered by the Vendor to the Purchaser.
- (48) “**Effective Time**” 12:01 a.m. on the Closing Date.

- (49) **“Employee Obligations”** means all Liabilities and obligations with respect to all Transferred Employees up to the Effective Time, including Liabilities and obligations under or with respect to the Employee Plan, under or with respect to the Statutory Plans, and in relation to compensation, including salary, wages, holiday pay, overtime, payroll or employer health Taxes, commissions, bonuses, paid sick days or expense reimbursements, but expressly excluding (a) vacation pay and vacation entitlements; and (b) Liabilities and obligations with respect to any Employee Severance Amounts for Transferred Employees. For greater certainty, Employee Obligations shall exclude Change of Control Payments.
- (50) **“Employee Plan”** means the group term insurance policy provided by the Empire Life Insurance Company represented by Policy No. GC641 effective August 1, 2019.
- (51) **“Employee Severance Amounts”** means all Liabilities and obligations specifically and only related to any statutory termination pay and any severance pay, termination pay or fees, notice of termination or pay in lieu of notice required under any contract, the common law and/or Applicable Laws, with respect to the Service Providers, whether accruing on or after the Closing Date, and for greater certainty shall include all such Liabilities and obligations which arise on or after the Closing Date as a result of the termination of any employment or consulting arrangement of any such Service Provider in connection with the Transactions.
- (52) **“Employees”** means, collectively, (a) all employees of the Purchased Entities; and (b) the Exploration Technology Employees.
- (53) **“Employment Legislation”** means all statutes from time to time, that are or have been applicable to the Business in connection with employees, contractors and consultants, including the *Employment Standards Act* (British Columbia), the *Human Rights Code* (British Columbia), the *Workers Compensation Act* (British Columbia), the *Act Respecting Labour Standards* (Québec), the *Labour Code* (Québec), the *Act Respecting Industrial Accidents and Occupational Diseases* (Québec), the *Act Respecting Occupational Health and Safety* (Québec), the *Charter of Human Rights and Freedoms* (Québec), the *Pay Equity Act* (Québec), the *Charter of the French Language* (Québec), the *Employment Standards Act* (Ontario), the *Ontario Human Rights Code*, the *Labour Relations Act* (Ontario), the *Occupational Health and Safety Act* (Ontario), the *Pay Equity Act* (Ontario), the *Workplace Safety and Insurance Act* (Ontario), and any Applicable Laws relating to employment, labour or industrial relations, pension benefits, human rights, immigration, occupational health and safety, workers’ compensation, pay equity and employment or unemployment insurance.
- (54) **“Encumbrance”** means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, prior claim, adverse claim, exception, reservation, restrictive covenant, agreement, easement, lease, licence, right of occupation, option, right of use, right of first refusal, right of pre-emption, privilege or any matter capable of registration against title or any Contract to create any of the foregoing.
- (55) **“Environmental Laws”** means any and all Applicable Laws relating to: (a) the protection of the environment or any natural resource; (b) the presence, release, discharge, handling, transportation, storage, remediation or disposal of Contaminants; (c) the ownership, occupation, management, transfer or sale of contaminated sites; (d) the exposure of workers to Contaminants in the workplace, and worker right-to-know legislation pertaining thereto; and (e) the manufacture, distribution, labelling, import, export or sale of products or product ingredients by virtue of their composition or any other physical properties.
- (56) **“Environmental Permits”** means any Permit which is issued under, or pursuant to any Environmental Law.

- (57) “**Equity Interests**” means, with respect to any Person, any and all present and future shares, units, trust units, partnership or other interests, participations or other equivalent rights in that Person’s equity or capital, however designated and whether voting or non-voting.
- (58) “**Essential Employees**” means those Exploration Technology Service Providers as set out in Schedule 1.1(86) of the Disclosure Letter under the heading “Essential Employees”.
- (59) “**ETA**” means the *Excise Tax Act* (Canada).
- (60) “**Excluded Assets**” means, all of the assets of the Vendor other than the Transferred Interests including, without limitation:
- (a) the income Tax receivables, Tax credit receivables and future income Tax assets of the Vendor and of the Purchased Entities;
 - (b) cash and cash equivalents of the Vendor;
 - (c) all Equity Interests and other marketable securities and investments held, directly or indirectly, by the Vendor, other than the Ridgeline Interest and Géotic Interest;
 - (d) any amounts payable to the Vendor in relation to the acquisition of Ridgeline;
 - (e) all prepaid deposits not relating to the Assets or the Exploration Technology Division, including prepaid amounts in respect of directors and officers insurance, errors and omissions insurance and commercial liability insurance;
 - (f) the Toronto Lease, the deposit in the amount of approximately \$10,775 in respect of the Toronto Lease, and all office furniture and equipment maintained at the Toronto Property;
 - (g) prepaid fees in the amount of a \$5,000 deposit with respect to the Independent Trading Group Inc., up to US\$51,000 with respect to S&P Market Intelligence and annual fees paid with respect to the listing of the Vendor’s list of common shares on the TSXV and OTCQX; and
 - (h) all computer hardware and software not used by the Exploration Technology Division, including the software license for S&P Market Intelligence.
- (61) “**Excluded Liabilities**” means, all of the obligations or Liabilities of the Vendor of any kind whatsoever, other than the Assumed Liabilities, and in any event shall include any Liabilities relating to the Excluded Assets and any Liabilities or obligations of the Vendor in relation to the acquisition of Ridgeline, including without limitation, the Ridgeline contingent consideration and any other amounts owed to former Ridgeline shareholders; any Liabilities arising from the service agreement between the Vendor and New Found Gold Corp dated February 8, 2022 (other than Liabilities for third party engagements associated with such service agreement which shall form part of the Assumed Liabilities); and income Taxes payable by the Exploration Technology Division as of the Effective Time.
- (62) “**Executive Employment Agreements**” means the employment agreements to be entered into between certain of the Key Employees and the Essential Employees, and the Purchaser, substantially in the form attached as Exhibit “D”.
- (63) “**Existing Claims**” means any and all lawsuits, proceedings, arbitrations or governmental proceedings against: (a) the Purchased Entities; or (b) the Vendor, relating to or affecting the Business or the Assets in whole or in part; filed or served against the Purchased Entities or the Vendor, as applicable, prior to the Effective Time.

- (64) **“Exploration Technology Division”** means the exploration technology division of the Vendor which provides exploration software, global consulting and field services and which, for greater certainty, excludes all other operations of the Vendor including intelligence data and related services operated outside of the exploration technology division through CEO.ca and DigiGeoData Inc.
- (65) **“Exploration Technology Employees”** means those employees of the Vendor who are engaged in connection with the Exploration Technology Division.
- (66) **“Exploration Technology Service Providers”** means, collectively, the Exploration Technology Employees and the contractors who are providing services exclusively in connection with the Exploration Technology Division, excluding contractors of the Purchased Entities.
- (67) **“Final Closing Balance Sheet”** has the meaning attributed to that term in Section 2.5.
- (68) **“Final Working Capital”** has the meaning attributed to that term in Section 2.5.
- (69) **“Financial Statements”** means the audited financial statements of the Vendor for the years ending December 31, 2021, December 31, 2020 and December 31, 2019, and the unaudited interim financial statements as at and for the period ended June 30, 2022, consisting of the balance sheet and income statement and all notes, schedules and exhibits thereto, copies of which financial statements are available on SEDAR at www.sedar.com.
- (70) **“General Employment Agreements”** means the employment agreements to be entered into between certain Key Employees and the Essential Employees, and the Purchaser, substantially in the form attached as Exhibit “E”.
- (71) **“Géotique”** means Géotique Inc., a corporation existing under the laws of the Province of Québec.
- (72) **“Géotique Business”** means the business currently carried on by Géotique, consisting of software development and related support for geological data collection, visualization, and CAD advanced drawing.
- (73) **“Géotique Interests”** means 95 Class “B” shares and 95 Class “C” shares in the capital of Géotique held by the Vendor, which represents a 100% interest in the issued and outstanding shares in the capital of Géotique.
- (74) **“Géotique Working Capital”** means the Working Capital of Géotique.
- (75) **“Governmental Authority”** means any domestic or foreign government, whether federal, provincial, state, territorial, local, regional, municipal, or other political jurisdiction, and any agency, authority, instrumentality, court, tribunal, board, commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental or other entity, body, organization or agency, insofar as it exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of or pertaining to government, and for certainty, includes the TSXV.
- (76) **“GST/HST”** means all Taxes payable under Part IX of the ETA (including where applicable both the federal and provincial portion of those Taxes) or and under any provincial legislation imposing a similar value added or multi-staged Tax.
- (77) **“IFRS”** means the International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and included in the CPA Canada Handbook (Part I) published by the Chartered Professional Accountants of Canada, or any successor institute, applicable as at the date on which such

calculation is made or required to be made, and made in accordance with those principles applied on a basis consistent with preceding years.

- (78) **“Indebtedness”** means, without duplication: (a) all indebtedness of the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business) for borrowed money gross of insurance costs or the deferred purchase price of property or services (but excluding Accounts Payable at any point in time and other current liabilities as defined under IFRS); (b) all indebtedness of the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business) created or arising under any conditional sale or other title retention agreement with respect to property acquired by the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business); (c) all indebtedness of the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business) secured by a purchase money mortgage or other Encumbrance to secure all or part of the purchase price of the property subject to such mortgage or Encumbrance; (d) all the obligations under leases which are due and payable with respect to all periods preceding the Closing Date and which are, or are required to be, in accordance with IFRS, recorded as capital leases in respect of which the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business) is liable as a lessee (but excluding office, software and automotive leases and rental agreements); (e) all interest, fees, penalties and other expenses owed (or to be owed in connection with the repayment thereof) with respect to the indebtedness referred to above at all times preceding the Closing Date; (f) all intercompany indebtedness between the Purchased Entities and the Vendor (insofar as it relates exclusively to the Assets or the Business) and/or their respective Affiliates; and (g) all indebtedness referred to above that is directly or indirectly guaranteed by the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business) or which the Purchased Entities or the Vendor (insofar as it relates exclusively to the Assets or the Business) has agreed to purchase or otherwise acquire in respect of which it has otherwise assured a creditor against loss, including the indebtedness set forth in Schedule 1.1(78) of the Disclosure Letter; but in each case exclusive of the Assumed Liabilities.
- (79) **“Indemnified Taxes”** means all Taxes (or the non-payment thereof) of the Purchased Entities or the Ridgeline Subsidiary, or relating to the Transferred Interests for any Pre-Closing Period.
- (80) **“Information Technologies”** means all computer hardware, software (including source code and object code, documentation, interfaces and development tools), websites, databases, telecommunications equipment and facilities and other information technology systems owned or licensed by the Purchased Entities or the Vendor used exclusively for the Business as it is being operated, conducted or maintained as at the Effective Time and excluding any off-the-shelf software or software that is otherwise replaceable without material cost.
- (81) **“Insurance Policies”** has the meaning attributed to that term in Section 5.2(23).
- (82) **“Intellectual Property”** means, individually and collectively, howsoever created and wherever located:
- (a) all domestic and foreign patents and applications thereof and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof;
 - (b) all inventions (whether patentable or not), invention disclosures, improvements, trade secrets, proprietary information, know-how, technology, technical data, schematics and customer lists, and all documentation relating to any of the foregoing;
 - (c) all copyrights, copyright registrations and applications thereof, right to exercise moral rights, and all other rights corresponding thereto throughout the world;
 - (d) all trade names, domain names, corporate names, trade dress, distinguishing guises, logos, slogans, brand names, trade-marks (whether registered or common law and whether used with

wares or services and including the goodwill attaching to such items) and registrations and applications for registration thereof, including, for certainty, (i) Canadian trademark application #2137740; and (ii) any right or entitlement to use the name “GoldSpot” or “GoldSpot Discoveries” or any variations or derivations of any of the foregoing, including any logo, trademark or design containing such names, provided however that the Parties agree and acknowledge that notwithstanding any provision of this Agreement, the Purchaser shall acquire no rights or entitlements in connection with the trading symbols “SPOT” and “SPOFF” under which the common shares of the Vendor trade on the TSXV and OTCQX, respectively, and the Vendor shall not be required to change such trading symbol in connection with any of the Transactions contemplated by this Agreement;

- (e) all computer programs, applications, databases and software (both in source code and object code form) and any proprietary rights in those computer programs, applications, databases and software, including documentation and other materials related thereto;
- (f) all integrated circuit design, mask work, or topography registrations or applications thereof;
- (g) all industrial designs and applications for and registration of industrial designs, design patents and industrial design registrations;
- (h) other intellectual or industrial property whatsoever, including the intellectual property described in Schedule 5.2(21) of the Disclosure Letter;
- (i) all income, royalties, damages and payments now and hereafter due and/or payable with respect to any of the foregoing, including without limitation, damages and payments for past or future infringements or misappropriations thereof; and
- (j) all rights to sue or otherwise enforce for past, present and future infringements or misappropriations of any of the foregoing;

in each case that are owned or used by the Vendor exclusively in connection with the Business (other than as set forth in Subsection 1.1(82)(d)(ii) above) or that are owned or used by the Purchased Entities.

- (83) **“Intellectual Property Assignment Agreement”** has the meaning attributed to that term in Section 4.1(1)(j)(xvii).
- (84) **“Interim Period”** means the period from the date of this Agreement to the Effective Time.
- (85) **“Inventories”** means inventories, including all finished goods, Work in Progress, raw materials, spare parts, replacement parts, and all other materials and supplies to be used or consumed by the Vendor (insofar as they relate exclusively to the Business or the Assets) or the Purchased Entities, in the production of finished goods, but for greater certainty excludes any marketable securities.
- (86) **“Key Employees”** means those Exploration Technology Service Providers as set out in Schedule 1.1(86) of the Disclosure Letter under the heading “Key Employees”.
- (87) **“Last Accounting Date”** means June 30, 2022.
- (88) **“Leased Property”** has the meaning attributed to that term in Section 5.2(12).
- (89) **“Leases”** has the meaning attributed to that term in Section 5.2(13).

- (90) “**Liability**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.
- (91) “**Losses**” has the meaning attributed to that term in Section 8.1(8).
- (92) “**Material Adverse Change**” or “**Material Adverse Effect**” means any change, effect, event or development that is, or would reasonably be expected to be, when considered either individually or in the aggregate together with all other changes, effects, events or developments, materially adverse to the condition (financial or otherwise), properties, assets, Liabilities, obligations (whether absolute, accrued, conditional or otherwise), prospects, operations or results of operations in respect of the Purchased Entities, the Assets and the Business, taken as a whole; provided, however, that a Material Adverse Change or Material Adverse Effect does not include a change or effect caused by: (a) the execution or announcement of the execution of this Agreement; (b) general economic, financial, regulatory or market conditions affecting the Purchased Entities, the Assets, the Business, or of any of their competitors (so long as the Purchased Entities, the Asset or the Business are not disproportionately affected thereby); or (c) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to or approved by the Purchaser in writing.
- (93) “**Material Contract**” has the meaning attributed to that term in Section 5.2(25)(j).
- (94) “**Non-Competition and Non-Solicitation Agreement**” means the non-competition and non-solicitation agreement to be entered into between the Vendor, the Purchaser, Ridgeline and Géotie, substantially in the form of Exhibit “A”.
- (95) “**Objection Notice**” has the meaning attributed to that term in Section 2.5(2).
- (96) “**Ordinary Course**” means, with respect to an action taken by a Person that the action is consistent with the past practices of the Person and is taken in the normal day-to-day operations of the Person.
- (97) “**Other Agreements**” has the meaning attributed to that term in Section 10.8.
- (98) “**Other Sales Taxes**” means all sales, bulk sales, value-added or similar Taxes or other transfer Taxes, fees and charges imposed or levied by any Governmental Authority on or in respect of the sale or supply of property, goods or services, including PST, other than GST/HST and QST.
- (99) “**Outside Date**” means January 31, 2023, or such other date as may be agreed upon by the Parties in writing.
- (100) “**Owned Software**” means all software (in object or source code form) that is owned by, or distributed by or on behalf of, the Vendor.
- (101) “**Parties**” means collectively, the Vendor, the Purchaser and ALS, and “**Party**” means any of them.
- (102) “**Pension Regulator**” has the meaning attributed to that term in Section 5.2(41)(c)(iv).
- (103) “**Permits**” means franchises, licences, qualifications, authorizations, consents, certificates, certificates of authorization, decrees, orders-in-council, registrations, exemptions, consents, variances, waivers, filings, grants, notifications, privileges, rights, orders, judgments, rulings, directives, permits and other Approvals, obtained from, issued by or required by a Governmental Authority.

- (104) **“Permitted Encumbrances”** means:
- (a) servitudes, easements, restrictions, rights-of-way and other similar rights in real property or any interest therein, provided that those servitudes, easements, restrictions, rights-of-way and other similar rights are not of such a nature as to materially adversely affect the use or value of the property subject thereto;
 - (b) undetermined or inchoate liens, charges and privileges incidental to current construction or current operations, except for liens, charges and privileges related to Taxes;
 - (c) statutory liens, charges, adverse claims, security interests or Encumbrances of any nature whatsoever claimed or held by any Governmental Authority that have not at the time been filed or registered against the title to the asset or served on the Vendor in connection with the Assets, the assets of the Purchased Entities or any of the Purchased Entities pursuant to Applicable Law or that relate to obligations not due or delinquent, except for statutory liens, charges, adverse claims, security interests or Encumbrances related to Taxes;
 - (d) assignments of insurance provided to landlords or their mortgagees or hypothecary creditors pursuant to the terms of any lease and liens, security interests or rights reserved in or granted pursuant to any lease as security for payment of rent or for compliance with the terms of that lease;
 - (e) security given in the Ordinary Course to any public utility or Governmental Authority in connection with the operations of the Business, other than security for borrowed money;
 - (f) the reservations in any original grants from the Crown of any Leased Property or interest therein and statutory exceptions to title, that do not materially detract from the value of the Leased Property concerned or materially impair its use in the operation of the Business, and all other Encumbrances with respect to the Leased Property which are expressly set forth in the applicable Leases;
 - (g) the Permitted Encumbrances described in Schedule 1.1(104) of the Disclosure Letter; and
 - (h) the Assumed Liabilities.
- (105) **“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, a syndicate, an unincorporated organization, a Governmental Authority, an executor or administrator or other legal or personal representative, or any other juridical entity.
- (106) **“Personal Information”** means any information about an identifiable natural person that was collected, used or disclosed and is being stored by or is otherwise under the control of the Purchased Entities and/or the Vendor in connection with the Business.
- (107) **“Personal Property”** has the meaning attributed to that term in Section 5.2(16).
- (108) **“Personal Property Leases”** has the meaning attributed to that term in Section 5.2(17).
- (109) **“Post-Closing Period”** means the taxation period of the Purchased Entities and the Vendor (insofar as it relates exclusively to the Assets and the Business), (or portion thereof in the case of a Straddle Period) ending after the Closing Date.
- (110) **“Pre-Closing Period”** means any taxation period that is not a Post-Closing Period.

- (111) **“Prior Period Taxes”** means all Taxes payable by the Purchased Entities or the Vendor (insofar as they relate exclusively to the Assets or the Business) accruing or arising on or prior to the Effective Time in respect of Pre-Closing Periods.
- (112) **“Privacy Law”** means any and all Canadian Applicable Laws that regulate the collection, use, disclosure and/or storage of Personal Information, including the *Personal Information Protection and Electronic Documents Act* (Canada).
- (113) **“Privacy Requirements”** means all of the obligations, restrictions and prohibitions of or applicable to the Business in connection with the Personal Information regardless of the authority under which they are imposed, including resolutions of the board of directors of the Purchased Entities and the Vendor (insofar as it relates to the Business), policies, agreements and any and all Privacy Laws to which the Business is subject.
- (114) **“Proceeding”** means:
- (a) any suit, action, dispute, investigation, claim, arbitration, order, summons, citation, directive, charge, demand or prosecution, whether legal or administrative;
 - (b) any other proceeding; or
 - (c) any appeal or application for review;
- at law or in equity or before or by any Governmental Authority.
- (115) **“PST”** means the provincial sales Tax of any province and any other Tax imposed or levied by any provincial Governmental Authority on or in respect of the sale or supply of property, goods or services in addition to or replacement for such goods and service.
- (116) **“Purchase Price”** has the meaning attributed to that term in Section 2.2(1).
- (117) **“Purchased Entities”** means Géotic and Ridgeline.
- (118) **“Purchaser”** means 1377900 B.C. Ltd., a corporation existing under the laws of British Columbia.
- (119) **“QST”** means all Taxes payable under the QST Act.
- (120) **“QST Act”** means the *Act Respecting the Quebec Sales Tax* (Quebec).
- (121) **“Reconsideration Period”** has the meaning attributed to that term in Section 2.5(2).
- (122) **“Related Party Liabilities”** means: (a) all Liabilities owing to the Vendor by Géotic in respect of services rendered by Peter McIntyre and Alzaca Ventures Ltd./Joel Jeangrand in the aggregate amount of \$15,750/ month; and (b) all Liabilities owing to the Exploration Technology Division by Ridgeline and/or Géotic for services performed by the Exploration Technology Division in the Ordinary Course which are ongoing as of the date hereof.
- (123) **“Representatives”** means, with respect to any Party, its Affiliates and Associates, and, if applicable, its and their respective directors, officers, employees, agents and other representatives and advisors.
- (124) **“Retained Liabilities”** means, at the Effective Time: (a) any Liability of the Purchased Entities or the Vendor to any Person who is or has not been Arm’s Length of the Purchased Entities or the Vendor prior to the Effective Time, other than the Related Party Liabilities; (b) Existing Claims; (c) Employee

Obligations; (d) the Change of Control Payments; and (e) any Liability of the Ridgeline Subsidiary arising or relating to any period of time prior to the Effective Time.

- (125) “**Retention Amount**” means \$600,000.00.
- (126) “**Review Period**” has the meaning attributed to that term in Section 2.5(2).
- (127) “**Ridgeline**” means Ridgeline Explorations Services Inc., a corporation existing under the laws of the Province of British Columbia.
- (128) “**Ridgeline Business**” means the business carried on by Ridgeline consisting of the provision of geological field services and geophysical surveying for mineral explorers;
- (129) “**Ridgeline Interests**” means 1000 Common shares, 100 Class A Preferred shares and 100 Class B Preferred shares in the capital of Ridgeline held by the Vendor, which represents a 100% interest in the issued and outstanding shares in the capital of Ridgeline.
- (130) “**Ridgeline Subsidiary**” means Ridgeline Exploration USA Ltd., a corporation incorporated under the laws of Idaho.
- (131) “**Ridgeline Working Capital**” means the Working Capital of Ridgeline.
- (132) “**Service Providers**” means the Exploration Technology Service Providers set forth on the Contact List together with the employees and contractors of the Purchased Entities, collectively.
- (133) “**Specific Conveyances**” means all conveyances, assignments, transfers, novations, trust declarations and other documents or instruments, other than and in addition to the bill of sale and general conveyance delivered pursuant hereto, that are reasonably required or desirable, to convey, assign and transfer the Assets to Purchaser and to make Purchaser a party to, and to novate Purchaser into any Contracts.
- (134) “**Statutory Plans**” means benefit plans that Vendor or the Purchased Entities are required by domestic or foreign statutes to participate in or contribute to in respect of an employee, director or officer of the Vendor or the Purchased Entities or any beneficiary or dependent thereof, including the Canada pension plan and plans administered pursuant to applicable health, Tax, workplace safety insurance, workers’ compensation and employment insurance legislation.
- (135) “**Straddle Period**” means any taxable period that begins before and ends after the Closing Date. With respect to any Straddle Period: (a) in the case of any Taxes that are imposed on or with respect to income, gains, receipts, sales, payroll or payments (or any subset or combination thereof) and are payable for a Straddle Period, the portion of such Taxes related to the Pre-Closing Period shall be deemed equal to the amount which would be payable if the relevant Tax period ended on and included the Closing Date, and (b) in the case of any other Taxes for a Straddle Period, the portion of such Taxes related to the Pre-Closing Period shall be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction, the numerator of which is the number of days in the Straddle Period prior to and including the Closing Date and the denominator of which is the total number of days in such Straddle Period, provided that any increase in such Taxes that arise as a result of or in connection with the Transactions contemplated by this Agreement shall be attributed solely to that portion of the Straddle Period beginning after the Closing Date.
- (136) “**Tax Act**” or any reference to a specific provision thereof means the *Income Tax Act* (Canada) and legislation of any legislature of any province or territory of Canada and any regulations thereunder in force of like or similar effect.

- (137) **“Tax Amounts”** has the meaning attributed to that term in Section 2.7(2).
- (138) **“Tax Returns”** means all returns, declarations, designations, forms, schedules, reports, elections, notices, filings, statements (including withholding Tax returns and reports and information returns and reports) and other documents of every nature whatsoever filed or required to be filed with any Governmental Authority with respect to any Taxes together with all amendments and supplements thereto, including a CEWS/CERS Returns.
- (139) **“Taxes”** means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof (including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, gains, capital stock, production, gift, wealth, environment, net worth, utility, sales, goods and services, harmonized sales, use, consumption, valued-added, excise, stamp, withholding, premium, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, surtaxes, customs duties and import and export taxes, development, occupancy, social services, licence, franchise and registration fees and employment insurance, health insurance and Canada, British Columbia, Ontario, Québec and other government pension plan premiums or contributions), and **“Tax”** has a corresponding meaning.
- (140) **“Third Party Claim”** has the meaning attributed to that term in Section 8.1(11).
- (141) **“Toronto Lease”** means the office lease of the Vendor in respect of the Toronto Property.
- (142) **“Toronto Property”** means 1010-69 Yonge Street, Toronto, Ontario.
- (143) **“Transactions”** means the purchase and sale of the Transferred Interests, and all other transactions contemplated by this Agreement.
- (144) **“Transferred Employees”** means those persons that agree to accept offers of employment or offers of consulting Contracts with the Purchaser, as contemplated in Section 6.8(2) or 6.8(3) hereof, as applicable.
- (145) **“Transferred Interests”** means the Vendor’s entire right, title and interest in the Ridgeline Interests, the Géotic Interests, the Assets and the Business.
- (146) **“Transition Services Agreement”** means the transition services agreement to be entered into between the Vendor and the Purchaser, substantially in the form of Exhibit “B”, other than Schedule “A” to the Transition Services Agreement which shall be negotiated pursuant to the provisions of Section 6.12.
- (147) **“TSXV”** means the TSX Venture Exchange.
- (148) **“Vendor”** means EarthLabs Inc., a corporation incorporated under the Act.
- (149) **“Vendor Asset Working Capital”** means the Working Capital of the Exploration Technology Division and the Assets being conveyed from the Vendor to the Purchaser in connection with the Transactions.
- (150) **“Websites”** has the meaning set out in Section 5.2(22)(f).
- (151) **“Work in Progress”** means all goods or services carried out for customers prior to the Effective Time by the Vendor (insofar as they relate exclusively to the Business) or the Purchased Entities, but for which invoices have not yet been issued.

(152) **“Working Capital”** means, without duplication, the amount of the Current Assets less the amount of the Current Liabilities, as determined in accordance with the Accounting Principles in effect immediately prior to the Closing.

(153) **“Working Capital Target”** has the meaning attributed to that term in Section 2.4(1).

1.2 Construction. This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party does not apply to the construction or interpretation of this Agreement.

1.3 Certain Rules of Interpretation. In this Agreement:

- (1) the division into Articles and Sections and the insertion of headings and the Table of Contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement;
- (2) the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular portion of this Agreement; and
- (3) unless specified otherwise or the context otherwise requires:
 - (a) references to any Article, Section or Exhibit are references to the Article or Exhibit of, or Exhibit to, this Agreement;
 - (b) “including” or “includes” means “including (or includes) but is not limited to” and is not to be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it;
 - (c) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”;
 - (d) references to Contracts are deemed to include all present amendments, supplements, restatements and replacements to those Contracts;
 - (e) references to any legislation, statutory instrument or regulation or a Section thereof are references to the legislation, statutory instrument, regulation or Section as amended, re-enacted, consolidated or replaced from time to time; and
 - (f) words in the singular include the plural and vice-versa and words in one gender include all genders.

1.4 Knowledge. In this Agreement, any reference to the knowledge of the Purchaser means to the best of the knowledge, information and belief of the Purchaser after reviewing all relevant records and making due inquiries regarding the relevant matter of all relevant Representatives of the Purchaser and any reference to the knowledge of the Vendor means to the best of the knowledge, information and belief of Vincent Dubé-Bourgeois, Denis Laviolette and Binh Quach after reviewing all relevant records and making due inquiries regarding the relevant matter of all their respective relevant Representatives.

1.5 Computation of Time. In this Agreement, unless specified otherwise or the context otherwise requires:

- (1) a reference to a period of days is deemed to begin on the first day after the event that started the period and to end at 5:00 p.m. on the last day of the period, but if the last day of the period does not fall on a Business Day, the period ends at 5:00 p.m. on the next succeeding Business Day;

- (2) all references to specific dates mean 11:59 p.m. on the dates;
- (3) all references to specific times are references to Eastern Time; and
- (4) with respect to the calculation of any period of time, references to “from” mean “from and excluding” and references to “to” or “until” mean “to and including”.

1.6 Performance on Business Days. If any action is required to be taken pursuant to this Agreement on or by a specified date that is not a Business Day, the action is valid if taken on or by the next succeeding Business Day.

1.7 Calculation of Interest. In calculating interest payable under this Agreement for any period of time, the first day of the period is included and the last day is excluded.

1.8 Currency and Payment. In this Agreement, unless specified otherwise:

- (1) references to dollar amounts or “\$” are to Canadian dollars unless otherwise indicated;
- (2) any payment is to be made by an official bank draft drawn on a Canadian chartered bank, wire transfer or any other method (other than cash payment) that provides immediately available funds; and
- (3) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received and available by 5:00 p.m. in the jurisdiction of payment on the due date and any payment received and available after that time is deemed to have been made and received on the next succeeding Business Day.

1.9 Accounting Terms. In this Agreement, unless specified otherwise, each accounting term has the meaning assigned to it under IFRS.

1.10 Exhibits. The following Exhibits are attached to and form part of this Agreement:

Exhibit “A”	Form of Non-Competition and Non-Solicitation Agreement
Exhibit “B”	Form of Transition Services Agreement
Exhibit “C”	Accounting Principles
Exhibit “D”	Form of Executive Employment Agreement
Exhibit “E”	Form of General Employment Agreement
Exhibit “F”	Form of Consulting Agreement
Exhibit “G”	Residual Contract Value

ARTICLE 2 PURCHASE AND SALE OF TRANSFERRED INTERESTS

2.1 Agreement to Purchase and Sell.

- (1) Subject to the terms and conditions of this Agreement, as of the Effective Time and upon the payment of the Purchase Price, the Vendor shall sell to the Purchaser and the Purchaser shall purchase from the Vendor, all rights and title in and to the Transferred Interests, free and clear of all Encumbrances other than Permitted Encumbrances. For greater certainty, the Parties acknowledge and agree that pursuant to the Purchaser’s acquisition of the Ridgeline Interests and the Géotic Interests forming part of the Transferred Interests, the Purchaser is acquiring each of the Ridgeline Business and Géotic Business as a going concern, and accordingly it shall assume all ongoing Liabilities of each of the Purchased Entities from and after the Effective Time.

- (2) Subject to the terms and conditions of this Agreement, as of the Effective Time and upon the payment of the Purchase Price, the Purchaser shall assume, pay, satisfy, discharge, perform and fulfil, from and after the Effective Time, the Assumed Liabilities.
- (3) Other than the Assumed Liabilities, the Purchaser shall not assume or have any obligation to discharge, perform or fulfill any Excluded Liabilities, and all Excluded Liabilities shall remain the obligation of and responsibility of the Vendor. The Purchaser shall not have any right or obligation to acquire any Excluded Assets, and all Excluded Assets shall remain the exclusive property of the Vendor.

2.2 Purchase Price and Purchase Price Allocation.

- (1) The purchase price (the “**Purchase Price**”) payable by the Purchaser to the Vendor for the Transferred Interests shall be an amount equal to twenty four million dollars (\$24,000,000.00) (the “**Base Purchase Price**”), subject to adjustment as contemplated in Section 2.6, and the assumption of the Assumed Liabilities. For greater certainty, the Purchase Price is based on any Indebtedness being satisfied at or before the Effective Time by the Vendor or the Purchased Entities (other than the Assumed Liabilities), and excludes any value associated with the Excluded Assets. The Parties acknowledge that the Purchase Price includes the assumption by the Purchaser of the Deferred Revenue Obligations related to customers in whose equity stock the Vendor has invested, in the aggregate amount of up to six million dollars (\$6,000,000.00).
- (2) The Purchaser and the Vendor shall allocate the Purchase Price and any adjustments (as applicable) among the Transferred Interests as they shall mutually determine, each acting reasonably.

2.3 Payment of Purchase Price. The payment of the Purchase Price shall be satisfied by the Purchaser paying at Closing to the Vendor, the Base Purchase Price by wire transfer of immediately available funds (the “**Closing Date Cash Payment**”); provided that the Purchase Price may be adjusted post-Closing in accordance with Section 2.6.

2.4 Working Capital Target

- (1) The Parties hereto acknowledge that the Base Purchase Price is based on the Business (including the Géotic Working Capital, the Ridgeline Working Capital and the Vendor Asset Working Capital) having consolidated Working Capital at the Effective Time equal to \$600,000.00 (the “**Working Capital Target**”).
- (2) Any adjustments to the Purchase Price on account of an adjustment due to the Final Working Capital shall be made and settled following delivery of the Final Closing Balance Sheet, in accordance with Section 2.6 hereto.

2.5 Final Closing Balance Sheet

- (1) As soon as is practicable, but not later than one hundred and eighty (180) days following the Closing Date, the Purchaser shall cause to be prepared and delivered to the Vendor, unaudited financial statements (the “**Final Closing Balance Sheet**”) setting forth as of the Closing Date: (a) each of the final Géotic Working Capital, the final Ridgeline Working Capital, and the final Vendor Asset Working Capital, on an individual basis; and (b) the summation of the final Géotic Working Capital, the final Ridgeline Working Capital, and the final Vendor Asset Working Capital, on a consolidated basis (the “**Final Working Capital**”) including all supporting documentation. The Vendor and the Purchaser shall co-operate fully with each other in the preparation of the Final Closing Balance Sheet, including making available to each other in a timely fashion such data and other information as may be reasonably required. A sample calculation of the Final Closing Balance Sheet is disclosed in Exhibit “C”. The Final

Closing Balance Sheet shall be made on a basis consistent with the sample calculation in Exhibit “C” in all material respects, and in accordance with the Accounting Principles.

- (2) The Vendor shall have thirty (30) days from receipt of the Final Closing Balance Sheet (the “**Review Period**”) within which to review such Final Closing Balance Sheet and the Purchaser shall cooperate to provide the Vendor with reasonable access during business hours to any personnel required by the Vendor. The Vendor may dispute any of the items in the Final Closing Balance Sheet by written notice (an “**Objection Notice**”) to the Purchaser within the Review Period. Upon receipt of such Objection Notice, the Purchaser shall review the Objection Notice and either fully accept, partially accept, or reject the position set forth in such Objection Notice within ten (10) days of receipt of such Objection Notice (the “**Reconsideration Period**”). The Parties shall have another ten (10) days after the end of the Reconsideration Period to come to an agreement on the items specified in the Objection Notice.
- (3) If the matter cannot be so resolved within fifty (50) days from the Vendor’s receipt of the Final Closing Balance Sheet, then any Party may, upon written notice to the other Party, set out in reasonable detail the basis for disagreement following which the dispute shall be referred for determination to PricewaterhouseCoopers LLP or such other firm of Chartered Professional Accountants in the Province of Ontario, agreed to by the Vendor and the Purchaser that is independent of the Parties, who was not at any time the auditor or accountant of the Vendor or the Purchaser (the “**Accountant**”). Each Party shall make such submissions to the Accountant as requested by the Accountant. Upon completion of all submissions to the Accountant, the Accountant shall provide the Parties with copies of all submissions from the Parties. The Accountant shall act as expert, and not arbitrator, and shall make a determination of the disputed entries or disputed matters within thirty (30) days of acceptance by the Accountant of such referral, which determination shall be final and binding upon the Parties. The costs of the Accountant shall be borne by the Party whose calculations are furthest monetarily (whether greater or lesser) from the determination of the Accountant.
- (4) If no Objection Notice is delivered to the Purchaser in accordance with Section 2.5(2) within the Review Period, the Final Working Capital as reflected in the Final Closing Balance Sheet shall be deemed to have been approved as of the last day of the Review Period.

2.6 Final Purchase Price Adjustment.

- (1) If the Working Capital Target exceeds the amount of the Final Working Capital as finally determined in accordance with Section 2.5, then the Vendor shall pay to the Purchaser the difference between such amounts. If the amount of the Final Working Capital as finally determined in accordance with Section 2.5 exceeds the Working Capital Target, then the Purchaser shall pay to Vendor the difference between such amounts. In either case, the payment required by this Section 2.6(1) shall be made by wire transfer in immediately available Canadian funds to the account to be specified by Vendor or Purchaser, as applicable, within five (5) Business Days of the final determination of the Final Working Capital in accordance with Section 2.5, provided that notwithstanding any other provision hereof, no Party shall be bound to make any payment pursuant to this Section 2.6 in an amount less than \$5,000.
- (2) The determination and adjustment of the Purchase Price in accordance with the provisions of Section 2.5 or this Section 2.6 will not limit or affect any other rights or causes of action, which the Parties may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement.
- (3) If, after Closing, the Purchased Entities receive any refund or credit for income Taxes in respect of any period ending on or prior to the Closing Date, such refund or credit (including any interest paid or credited with respect thereto) will be for the account of Vendor.

(4)

- (a) If the Exploration Technology Division has Other Sales Tax, GST/HST and/or QST receivable(s) at Closing, the Vendor will pay to the Purchaser the amount of such Other Sales Tax, GST/HST and/or QST received by it no later than ten (10) Business Days after receipt.
- (b) If the Exploration Technology Division has Other Sales Tax, GST/HST and/or QST payable(s) as at the Effective Time, the Purchaser shall pay such amount of Other Sales Tax, GST/HST and/or QST payable to the Vendor no later than ten (10) Business Days after being notified by the Vendor of the amount of such Other Sales Tax, GST/HST and/or QST.

2.7 Taxes.

- (1) The Purchaser shall pay to the Vendor, or where permitted by Applicable Law, directly to the appropriate Governmental Authorities, all sales and transfer Taxes, registration charges and transfer fees, including GST/HST, QST and Other Sales Taxes, payable by it in respect of the purchase and sale of the Transferred Interests under this Agreement.
- (2) **Taxes on Work in Progress:** The Vendor confirms that in the Ordinary Course, the amounts (the “**Tax Amounts**”) payable by the customers on account of GST/HST, QST and Other Sales Taxes which the Vendor and/or the Purchased Entities are required to remit in respect of goods and services supplied to the customers, are typically invoiced and collected either on an interim periodic basis or at the conclusion of services provided by the Vendor or Purchased Entities, as applicable. Accordingly, the Parties agree and acknowledge that:
 - (a) at the Effective Time, certain services will have been provided to customers by the Vendor and/or the Purchased Entities (the “**Ongoing Services**”), in respect of which the Tax Amounts will not yet have been invoiced, or remitted to the applicable Governmental Authority;
 - (b) the Vendor shall provide the Purchaser on or prior to the Closing Date with copies of all Contracts relating to the Ongoing Services in order that the Purchaser may determine the Tax Amounts which have not yet been invoiced or remitted to the applicable Governmental Authority;
 - (c) where the Vendor has not remitted the Tax Amounts, the Purchaser will invoice and will be liable to collect and remit, the Tax Amounts applicable in respect of the Ongoing Services (including the transferred Work in Progress) in accordance with the provisions of the ETA and applicable provincial law and will indemnify the Vendor in respect of such Tax Amounts, however Purchaser is not liable to indemnify the Vendor if to and to the extent that the applicable Governmental Authority claims any Tax Amounts were required to be remitted to the applicable Governmental Authority in a Pre-Closing Period; and
 - (d) where the Vendor has not invoiced or collected the Tax Amounts, but has remitted the Tax Amounts, the Purchaser will invoice and collect such Tax Amounts, and such Tax Amounts shall be adjusted as part of the Working Capital.
- (3) **Taxes included in Accounts Receivable.** Where the Vendor has invoiced the customers for Tax Amounts, the portion of the Purchase Price payable by the Purchaser for the associated Accounts Receivable includes such Tax Amounts. The Parties acknowledge the Vendor is deemed pursuant to the ETA to have collected such Tax Amounts as a consequence of the transfer of the Accounts Receivable to the Vendor under this Agreement, and the Vendor retains the Liability to remit (to the extent not previously remitted) to the applicable Governmental Authority such Tax Amounts within the time

provided by Applicable Law. Any amount collected by the Purchaser from the customers upon the collection of such Accounts Receivable will therefore be retained by the Purchaser.

- (4) To the extent that the Vendor has received amounts in respect of services not rendered or goods not delivered in relation to any of the Assumed Liabilities, in each case in a Pre-Closing Period, a portion of the Assets having a fair market value equal to those amounts are transferred to the Purchaser as payment for the Purchaser's agreement to assume a corresponding amount of the Assumed Liabilities relating to those services or goods and, if requested by the Purchaser, the Purchaser and Vendor shall jointly elect pursuant to Subsection 20(24) of the Tax Act and under any similar provision of any applicable provincial legislation. The Parties shall file such election forms, along with any documentation necessary or desirable to give effect to such election, with CRA and any other appropriate taxation authority within the prescribed time periods.

2.8 Payments Received After Closing. If after the Closing, the Vendor or any of its Affiliates receives any payments related to the Assets or the Purchased Entities, the Vendor will use commercially reasonable efforts to remit any such payment to the Purchaser within ten (10) Business Days, or as soon as reasonably possible thereafter. If after the Closing the Purchaser or any of its Affiliates receives any payment related to the Excluded Assets, Purchaser will use commercially reasonable efforts to remit any such payment to the Vendor within ten (10) Business Days, or as soon as reasonably possible thereafter.

ARTICLE 3 CLOSING ARRANGEMENTS

3.1 Closing. Subject to the satisfaction or waiver by the applicable Party of the conditions set out in Article 4, the Parties shall hold the Closing on the Closing Date, at such time as agreed to by the Vendor and the Purchaser, electronically or at such other place as agreed to by the Vendor and the Purchaser.

3.2 Vendor's Closing Deliveries. At Closing, the Vendor shall deliver or cause to be delivered to the Purchaser all certificates, agreements, documents and instruments as required under Section 4.1(1), as applicable.

3.3 Purchaser's Closing Deliveries. At Closing, the Purchaser shall deliver or cause to be delivered to the Vendor all payments, certificates, agreements, documents and instruments as required under Section 4.2(1), as applicable.

ARTICLE 4 CONDITIONS OF CLOSING

4.1 Conditions for the Benefit of the Purchaser

(1) The Purchaser shall be obliged to complete the Transactions only if each of the following conditions precedent has been satisfied in full at or before the time of Closing on the Closing Date:

- (a) all of the representations and warranties of the Vendor made in or pursuant to this Agreement shall have been true and correct as of the date hereof and shall be true and correct as at the Effective Time with the same effect as if made on and as of the Effective Time (except those representations and warranties that address matters only as of a specified date, which shall be true and correct as of that specified date), except as may be approved in writing by the Purchaser, and the Purchaser shall have received a certificate from the Vendor addressed to the Purchaser and dated the Effective Time confirming the same;
- (b) the Vendor shall have complied with or performed all of the obligations, covenants and agreements under this Agreement to be complied with or performed by the Vendor on or before

the Closing Date, and the Purchaser shall have received a certificate from the Vendor addressed to the Purchaser and dated the Closing Date confirming the same;

- (c) all board and shareholder approvals (as applicable) required to be taken by the Vendor and the Purchased Entities in connection with the Transactions have been obtained and are satisfactory in form and substance to the Purchaser, acting reasonably, and the Purchaser has received copies of all instruments and other evidence as it may reasonably request in order to establish the consummation of the Transactions and the taking of all necessary proceedings in connection therewith;
- (d) all Permits described in Schedule 5.2(28)(a) of the Disclosure Letter (other than post-Closing Tax filings) have been obtained, in each case in form and substance satisfactory to the Purchaser, acting reasonably, and are in full force and effect;
- (e) all Approvals described in Section A of Schedule 5.2(28)(b) of the Disclosure Letter, including, for certainty, conditional approval of the TSXV for the Transactions, have been obtained, in each case in form and substance satisfactory to the Purchaser, acting reasonably, and are in full force and effect, and copies of which shall have been provided to the Purchaser;
- (f) there is no injunction or restraining order issued preventing, and no pending or threatened Proceeding, against any Party, for the purpose of enjoining or preventing, the completion of the Transactions or otherwise claiming that this Agreement or the completion of the Transactions is improper or would give rise to a Proceeding, under any Applicable Law or under any Contract;
- (g) there has not occurred any event which may have a Material Adverse Effect between the date of this Agreement and the Closing Date;
- (h) no Applicable Law has been enacted, introduced or announced between the date of this Agreement and the Closing Date which may have a Material Adverse Effect;
- (i) the Transferred Interests will be free of any Indebtedness, including any Prior Period Taxes of the Vendor not included in Current Liabilities or amounts owing under any credit facilities, (in each case other than the Assumed Liabilities) and there shall be no amounts owing by the Purchased Entities or by the Vendor in respect of the Assets or the Exploration Technology Division to Persons who are not at Arm's Length with the Vendor or the Purchased Entities, other than the Related Party Liabilities;
- (j) the Vendor has caused to be delivered to the Purchaser the following:
 - (i) a certificate of status or its equivalent under the laws of the jurisdiction governing its corporate existence for each of the Vendor, Ridgeline and Géotic, dated within three (3) days of the Closing Date;
 - (ii) a certificate of a senior officer of the Vendor certifying: (A) the Constatng Documents of the Vendor and each of the Purchased Entities; (B) the resolutions of the board of directors and/or (if required under Applicable Law) shareholders of the Vendor authorizing the execution, delivery and performance of this Agreement and of all Contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Vendor; and (C) the incumbency and signatures of the officers of the Vendor executing this Agreement and any other document relating to the Transactions;

- (iii) a certified copy of a resolution of the board of directors of Ridgeline consenting to the transfer of Ridgeline Interests from the Vendor to the Purchaser as contemplated by this Agreement and authorizing the execution, delivery and performance of all Contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by Ridgeline;
- (iv) a certified copy of a resolution of the board of directors of Géotic consenting to the transfer of Géotic Interests from the Vendor to the Purchaser as contemplated by this Agreement and authorizing the execution, delivery and performance of all Contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by Géotic;
- (v) share certificates representing the Ridgeline Interests and Géotic Interests, accompanied by stock transfer powers duly executed in blank or duly executed instruments of transfer, and all such other assurances, consents and other documents as the Purchaser reasonably requests to effectively transfer to the Purchaser title to the Ridgeline Interests and Géotic Interests free and clear of all Encumbrances other than Permitted Encumbrances;
- (vi) original share registers, share transfer ledgers, minute books and corporate seals (if any) of Ridgeline and Géotic;
- (vii) all other Books and Records in the possession of the Vendor;
- (viii) all deeds, conveyances, bills of sale, assurances, transfers, assignments and any other documentation or action which in the opinion of the Purchaser, acting reasonably, are necessary or reasonably required to transfer the Assets to the Purchaser with good and marketable title, free and clear of all Encumbrances other than Permitted Encumbrances, in each case duly executed by the Vendor and in form and substance satisfactory to the Purchaser, acting reasonably;
- (ix) evidence, satisfactory to the Purchaser, acting reasonably, of the release and discharge of all Encumbrances affecting any of the Transferred Interests, other than the Permitted Encumbrances;
- (x) releases by the Vendor as a shareholder of Ridgeline and Géotic;
- (xi) written resignations of those directors and officers of Ridgeline and Géotic specified by the Purchaser, in each case with effect from the Effective Time, together with releases by those Persons;
- (xii) the Non-Competition and Non-Solicitation Agreement, duly executed by the Vendor;
- (xiii) the Executive Employment Agreements, General Employment Agreements or Consulting Agreements, as applicable, duly executed by each of the Key Employees and 60% of the Essential Employees, each of which shall take effect at the Effective Time;
- (xiv) the Transition Services Agreement, duly executed by the Vendor;
- (xv) a bill of sale and general conveyance in form and substance reasonably satisfactory to each of the Purchaser and Vendor duly executed by the Vendor, transferring the Assets to the Purchaser;

- (xvi) an assignment and assumption agreement in form and substance reasonably satisfactory to each of the Purchaser and Vendor (the “**Assignment and Assumption Agreement**”) duly executed by the Vendor, effecting the assignment to and assumption by the Purchaser of the Assets and the Assumed Liabilities;
 - (xvii) an assignment in form and substance reasonably satisfactory to each of the Purchaser and Vendor (the “**Intellectual Property Assignment Agreement**”) duly executed by the Vendor, transferring all of Vendor’s right, title and interest in and to the Intellectual Property to the Purchaser;
 - (xviii) consents to assignment of those Leases set out on set out on Schedule 4.1(1)(j)(xviii) of the Disclosure Letter, and consents to assignment of those Contracts set out on Exhibit G that represent seventy percent (70%) of the residual value of such Contracts at the time of Closing, in each case duly executed by the counterparties to such Contracts and Leases;
 - (xix) evidence of notification of the change of control with respect to those Contracts and Leases set out on Schedule 4.1(1)(j)(xix) of the Disclosure Letter, duly executed by the counterparties to such Contracts and Leases;
 - (xx) the Retention Amount; and
 - (xxi) such other documentation as the Purchaser reasonably requests on a timely basis in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Purchaser, acting reasonably.
- (2) Each of the conditions set out in Section 4.1(1) is for the exclusive benefit of the Purchaser and the Purchaser may waive compliance with any such condition in whole or in part by notice in writing to the Vendor, except that no such waiver operates as a waiver of any other condition.

4.2 Conditions for the Benefit of the Vendor

- (1) The Vendor shall be obliged to complete the Transactions only if each of the following conditions precedent has been satisfied in full at or before the time of Closing on the Closing Date:
- (a) all of the representations and warranties of the Purchaser and ALS made in or pursuant to this Agreement shall have been true and correct as of the date hereof and shall be true and correct as at the Effective Time with the same effect as if made on and as of the Effective Time (except those representations and warranties that address matters only as of a specified date, which shall be true and correct as of that specified date), except as may be approved in writing by the Vendor, and the Vendor shall have received a certificate from the Purchaser and ALS addressed to the Vendor and dated the Effective Time confirming the same with respect to the Purchaser and ALS;
 - (b) the Purchaser shall have complied with or performed all of the obligations, covenants and agreements under this Agreement to be complied with or performed by the Purchaser on or before the Closing Date, and the Vendor shall have received a certificate from the Purchaser addressed to the Vendor and dated the Closing Date confirming the same with respect to the Purchaser;
 - (c) all board and shareholder approvals (as applicable) required to be taken by the Purchaser and all shareholder approvals (as applicable) required to be taken by the Vendor in connection with

the Transactions have been obtained and are satisfactory in form and substance to the Vendor, acting reasonably, and the Vendor has received copies of all instruments and other evidence as it may reasonably request in order to establish the consummation of the Transactions and the taking of all necessary proceedings in connection therewith;

- (d) all Approvals described in Schedule 5.2(28)(b) of the Disclosure Letter, including, for certainty, conditional approval of the TSXV for the Transactions, have been obtained, in each case in form and substance satisfactory to the Vendor, acting reasonably, and are in full force and effect;
 - (e) there is no injunction or restraining order issued preventing, and no pending or threatened Proceeding, against any Party, for the purpose of enjoining or preventing, the completion of the Transactions or otherwise claiming that this Agreement or the completion of the Transactions is improper or would give rise to a Proceeding, under any Applicable Law or under any Contract; and
 - (f) the Purchaser has caused to be delivered to the Vendor the following:
 - (i) a certificate of status of the Purchaser or its equivalent under the laws of the jurisdiction governing its corporate existence dated within three (3) days of the Closing Date;
 - (ii) a certificate of a senior officer of the Purchaser certifying: (A) the Constatng Documents of the Purchaser; (B) the resolutions of the board of directors and/or (if required by Applicable Law) shareholders of the Purchaser authorizing the execution, delivery and performance of this Agreement and of all Contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Purchaser; and (C) the incumbency and signatures of the officers of the Purchaser executing this Agreement and any other document relating to the Transactions;
 - (iii) the Closing Date Cash Payment pursuant to Section 2.3;
 - (iv) the Non-Competition and Non-Solicitation Agreement, duly executed by the Purchaser;
 - (v) the Executive Employment Agreements and General Employment Agreements and Consulting Agreements, duly executed by the Purchaser;
 - (vi) the Transition Services Agreement, duly executed by the Purchaser;
 - (vii) the Assignment and Assumption Agreement duly executed by the Purchaser;
 - (viii) the Intellectual Property Assignment Agreement duly executed by the Purchaser; and
 - (ix) such other documentation as the Purchaser reasonably requests on a timely basis in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Purchaser, acting reasonably.
- (2) Each of the conditions set out in Section 4.2(1) is for the exclusive benefit of the Vendor, and the Vendor may waive compliance with any such condition in whole or in part by notice in writing to the Purchaser, except that no such waiver operates as a waiver of any other condition.

4.3 Termination Events. By notice given prior to or at Closing, subject to Section 4.4, this Agreement may be terminated as follows:

- (1) by the Purchaser if any condition in Section 4.1 has not been satisfied as of the Closing Date or if the satisfaction of any condition by the Closing Date is or becomes impossible (other than through the failure of the Purchaser to comply with its obligations under this Agreement), and the Purchaser has not waived that condition on or before Closing Date;
- (2) by the Vendor, if any condition in Section 4.2 has not been satisfied as of the Closing Date or if the satisfaction of any condition by the Closing Date is or becomes impossible (other than through the failure of the Vendor to comply with their obligations under this Agreement), and the Vendor has not waived that condition on or before the Closing Date;
- (3) by the Purchaser, pursuant to Section 6.4;
- (4) by the Vendor or Purchaser if any Governmental Authority, including the TSXV, has notified either Party in writing that it will not approve the Transactions contemplated herein or permit such Transactions to proceed;
- (5) by mutual consent of the Purchaser and the Vendor; or
- (6) by the Purchaser unless it is in material breach of this Agreement or by the Vendor unless it is in material breach of this Agreement, if the Closing has not occurred on or before the Outside Date, except in the case where the TSXV approval of the Transactions contemplated herein is still pending (but has not been denied), in which case the Outside Date shall be extended for a further sixty (60) days.

4.4 Effect of Termination. Each Party's right of termination under Section 4.3 is in addition to any other rights it may have under this Agreement or otherwise, whether at law, in equity or otherwise, and the exercise of that right of termination is not an election of remedies. If this Agreement is terminated pursuant to Section 4.3, all obligations of the Parties under this Agreement will terminate except that the obligations contained in this Section 4.4, Article 8 and in Article 10 will survive, provided that if this Agreement is terminated pursuant to Section 4.3(1) or 4.3(2), the terminating Party's right to pursue all legal remedies will survive that termination unimpaired.

4.5 Waiver of Conditions of Closing. If any of the conditions set forth in Section 4.1 has not been satisfied, the Purchaser may elect in writing to waive the condition and proceed with the completion of the Transactions and, if any of the conditions in Section 4.2 has not been satisfied, the Vendor may elect in writing to waive the condition and proceed with the completion of the Transactions. Any such waiver and election by the Purchaser or the Vendor, as the case may be, will only serve as a waiver of the specific closing condition and the other Party will have no Liability with respect to the specific waived condition.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Vendor. The Vendor represents and warrants to the Purchaser as of the date hereof and as of the Effective Time as follows and acknowledges that the Purchaser is relying on these representations and warranties in connection with its purchase of the Transferred Interests, and that the Purchaser would not purchase the Transferred Interests and assume the Assumed Liabilities without these representations and warranties:

- (1) Organization and Status. The Vendor is a corporation duly incorporated and organized, and is validly subsisting, under the federal laws of Canada and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction.

- (2) Corporate Power. The Vendor has all necessary corporate power and authority to own or lease or dispose of its undertakings, property and assets (including the Transferred Interests), to enter into this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by the Vendor, and to perform its obligations hereunder and thereunder, each in accordance with the terms hereof.
- (3) Authorization. All necessary corporate action has been taken by the Vendor or on the Vendor's part to authorize the Vendor's execution and delivery of this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its obligations hereunder and thereunder, subject to the receipt of the approval of the shareholders of the Vendor, if required.
- (4) Enforceability. This Agreement has been duly executed and delivered by the Vendor and (assuming due execution and delivery by the Purchaser) is a legal, valid and binding obligation of it enforceable against it in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other similar laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction. Each of the Contracts, agreements and instruments required by this Agreement to be delivered by the Vendor will at the Closing have been duly executed and delivered by it and (assuming due execution and delivery by the other parties thereto) will at Closing be enforceable against it in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
- (5) Bankruptcy. The Vendor is not an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) and has not made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. It has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of it or any of its undertakings, property or assets (including the Transferred Interests) and no execution or distress has been levied on any of its undertakings, property or assets (including any of the Transferred Interests), nor have any proceedings been commenced in connection with any of the foregoing.
- (6) Absence of Conflict. The execution, delivery and performance by it of this Agreement and the completion of the Transactions in accordance with the terms hereof will not (whether after the passage of time or notice or both) result in:
 - (a) the breach or violation of any of the provisions of, or constitute a default under, or give any Person the right to seek or cause a termination, cancellation, amendment or renegotiation of any Contract to which it is a party or by which any of its undertakings, property or assets is bound or affected;
 - (b) the breach or violation of any of the provisions of, or constitute a default under, or conflict with any of its obligations under:
 - (i) any provision of its Constatng Documents or resolutions of its board of directors (or any committee thereof) or shareholders;
 - (ii) any judgment, decree, order or award of any Governmental Authority having jurisdiction over it;
 - (iii) any Approval issued to it or held by it or held for the benefit of or necessary to the ownership of any of the Transferred Interests; or

- (iv) any Applicable Law;
 - (c) the creation or imposition of any Encumbrance over any of the Transferred Interests; or
 - (d) the requirement of any Approval from any of its creditors.
- (7) Litigation. There are no Proceedings (whether or not purportedly on its behalf) pending or outstanding or, to the Vendor's knowledge, threatened against it which could affect the Transferred Interests or the Vendor's ability to perform its obligations under this Agreement. To the Vendor's knowledge there is not any factual or legal basis on which any such Proceeding might be commenced with any reasonable likelihood of success.
- (8) Residence. The Vendor is not a non-resident of Canada for purposes of the Tax Act.

5.2 Representations and Warranties of the Vendor Relating to the Transferred Interests. The Vendor represents and warrants to the Purchaser as of the date hereof and as of the Effective Time as follows and acknowledges that the Purchaser is relying on these representations and warranties in connection with its purchase of the Transferred Interests, and that the Purchaser would not purchase the Transferred Interests and assume the Assumed Liabilities without these representations and warranties:

- (1) Organization and Status. Each of the Purchased Entities and the Ridgeline Subsidiary is duly incorporated and organized under the laws of British Columbia (with respect to Ridgeline), Québec (with respect to Géotic), and Idaho (with respect to Ridgeline Subsidiary). Each of the Purchased Entities is validly subsisting and is up-to-date in the filing of all corporate and similar returns under the laws of that respective jurisdiction. Each of the Purchased Entities is duly registered, licensed or qualified as an extra-provincial or foreign corporation, is in good standing and up-to-date in the filing of all corporate and similar returns, in each jurisdiction where the character of its respective assets are owned or leased by it or the nature of its activities makes such qualification necessary.
- (2) Authorized and Issued Capital. Schedule 5.2(2) of the Disclosure Letter sets out the authorized and issued shares of each of the Purchased Entities, all of which are held and registered in the name of the Vendor and the authorized and issued shares of the Ridgeline Subsidiary, all of which are held and registered in the name of Ridgeline. The Purchased Entities and the Ridgeline Subsidiary each have no other shares or convertible securities issued and outstanding other than the shares indicated in Schedule 5.2(2) of the Disclosure Letter and all of the shares indicated in Schedule 5.2(2) of the Disclosure Letter are the only issued and outstanding shares of the Purchased Entities and the Ridgeline Subsidiary and have been validly issued, are outstanding as fully paid and non-assessable shares, and were not issued in violation of the pre-emptive rights of any Person or any Contract or Applicable Law by which the either of the Purchased Entities or the Ridgeline Subsidiary was bound as the time of the issuance. There are no shareholders agreements, voting trusts, pooling agreements or other Contracts, arrangements or understandings in respect of the voting of any of the shares of the Purchased Entities or the Ridgeline Subsidiary. True, accurate and complete copies of the Constatting Documents and other organizational documents of each of the Purchased Entities and the Ridgeline Subsidiary have been provided to the Purchaser.
- (3) Options. No Person other than the Purchaser has any Contract or any right or privilege capable of becoming a Contract, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any issued or un-issued shares or other securities of either of the Purchased Entities or the Ridgeline Subsidiary.
- (4) No Other Agreements to Purchase. No Person other than the Purchaser has any Contract or any right or privilege capable of becoming a Contract for the purchase or acquisition from the Vendor of any of the Transferred Interests.

- (5) Absence of Conflict. The completion of the Transactions in accordance with the terms hereof will not (whether after the passage of time or notice or both) result in:
- (a) the breach or violation of any of the provisions of, or constitute a default under, or give any Person the right to seek or cause a termination, cancellation, amendment or renegotiation of any Contract to which either of the Purchased Entities is a party or by which any of the Assets or the assets of the Purchased Entities is bound or affected;
 - (b) the breach or violation of any of the provisions of, or constitute a default under, or conflict with any of the obligations of the either of the Purchased Entities under:
 - (i) any provision of the Constatng Documents or resolutions of the board of directors (or any committee thereof) or sole shareholder of the Purchased Entities;
 - (ii) any judgment, decree, order or award of any Governmental Authority having jurisdiction over any of the Purchased Entities;
 - (iii) any Approval issued to, or held by, either of the Purchased Entities or held, for the benefit of or necessary to the operation of, either the Purchased Entities or the Business; or
 - (iv) any Applicable Law;
 - (c) the creation or imposition of any Encumbrance over any of the Assets or the assets of the Purchased Entities; or
 - (d) the requirement of any Approval from any of the creditors of the Vendor or the Purchased Entities.
- (6) Conduct of Business. The Vendor, Ridgeline and Géotiq have each complied with, and have conducted the Business in compliance with, all Applicable Laws in all material respects and the Vendor is not aware of any breaches of such Applicable Laws, nor of any facts or circumstances which could give rise to such breaches. The Transferred Interests are sufficient to permit the continued operation of the Business in substantially the same manner as conducted in the one (1) year period preceding the date of this Agreement. For the one (1) year period prior to Closing, there has not been any significant interruption of operations (being an interruption of more than one (1) Business Day) of the Business. Since the respective dates of acquisition by the Vendor of each of the Purchased Entities, there has not been any significant interruption of operations (being an interruption of more than one (1) Business Day) of the Purchased Entities.
- (7) No Subsidiaries. Other than the Ridgeline Subsidiary, neither of the Purchased Entities own or have any Contracts of any nature to acquire, directly or indirectly, any Equity Interests in any Person and each of the Purchased Entities does not have any Contracts to acquire by any manner whatsoever or lease any business operations other than those business operations in which they are currently engaged.
- (8) Bankruptcy. Neither of the Purchased Entities or the Ridgeline Subsidiary is an insolvent Person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) and or has made an assignment in favour of its creditors or a proposal in bankruptcy to its creditors or any class thereof, and no petition for a receiving order has been presented in respect of it. Neither of the Purchased Entities or the Ridgeline Subsidiary has initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution other than the Ridgeline Subsidiary which has not made the requisite filings to maintain its corporate existence under Applicable Law. No receiver or interim receiver has been appointed in respect of the Purchased Entities or the Ridgeline Subsidiary and no

execution or distress has been levied on any of the assets of the Purchased Entities or the Ridgeline Subsidiary, nor have proceedings been commenced in connection with any of the foregoing.

- (9) Ownership of Ridgeline Interests and Géotic Interests. The Vendor is the registered and beneficial owner of the Ridgeline Interests and Géotic Interests, with good and marketable title thereto, free and clear of all Encumbrances other than Permitted Encumbrances, and has the exclusive right to dispose of the Ridgeline Interests and Géotic Interests as provided in this Agreement. None of the Ridgeline Interests or Géotic Interests are subject to: (a) any Contract or restriction which in any way limits or restricts the transfer to the Purchaser of the Ridgeline Interests or Géotic Interests other than the transfer restrictions in Ridgeline's and Géotic's articles, or (b) any voting trust, pooling agreement, shareholder agreement, voting agreement or other Contract, arrangement or understanding with respect to the voting of the Ridgeline Interests or Géotic Interests (or any of them). On completion of the Transactions, the Vendor will have no ownership interest in Ridgeline or Géotic, whether direct or indirect, actual or contingent, and the Purchaser shall have good title to the Ridgeline Interests and the Géotic Interests, free and clear of all Encumbrances other than the Permitted Encumbrances and Encumbrances granted by the Purchaser.
- (10) Ridgeline Subsidiary. The Ridgeline Subsidiary has not, at any time since the date of its incorporation, conducted or carried on any business, had any employees, owned or had any interest in land or buildings, nor any other assets of any nature. The Ridgeline Subsidiary is not party to any Contract, and does not have any Liabilities or indebtedness.
- (11) Ownership of Real Property. None of the Vendor (insofar as it relates exclusively to the Assets and the Business), Ridgeline or Géotic are the beneficial or registered owner or lessor of, or have agreed to acquire or lease, any real property or Appurtenances or any interest in any real property or Appurtenances, other than the Leased Property.
- (12) Location of Leased Property. Part I of Schedule 5.2(12) of the Disclosure Letter is a true, accurate and complete list of all real property and Appurtenances leased, whether as lessor or lessee, in whole or in part by the Purchased Entities or by the Vendor (insofar as it relates to the Business or the Assets and forms part of the Transferred Interests) (the "**Leased Property**"), and sets out in respect of each such property, the municipal address. Neither the Purchased Entities nor the Vendor (insofar as it relates exclusively to the Business or the Assets) is the beneficial or registered owner of or the lessor or lessee of, and has not agreed to acquire or lease, any real property or Appurtenances or any interest in, any real property or Appurtenances other than the Leased Property. Since their respective dates of acquisition by the Vendor, neither of the Purchased Entities nor the Vendor (insofar as it relates exclusively to the Business or the Assets) has owned or occupied or leased or managed or controlled, in whole or in part, or had any legal or beneficial interest in, or has at any time conducted business or other operations from or has been responsible for any business or operations conducted from, any real property other than the Leased Property.
- (13) Real Property Leases. Part II of Schedule 5.2(12) of the Disclosure Letter is a true, accurate and complete list of all leases and agreements in the nature of a lease (including all amendments, renewals, extensions, assignments, occupancy agreements, subleases, agreements to lease and agreements to sublease) in respect of the Leased Property (the "**Leases**"), whether as lessor or lessee, true, accurate and complete copies of each of which have been provided to the Purchaser, and identifies those Leases that require the consent of the lessor on a change of control of the Purchased Entities or the Assets. Neither the Vendor (insofar as it relates exclusively to the Assets or the Business) nor either of the Purchased Entities is a party to, nor has any of them agreed to enter into, any lease or agreement in the nature of a lease in respect of any real property or Appurtenances, whether as lessor or lessee, other than the Leases. Each of the Leases is in full force and effect and unamended, save as set out in Part II of Schedule 5.2(12) of the Disclosure Letter. Each of the Leases is in good standing; neither the Vendor or the Purchased Entities or, to the knowledge of the Vendor, any other party thereto is in breach of any

covenant, condition or obligation contained therein. There is no dispute between the Vendor or any of the Purchased Entities and any other party under any Lease. No Lease creates a lien or security interest in any of the Assets except as set out in Part II of Schedule 5.2(12) of the Disclosure Letter.

- (14) Other Leased Property Matters. To the knowledge of the Vendor, none of the Appurtenances (or any equipment therein) placed on the Leased Property, nor the operation or maintenance thereof, violates in any material respect any restrictive covenant or any provision of any Applicable Law, or encroaches in any material respect on any property owned by others. Without limiting the generality of the foregoing, to the knowledge of the Vendor:
- (a) the Leased Property, the current uses of and the conduct of the Business on those properties comply with all Applicable Laws in all material respects including those dealing with zoning, parking, access, loading facilities, landscaped areas, building construction, fire and public health and safety and the Vendor is not aware of any breaches of such Applicable Laws, nor of any facts or circumstances which could give rise to such breaches;
 - (b) no alteration, repair, improvement or other work has been ordered, directed or requested in writing to be done or performed to or in respect of the Leased Property or to any of the plumbing, heating, ventilating, air-conditioning, sprinkler, elevators, water, drainage, mechanical or electrical systems, fixtures or works by any Governmental Authority, which alteration, repair, improvement or other work has not been completed, and no written notification has been given to the Purchased Entities or the Vendor of any such outstanding work being ordered, directed or requested, other than those that have been complied with;
 - (c) all accounts for work and services performed and materials supplied, placed or furnished on or in respect of any Leased Property have been fully paid and satisfied, and no Person is entitled to claim a lien or privilege under the *Builders Lien Act* (British Columbia), *Construction Lien Act* (Ontario), *Civil Code of Québec* or similar legislation in the other provinces and territories of Canada against the Leased Property or any part thereof, other than current accounts in respect of which the payment due date has not yet passed;
 - (d) there is nothing owing in respect of the Leased Property the Vendor or the Purchased Entities to any municipal corporation or to any other corporation or commission owning or operating a public utility for water, gas, electrical power or energy, steam or hot water, or for the use thereof, other than current accounts in respect of which the payment due date has not yet passed; and
 - (e) the Permitted Encumbrances constitute all of the Encumbrances, Contracts and other matters that affect the leasehold interest of the Vendor or the Purchased Entities (as applicable) in the Leased Property, and there is no breach or default under any of the Permitted Encumbrances.
- (15) Title to Other Property. The Vendor has, directly or indirectly, good and marketable title to all the Assets and the Purchased Entities have good and marketable title to their assets, free and clear of any and all Encumbrances other than the Permitted Encumbrances. Schedule 5.2(15) of the Disclosure Letter is a true, accurate and complete list of all locations where the Assets or the assets of the Purchased Entities (other than the Leased Property) are situated, including a brief description of such of the assets situated at each location. All of the Assets and assets of the Purchased Entities (other than the Leased Property) are free of material defects (patent or latent), in good operating condition and in a state of good repair and maintenance.
- (16) Personal Property. Schedule 5.2(15) of the Disclosure Letter is a true, accurate and complete list of each material item of machinery, equipment, furniture, motor vehicles and other personal property owned or

leased by the Vendor (insofar as it relates exclusively to the Assets or the Business) and/or the Purchased Entities (including those in possession of third parties) (the “**Personal Property**”).

- (17) Personal Property Leases. Schedule 5.2(15) of the Disclosure Letter is a true, accurate and complete list of all equipment leases, rental agreements, conditional sales agreements and similar agreements relating exclusively to the Business (the “**Personal Property Leases**”), true, accurate and complete copies of each of which have been provided to the Purchaser. All of the Personal Property Leases were entered into in the Ordinary Course.
- (18) Inventories. The Inventories do not include any items that are slow moving, below standard quality or of a quality or quantity not usable or saleable in the Ordinary Course, the value of which has not been written down on its books of account to net realizable market value. The Inventory levels of the Business have been maintained at such amounts as are required for the operation of the Business as previously and currently conducted and as currently contemplated to be conducted, and such Inventory levels are adequate therefor.
- (19) Accounts Receivable. All Accounts Receivable that form part of the Working Capital Target or the Final Working Capital (as applicable) are bona fide and good and have been incurred in the Ordinary Course and are shown on the financial Books and Records, subject to normal audit and interim adjustments under applicable IFRS policies. Subject to the foregoing and an allowance for doubtful accounts that has been reflected on the financial Books and Records in accordance with IFRS, all Accounts Receivable are collectible at their full face value in the Ordinary Course without set-off or counterclaim. None of the Accounts Receivable is due from any Employee.
- (20) Deferred Revenue Obligations. The Deferred Revenue Obligations on the date hereof are as set out in Schedule 5.2(20) of the Disclosure Letter.
- (21) Intellectual Property.
 - (a) Schedule 5.2(21) of the Disclosure Letter is a true, accurate and complete list of the Intellectual Property and of all Contracts that comprise or relate to the Intellectual Property and sets out true, accurate and complete particulars of whether the Intellectual Property is owned by the Purchased Entities or the Vendor, as applicable, or is not owned by the Purchased Entities or the Vendor, as applicable, but used in the conduct of the Business. Except as set out on Schedule 5.2(21) of the Disclosure Letter, there are no licences, registrations or applications for registration of the Intellectual Property.
 - (b) The Intellectual Property comprises all trade marks, trade names, business names, patents, inventions, know-how, copyrights, service marks, brand names, goodwill, industrial designs and all other industrial or intellectual property necessary to conduct the Business as presently conducted. The Vendor or the Purchased Entities, as applicable, has the right and authority to use, and will be entitled to continue to use after the Closing Date, the Intellectual Property in connection with the conduct of the Business in the manner presently conducted. The Intellectual Property is sufficient to conduct the Business as presently conducted.
 - (c) For the Intellectual Property which is not owned by the Vendor or the Purchased Entities and which is used in the conduct of the Business, as set out in Schedule 5.2(21) of the Disclosure Letter, that Intellectual Property is used by the Vendor and the Purchased Entities, as applicable, with the consent or licence from the rightful owners thereof, all those consents and licences relating to the Intellectual Property are in good standing, binding and enforceable in accordance with their respective terms and no material default exists on the part of the Purchased Entities or the Vendor thereunder, and none of those consents and licences requires prior approval of any transfer or assignment to remain in force and effect.

- (d) For the Intellectual Property which is owned by the Vendor or the Purchased Entities and which has been licenced by the Vendor or the Purchased Entities to third parties, such licences are in good standing, binding and enforceable in accordance with their respective terms and no material default exists thereunder on the part of the parties thereto.
- (e) With respect to the Intellectual Property of which either the Vendor or either of the Purchased Entities is the registered owner as set out in Schedule 5.2(21) of the Disclosure Letter, either the Vendor or either of the Purchased Entities is the legal and beneficial owner of such Intellectual Property, free and clear of all Encumbrances other than Permitted Encumbrances, and neither the Vendor nor either of the Purchased Entities, as applicable, is a party to or bound by any Contract or other obligation whatsoever that limits or impairs its ability to sell, transfer, assign or convey, or that otherwise affects, such Intellectual Property.
- (f) All of the Intellectual Property that has been developed or created by Employees, or pursuant to Contracts with consultants or contractors, has been assigned to the Vendor or the Purchased Entities in writing or in another enforceable manner. All such Employees, consultants and contractors have waived in favour of the Vendor or the Purchased Entities (as applicable) all moral rights they have or may have in or related to the Intellectual Property. Except as set out in Schedule 5.2(21) of the Disclosure Letter, no Person has been granted any interest in or right to use all or any portion of the Intellectual Property by the Vendor or either of the Purchased Entities.
- (g) The Vendor does not have any knowledge of any infringement or breach of any industrial or intellectual property rights of any other Person by the Vendor or the Purchased Entities, the Vendor and the Purchased Entities have not received any notice that the conduct of the Business, including the use of the Intellectual Property, infringes on or breaches any industrial or intellectual property rights of any other Person and do not have any knowledge of any infringement or violation of any of the rights of the Vendor or the Purchased Entities (as applicable) in the Intellectual Property.
- (h) The Vendor does not have any knowledge of any state of facts that casts doubt on the validity or enforceability of any of the Intellectual Property. True, accurate and complete copies of all Contracts governing the Intellectual Property as set out in Schedule 5.2(21) of the Disclosure Letter, or where those Contracts are oral, true, accurate and complete summaries of their terms, have been provided to the Purchaser.
- (i) No Intellectual Property owned by the Vendor or the Purchased Entities has been used, not used, enforced or not enforced in a manner that could reasonably be expected to result in the abandonment, dilution, cancellation or unenforceability of any of such Intellectual Property.
- (j) All applications for registration of the Intellectual Property owned by the Vendor or the Purchased Entities are in good standing, and have been filed in a timely manner within the appropriate offices to preserve the rights thereto. Neither the Vendor nor the Purchased Entities are the registered owners of any Intellectual Property with any Governmental Authority.
- (k) The Vendor and the Purchased Entities have each used its commercially reasonable efforts to protect and safeguard the secrecy and confidentiality of the Intellectual Property.
- (l) Except as set out in Schedule 5.2(21) of the Disclosure Letter, no royalty or other fee is required to be paid by the Vendor or the Purchased Entities to any other Person in respect of the use of any of the Intellectual Property and there are no restrictions on the ability of the Vendor, the Purchased Entities, or any successor to, or assignee from, the Vendor or the Purchased Entities,

as applicable, to use and exploit all rights in the Intellectual Property in accordance with the respective Contracts governing such Intellectual Property.

- (m) No Person has claimed that any current or former Employee, agent, consultant or third party contractors of the Vendor or the Purchased Entities that contributed to the development of the Intellectual Property owned by the Vendor or the Purchased Entities has, as a result of that contribution, violated the terms and conditions of any Contract with that Person or disclosed or used any trade secret of that Person.
- (n) To the knowledge of the Vendor, there has been no public disclosure, sale or offer for sale of any invention owned by the Vendor or the Purchased Entities and forming a part of the Intellectual Property, by the Vendor or the Purchased Entities (such as a non-confidential publication or presentation by an inventor, Employee, officer, or director) that may reasonably be expected to affect the Purchaser obtaining or sustaining valid patent rights to that invention.

(22) Information Technologies.

- (a) The Information Technologies are sufficient for the Business to be operated in the Ordinary Course, and adequately meet the data processing needs of the Business as presently conducted. The Vendor and each of the Purchased Entities has taken appropriate action by instruction, Contract or otherwise with the Employees or other Persons permitted access to system application programs and data files used in the Information Technologies to protect against unauthorized access, use, copying, modification, theft and destruction of those programs and files. The data processing and data storage facilities of the Vendor and each of the Purchased Entities are adequate and properly protected in all material respects. The Vendor and each of the Purchased Entities has arranged for back-up data processing services adequate to meet its data processing needs in the event the Information Technologies or any of their components is rendered temporarily or permanently inoperative as a result of a natural or other disaster or cyber security incident.
- (b) The Information Technologies are either owned by the Vendor or have been validly leased or were acquired under license. No source codes or algorithms of software which are owned by the Vendor or to which the Vendor has exclusive rights of use, were disclosed or otherwise made available to third parties.
- (c) For the Information Technologies which are owned by the Vendor or the Purchased Entities and which has been licenced by the Vendor or the Purchased Entities to third parties, such licences are in good standing, binding and enforceable in accordance with their respective terms and no material default exists thereunder on the part of the parties thereto.
- (d) Schedule 5.2(22) of the Disclosure Letter sets out a brief description of the Information Technologies and a true, accurate and complete list of all Contracts, including warranties, leases and licences, that comprise or relate to the Information Technologies. None of the Contracts related to Information Technologies may be terminated with notice by the respective other contracting party on the basis of the conclusion or performance of this Agreement. There are no facts or circumstances known to the Vendor that could serve as a basis for terminating one of such Contracts prior to the end of the foregoing period either for good cause or for some other reason.
- (e) The Information Technologies have the performance capability required in order to conduct the Business. Except for services for which valid and binding service agreements are in place, no support from third parties is necessary to enable the Information Technology to fulfil such requirements. In the last twenty-four (24) months prior to the Closing Date, there were neither

failures in the Information Technology nor data losses that had or have a Material Adverse Effect on the Business nor, to the knowledge of the Vendor, does the Information Technology have any defects which could have those types of effects. The Vendor has taken all measures considered customary in the industry in order to prevent unauthorized access to the Information Technology or the data of the Vendor or the Purchased Entities or to avoid any impairment of the Information Technology or data of the Vendor or the Purchased Entities due to computer viruses or similar programs. The Vendor and the Purchased Entities routinely produce a sufficient number of electronic backup copies of the software, data and databases that they use and store such electronic backup copies in the cloud and protect them from third party access.

- (f) Schedule 5.2(22) of the Disclosure Letter contains a description of all websites of (the “**Websites**”), including information on the IP addresses related thereto. The Vendor has all rights required to operate and maintain the Websites. The Websites are not linked to any third party websites containing unlawful or illicit content. All links to third party pages are lawful, and consents required for such links have been obtained.
- (g) The Information Technologies adequately meet the data processing needs of the Business as presently conducted and as currently contemplated to be conducted. The Vendor and each of the Purchased Entities has taken appropriate action by instruction, Contract or otherwise with the Employees or other Persons permitted access to system application programs and data files used in the Information Technologies to protect against unauthorized access, use, copying, modification, theft and destruction of those programs and files. The data processing and data storage facilities of the Vendor and each of the Purchased Entities are adequate and properly protected in all material respects, including with respect to outside cyber security threats. The Vendor and each of the Purchased Entities has arranged for back-up data processing services adequate to meet its data processing needs in the event the Information Technologies or any of their components is rendered temporarily or permanently inoperative as a result of a natural or other disaster.
- (h) Except as set out in Schedule 5.2(22) of the Disclosure Letter, to the Vendor’s knowledge, the Information Technologies have had no material errors or defects that have not been fully remedied and contain no code designed to disrupt, disable, harm, distort or otherwise impede in any manner the legitimate operation of such Information Technologies (including what are sometimes referred to as “viruses”, “worms”, “time bombs” or “back doors”) (collectively in this Section, the “**Disabling Code**”) that have not been removed or fully remedied. Neither the Vendor nor any of the Purchased Entities has experienced any material disruption to, or material interruption in, the conduct of its business that affected the business for more than one calendar week, and attributable to a defect, bug, breakdown, unauthorized access, introduction of a virus or other malicious programming, or other failure or deficiency on the part of any computer software or the Information Technologies.
- (i) All licensed software which comprises part of the Information Technologies, other than software which is provided over the internet, is in machine-readable form, contains current revisions of that software as delivered to the Vendor by the licensors thereof and includes all object codes and documentation which is used or required by the Vendor for use in its Information Technologies sufficient to permit a Person of reasonable skill and experience to operate and maintain that software. Except for what would be commonly known as “commercial software”, to the extent that software is licensed software, a copy of the source code for such software is in escrow for the benefit of the Vendor in the event of the occurrence of certain triggering events.
- (j) Except as set out in Schedule 5.2(22) of the Disclosure Letter, no software in the Information Technologies contains any open source code, free code, community source code or similar

software, including any libraries or software licensed under the General Public License, Lesser General Public License or any other license agreement or arrangement obliging a user of any part of software to make source or object code available to third parties (collectively in this Section, “**Open Source Code**”).

- (k) The Owned Software neither contains nor embodies nor uses nor requires any third party software, including development tools and utilities, and the Owned Software, together with the third party software used in the development of the Owned Software, contains all material necessary for the continued maintenance and development of the Owned Software.
 - (l) Except as set out in Schedule 5.2(22) of the Disclosure Letter, there are no known problems or defects in the Owned Software including bugs, logic errors or failures of the Owned Software to operate as described in the related documentation and the Owned Software operates in accordance with its documentation and specifications, except these are addressed using the industry standard continuous development framework set out in the Disclosure Letter. The Owned Software does not contain any undocumented Disabling Code.
- (23) Insurance. The Assets and the assets of the Purchased Entities are covered by fire, cyber security and other insurance with responsible insurers against such risks and in such amounts as are reasonable for prudent owners of comparable assets. Schedule 5.2(23) of the Disclosure Letter sets out true, accurate and complete particulars of all insurance policies maintained by the Vendor or either of the Purchased Entities on the Business, on the Assets, on the assets of the Purchased Entities and/or on the Employees, as applicable (the “**Insurance Policies**”), true, accurate and complete copies of each of which have been provided to the Purchaser. No other insurance is necessary to the conduct of the Business as presently conducted or is required to be maintained by the Vendor or either of the Purchased Entities pursuant to the terms of any Contract. Neither the Vendor nor either of the Purchased Entities are in default, whether as to the payment of premiums or with respect to any other provision contained in any Insurance Policy or has failed to give any notice or present any claim under any Insurance Policy in a due and timely manner. In the event the Transactions are not concluded, the Vendor has no reason to believe that any of the Insurance Policies would not be renewed by the insurer on the scheduled expiry of the policy or would be renewed by the insurer only on the basis that there will be a material increase in premiums payable in respect of the policy.
- (24) No Expropriation. None of the Assets or the assets of the Purchased Entities have been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced and, to the knowledge of the Vendor, there is not any intent or proposal to give any such notice or commence any such proceeding.
- (25) Material Contracts and Other Contracts. Except as set out in Schedule 5.2(25) of the Disclosure Letter and except as disclosed in any other Schedule to the Disclosure Letter, neither the Purchased Entities nor the Vendor (insofar as it relates exclusively to the Business or the Assets) is a party to or bound by:
- (a) any distributor, sales, advertising, agency or manufacturer’s representative or similar Contract;
 - (b) any continuing Contract for the purchase of materials, supplies, equipment or services which involves payment under that Contract;
 - (c) any employment or consulting Contract or any other written Contract with any officer, Employee or consultant (other than oral Contracts of indefinite hire terminable by the employer without cause on reasonable notice) or any Contract in relation to the Employee Plan;

- (d) any trust indenture, mortgage, hypothec, promissory note, debenture, loan agreement, guarantee or other Contract for the borrowing of money or a leasing transaction of the type required to be capitalized in accordance with IFRS;
- (e) any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to, the Liabilities, obligations, Indebtedness, or commitments (whether accrued, absolute, contingent or otherwise) of any other Person (except for cheques endorsed for collection);
- (f) any Contract for charitable contributions or gifts of any of the Assets or the assets of the Purchased Entities, other than donations in the Ordinary Course;
- (g) any Contract for capital expenditures;
- (h) any Contract for the sale of any of the Assets, the assets of the Purchased Entities or any part of the Business, other than sales of Inventories to customers in the Ordinary Course;
- (i) any confidentiality, secrecy or non-disclosure Contract relating to any proprietary or confidential information or any non-competition or similar Contract;
- (j) any Contract to which either of the Purchased Entities is a party or by which either of the Purchased Entities is bound or by which any of the Assets or the assets of the Purchased Entities is subject, made in the Ordinary Course and which involves or may reasonably involve the payment to or by the Vendor or either of the Purchased Entities in excess of \$100,000.00 over the term of the Contract (a “**Material Contract**”);
- (k) any Contract that expires, or may expire if it is not renewed or extended at the option of any Person other than Vendor or the Purchased Entities, more than one (1) year after the date of this Agreement; or
- (l) any Contract other than in the Ordinary Course.

True, accurate and complete copies of all Contracts set out in Schedule 5.2(25) of the Disclosure Letter, or where those Contracts are oral, true, accurate and complete summaries of their terms, have been provided to the Purchaser.

- (26) No Default Under Contracts. Each of the Purchased Entities and the Vendor has performed all of the obligations required to be performed by it in all material respects and is entitled to all benefits under, and is not in default or alleged to be in default in any material respect in respect of, any Contract relating to the Business, the Assets, the assets of the Purchased Entities or the Employee Plan (including the Contracts referred to in any Schedule to the Disclosure Letter), to which it is a party or by which it is bound or affected. All such Contracts are in good standing and in full force and effect, and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any such Contract. There is no dispute between the Vendor or either of the Purchased Entities (as applicable) and any other party under any such Contract. Except as disclosed in the Schedules to the Disclosure Letter, none of those Contracts contain terms under which the execution or performance of this Agreement would give any other contracting party the right to terminate or adversely change the terms of that Contract or would otherwise require the consent of any other Person. None of those Contracts have been assigned, or if applicable subleased, in whole or in part.
- (27) Permits. Schedule 5.2(27) of the Disclosure Letter sets out a true, accurate and complete list of Permits issued to or held by or for the benefit of the Purchased Entities or the Business, and there are no other Permits necessary to conduct the Business or to own, lease or operate any of the assets of the Business

(including the Assets). No such Permit contains any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect on the Business. Each such Permit is valid, subsisting and in good standing. Neither the Vendor or either of the Purchased Entities is in default or in breach of the terms of any such Permit and, to the knowledge of the Vendor, there exists no grounds, nor is any action or proceeding pending or, to the knowledge of the Vendor, threatened to revoke, suspend, amend or limit any such Permit. Except as disclosed in Schedule 5.2(27) of the Disclosure Letter, none of those Permits contain terms under which the execution and performance of this Agreement would give the issuer of that Permit the right to terminate or adversely change the terms of that Permit or would require the consent of any Person. True, accurate and complete copies of all Permits set out in Schedule 5.2(27) of the Disclosure Letter have been provided to the Purchaser.

(28) Regulatory and Third Party Approvals.

- (a) There is no requirement to make any filing with, give any notice to or obtain any Permit as a condition to the lawful completion of the Transactions contemplated by this Agreement or to permit the Purchased Entities or the Purchaser to conduct the Business after Closing as the Business is currently conducted, except for the filings, notifications and Permits described in Schedule 5.2(28)(a) of the Disclosure Letter or that relate solely to the identity of the Purchaser or the nature of any business carried on by the Purchaser.
- (b) There is no requirement under any Contract or Permit relating to the Business, the Assets, the assets of the Purchased Entities, the Permitted Encumbrances or the Purchased Entities to which any of the Vendor or the Purchased Entities is a party or by which the Business, the Assets, the assets of the Purchased Entities or either of the Purchased Entities is bound or affected for any Approvals from any party to that Contract or Permit or from any other Person relating to the completion of the Transactions except for the Approvals described in Schedule 5.2(28)(b) of the Disclosure Letter.

(29) Financial Statements.

The Financial Statements:

- (a) have been prepared in accordance with IFRS, applied on a basis consistent with that of the preceding periods;
- (b) are complete and accurate in all respects;
- (c) accurately disclose the assets, Liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Purchased Entities and the Assets and the results of the operations of the Business, as at the respective dates thereof and for the respective periods covered thereby;
- (d) reflect all proper accruals as at the dates thereof and for the respective periods covered thereby of all amounts which, though not payable until a time after the end of the relevant period, are attributable to activities undertaken during or prior to that period; and
- (e) contain or reflect adequate provision for all Liabilities and obligations of the Assets or the Purchased Entities of any nature, whether absolute, contingent or otherwise, matured or unmatured, as at the date thereof.

No information has become available to the Vendor that would render the Financial Statements incomplete or inaccurate.

- (30) Projections. All projections, including forecasts, budgets, pro formas and business plans provided to the Purchaser were prepared in good faith based on assumptions which were believed to be reasonable and are believed to be reasonable estimates of the prospects of the Business.
- (31) Books and Records. The Vendor has disclosed the existence of and made available for review by the Purchaser all Books and Records in its possession (which include all original share registers, share transfer ledgers, minute books and corporate seals (if any) of Ridgeline and Géotic). The system of internal accounting controls utilized by the Vendor is sufficient to provide reasonable assurances that transactions are executed in accordance with management's general or specific authorization and that transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets. The Books and Records:
- (a) accurately reflect the basis for the financial condition and the revenues, expenses and results of the operations of the Purchased Entities and the Vendor (insofar as it relates to the Assets and the Business) shown in the Financial Statements;
 - (b) together with all disclosures made in this Agreement or in the Disclosure Letter, present fairly the financial condition and the revenues, expenses and results of the operations of the Purchased Entities and the Vendor (insofar as it relates to the Assets and the Business) as of and to the date of this Agreement and Closing; and
 - (c) are not recorded, stored, maintained, operated or otherwise dependent on or held by any means (including any electronic, mechanical or photographic process, whether computerized or not), which are not or will not be available to the Purchaser in the Ordinary Course after Closing.

None of the Vendor or the Purchased Entities has in its possession or control any material documents or information relating to the Purchased Entities, the Business or the Assets (including with respect to Taxes) or the Employee Plan that are not in the possession of the Vendor or the Purchased Entities.

- (32) Corporate Records. The minute books of each of the Purchased Entities contain true, accurate and complete records of all of its Constatting Documents and of every meeting, resolution and corporate action taken by the shareholders, the board of directors and every committee of either of them. No meeting of shareholders, the board of directors or any committee of either of them has been held for which true, accurate and complete minutes have not been prepared and are not contained in those minute books. The share certificate book, register of shareholders, register of directors and officers, securities register and register of transfer of each of the Purchased Entities are true, accurate and complete.
- (33) Undisclosed Liabilities. Neither the Vendor (insofar as it relates exclusively to the Assets and the Business) nor the Purchased Entities has any Liabilities, obligations, Indebtedness or commitments, whether accrued, absolute, contingent or otherwise, or is a party to or bound by any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to the Liabilities, obligations, Indebtedness or commitments (whether accrued, absolute, contingent or otherwise) of any Person, that are not disclosed in the Financial Statements or disclosed in the Disclosure Letter or as expressly referenced in this Agreement, other than Liabilities, obligations, Indebtedness and commitments in respect of trade or business obligations incurred after the Last Accounting Date in the Ordinary Course, that do not exceed \$5,000 in the aggregate and that do not have a Material Adverse Effect.
- (34) Absence of Changes. Since the Last Accounting Date, the Vendor and each of the Purchased Entities has carried on the Business and conducted its operations and affairs only in the Ordinary Course and has not:
- (a) made or suffered any Material Adverse Change;

- (b) suffered any material damage, destruction or loss (whether or not covered by insurance) affecting the Assets or the assets of the Purchased Entities;
- (c) incurred any Liability, obligation, Indebtedness or commitment (whether accrued, absolute, contingent or otherwise, and whether due or to become due), other than unsecured current Liabilities, obligations, Indebtedness and commitments incurred in the Ordinary Course;
- (d) paid, discharged or satisfied any Encumbrance, Liability, obligation, Indebtedness or commitment of the Business (whether accrued, absolute, contingent or otherwise, and whether due or to become due) other than payment of Accounts Payable and Tax Liabilities incurred in the Ordinary Course;
- (e) declared, set aside or paid any dividend or made any other distribution with respect to any shares of the Purchased Entities or redeemed, repurchased or otherwise acquired, directly or indirectly, any such shares;
- (f) issued or sold or entered into any Contract for the issuance or sale of any shares in the capital of or securities convertible into or exercisable for shares in the capital of the Purchased Entities;
- (g) suffered any labour trouble or disruption, including any strike or lockout, work slowdown or stoppage, grievance or unfair labour practice, adversely affecting the Purchased Entities or the Business;
- (h) made or granted, or entered into any agreement to make or grant, any licence, sale, assignment, transfer, disposition, pledge, mortgage, hypothec or security interest or other Encumbrance of, on or over any of the Assets or the assets of the Purchased Entities, other than sales of Inventories to customers in the Ordinary Course;
- (i) made any write-down of the value of any Inventories or any write-off as uncollectible of any Accounts Receivable or any portion thereof;
- (j) cancelled any debts or claims or made any amendment, termination or waiver of any rights of value to the Purchased Entities, the Assets or the Business;
- (k) made any general increase in the compensation of Employees (including, any increase pursuant to the Employee Plan) or any increase in any compensation, benefits, termination or severance entitlements, allowances or bonus payable to any officer, Employee, dependent or independent contractor, consultant or agent of the Business or the Purchased Entities (having an annual salary or remuneration in excess of \$50,000 prior to any such increase) or executed any employment Contract with any officer or Employee (having an annual salary or remuneration in excess of \$50,000), or made any loan to, or engaged in any transaction with, any Employee, officer or director of the Business or the Purchased Entities or made any amendment to the Employee Plan or established or adopted any new employee benefit plan other than the Employee Plan or entered into any Contract in respect of the Employee Plan, in each case other than in the Ordinary Course;
- (l) made any capital expenditures or commitments of the Business, the Assets or the Purchased Entities in excess of \$100,000 in the aggregate;
- (m) made any forward purchase commitments in excess of the requirements of the Business for normal operating Inventories or at prices higher than the current market prices;

- (n) made any forward sales commitments other than in the Ordinary Course or any failure to satisfy any accepted order for goods or services;
- (o) made any change in the accounting, costing or tax practices followed by the Vendor or the Purchased Entities;
- (p) made any change adopted in its depreciation or amortization policies or rates;
- (q) made any change in the credit terms offered to customers of or by suppliers;
- (r) terminated, cancelled or modified or received any notice of a request for termination, cancellation or modification of any Material Contract; or
- (s) authorized or agreed to or otherwise committed to do any of the foregoing.

(35) Taxes

- (a) Each of the Purchased Entities has filed in the prescribed manner and within the prescribed times all Tax Returns required to be filed by it in all applicable jurisdictions before the Closing Date, and all Tax Returns that have been filed by, or with respect to each of the Purchased Entities are true, complete and correct, report all income and all other amounts and information required to be reported thereon and disclose all Taxes required to be paid for the periods covered thereby. Neither of the Purchased Entities has ever been required to file any Tax Returns with, or have ever been liable to pay or remit Taxes to, any Governmental Authority outside Canada. Each of the Purchased Entities has duly and timely paid all Taxes due and payable by it, including all instalments on account of Taxes that are due and payable before the Closing Date and other deductions required by Applicable Law to be withheld or deducted from amounts paid or credited by it to or for the account or benefit of all Employees, shareholders, independent contractors, officers or directors and any non-resident Person, whether or not assessed by the appropriate Governmental Authority, and has duly and timely paid all assessments and reassessments it has received in respect of all Taxes.
- (b) There are no outstanding Liabilities for Taxes payable, collective, or remittable by the Vendor, whether assessed or not, which may result in an Encumbrance on or other claim against or seizure of all or any part of the Transferred Interests or which would otherwise adversely affect the Business or would result in the Purchaser becoming liable for or responsible for those Liabilities. The Vendor has withheld and timely remitted, or shall duly and timely remit, to the appropriate Governmental Authority all Taxes and other deductions required by Applicable Law to be withheld or deducted from amounts paid or credited by it to or for the account or benefit of all Employees, shareholders, independent contractors, officers or directors and any non-resident Persons engaged as employees or contractors in connection with the Transferred Interests.
- (c) The Vendor has not made any election or designation for purposes of any Applicable Law relating to Taxes that would affect the Business or any of the Transferred Interests in any Post-Closing Period.
- (d) The Vendor has provided to the Purchaser true, complete and accurate copies of all Tax Returns filed by each of the Purchased Entities in respect of all completed taxation years and all working papers and all communications to or from all Governmental Authorities relating to such Tax Returns and to Taxes of each of the Purchased Entities for such taxation years, in each case as requested by the Purchaser. To the knowledge of the Vendor, Canadian federal and provincial income, capital, goods and services and harmonized sales, provincial retail sales and payroll

Tax assessments have been issued to each of the Purchased Entities for all taxation years or periods up to and including each of their taxation years ended December 31, 2021. To the knowledge of the Vendor, no notices of determination of loss from the CRA to either of the Purchased Entities have been requested by or issued to either of them, and neither of the Purchased Entities has requested, received or entered into any advance Tax rulings or advance pricing agreements from or with any Governmental Authority.

- (e) The Financial Statements contain adequate provision in accordance with IFRS for all Taxes payable by the Purchased Entities in respect of each period covered by such Financial Statements and all prior periods to the extent those Taxes have not been paid, whether or not assessed and whether or not shown to be due on any Tax Returns.
- (f) There are no audits, reassessments or other Proceedings in progress or, to the knowledge of the Vendor, threatened against the Purchased Entities, in respect of any Taxes and, in particular, there are no currently outstanding reassessments or written enquiries which have been issued or raised by any Governmental Authority relating to any such Taxes. The Vendor is not aware of any contingent Liability of either of the Purchased Entities for Taxes or any grounds that could prompt an assessment or reassessment for Taxes, and neither of the Purchased Entities has received any indication from any Governmental Authority that any assessment or reassessment is proposed.
- (g) Other than as set out in Schedule 5.2(35)(g) of the Disclosure Letter, no Governmental Authority has challenged or disputed a filing position taken by either of the Purchased Entities in any Tax Return. Neither of the Purchased Entities is negotiating any final or draft assessment or reassessment in respect of Taxes with any Governmental Authority.
- (h) Neither of the Purchased Entities has entered into any transactions with any non-resident of Canada (for the purposes of the Tax Act) with whom the Purchased Entities were not dealing at Arm's Length and neither of the Purchased Entities has acquired property from any Person in circumstances where either of the Purchased Entities did or could have become liable for any Taxes payable by that Person.
- (i) There are no agreements, waivers or other arrangements with any Governmental Authority extending the statutory period providing for an extension of time with respect to the issuance of any assessment or reassessment of Taxes, the filing of any Tax Return, or the payment of any Taxes by or in respect of either of the Purchased Entities. Neither of the Purchased Entities is party to any agreements or undertakings with respect to Taxes and neither of them has made any elections, designations or similar filings with respect to Taxes that have an effect for any period ending after the Closing Date.
- (j) Each of the Purchased Entities has deducted, withheld or collected and remitted in a timely manner to the relevant Governmental Authority all Taxes or other amounts required to be deducted, withheld or collected and remitted by it, other than as set forth in Section 2.7 hereof. Neither of the Purchased Entities has received any requirement from any Governmental Authority pursuant to Section 224 of the Tax Act (or any similar provision of provincial or other applicable Tax laws) which remains unsatisfied in any respect.
- (k) None of Sections 80 to 80.04, both inclusive, of the Tax Act (or any similar provision of provincial or other applicable Tax laws) have applied or will apply to either of the Purchased Entities at any time up to and including the Closing Date. Neither of the Purchased Entities has any unpaid amounts that may be required to be included in income under Section 78 of the Tax Act (or any similar provision of provincial or other applicable Tax laws) for a taxation year ending after the Closing Date. Neither of the Purchased Entities has made any payments and is

not obligated to make any payments that may not be deductible by virtue of Section 67 of the Tax Act (or any similar provision of provincial or other applicable Tax laws).

- (l) The Vendor and each of the Purchased Entities is a registrant for the purposes of the ETA and its registration numbers are as follows:

Entity	HST/GST Registration Number	QST Registration Number
Vendor	735859498RT0001	1224284116TQ0001
Géotic	144513462RT0001	1201464001TQ0001
Ridgeline	810465799RT0001	N/A

- (m) All input tax credits claimed by the Purchased Entities pursuant to the ETA and QST have been proper, correctly calculated and documented, and the Purchased Entities have collected, paid and remitted when due all Taxes, including GST/HST and QST, collectible, payable or remittable prior to the Closing Date, other than as set forth in Section 2.7.
- (n) On the basis of information available from the CRA as of the date hereof, all CEWS and CERS claimed by the Purchased Entities, if any, were claimed and received in accordance with the Tax Act. Each of the Purchased Entities has satisfied at all times the relevant criteria and conditions entitling it to claim and receive such CEWS and CERS, and proper documentation and records have been kept in the Books and Records with respect, inter alia, to the receipts and the use of such amounts. Neither of Purchased Entities has claimed any deductions, reserves, CEWS, CERS or other amounts in respect of a Pre-Closing Period that could subsequently be included in the Purchased Entity's income for a Post-Closing Period.
- (o) Each of the Purchased Entities keeps its Books and Records in compliance with the Tax Act and all other Applicable Law in respect of Taxes and each of the Purchased Entities has in its possession or under its control all Books and Records in respect of Taxes that are required to be maintained and preserved under all Applicable Laws.
- (p) The Ridgeline Subsidiary has never had any assets or income and has never been required to file any Tax Returns with, or has ever been liable to pay or remit Taxes to, any Governmental Authority, and will not be required to file, after Closing, any Tax Returns or pay or remit taxes to any Governmental Authority in respect of any Pre-Closing Period.
- (36) Litigation. There are no Proceedings pending or, to the knowledge of the Vendor, threatened against or affecting, the Purchased Entities, the Business or the Assets. To the knowledge of the Vendor, there is not any factual or legal basis on which any such Proceeding might be commenced with any reasonable likelihood of success.
- (37) Accounts and Attorneys. Schedule 5.2(37) of the Disclosure Letter is a true, accurate and complete list of the bank accounts and safety deposit boxes of the Purchased Entities and of Persons holding general or special powers of attorney from the Purchased Entities and sets out:
- (a) the name of each bank, trust company or similar institution in which the Purchased Entities has accounts or safety deposit boxes, the number or designation of each such account and safety deposit box and the names of all Persons authorized to draw thereon or to have access thereto; and

- (b) the name of each Person holding a general or special power of attorney from the Purchased Entities and a summary of the terms thereof.

True, accurate and complete copies of all general or special powers of attorney set out in Schedule 5.2(37) of the Disclosure Letter have been provided to the Purchaser.

- (38) Directors and Officers. Schedule 5.2(38) of the Disclosure Letter is a true, accurate and complete list of the names and titles of all the officers and directors of the Purchased Entities.

- (39) Non-Arm's Length Transactions. Neither of the Purchased Entities or the Vendor has made any payment or loan to, or borrowed any moneys from or is otherwise indebted to, any officer, director, Employee, shareholder or any other Person not dealing at Arm's Length with it, except as disclosed in the Financial Statements, except for usual employee reimbursements and compensation paid in the Ordinary Course and except for benefits paid in accordance with the Employee Plan. No officer or director of the Vendor or the Purchased Entities and no entity that is an Affiliate or Associate of one or more of those Persons:

- (a) owns, directly or indirectly, any interest in (except for shares representing less than one per cent of the outstanding shares of any class or series of any publicly traded company), or is an officer, director, employee or consultant of, any Person which is, or is engaged in business as, a competitor of the Business or a lessor, lessee, supplier, distributor, sales agent or customer of the Business;
- (b) owns, directly or indirectly, in whole or in part, any property used in the operation of the Business; or
- (c) has any cause of action or other claim whatsoever against, or owes any amount to the Vendor or the Purchased Entities in connection with the Business, except for any Liabilities reflected in the Financial Statements and claims in the Ordinary Course.

- (40) Environmental.

- (a) The Vendor, the Assets, the Business and the Purchased Entities have been and are in compliance with all Environmental Laws in all material respects.
- (b) No Environmental Permits are required for the operation of the Business as presently conducted.
- (c) Neither the Vendor or the Purchased Entities has permitted any of the assets used in connection with the Business or any property or facility that was at any time owned, occupied, operated, managed, used or controlled in connection with the Business for the disposal of Contaminants, and to the knowledge of the Vendor there has not been any such use.
- (d) Neither the Vendor or either of the Purchased Entities has ever received any notice of, or been prosecuted for an offence alleging non-compliance with any Environmental Laws, and none of the Vendor or either of the Purchased Entities has settled any allegation of non-compliance short of prosecution.
- (e) There are no orders or directions issued or pending under Environmental Laws relating to the Business or any of the Assets, nor has the Vendor or either of the Purchased Entities received notice of any such orders or directions.

- (f) Neither the Vendor or either of the Purchased Entities has received any notice that it is potentially responsible for any clean-up or corrective action at property which is owned or occupied by a third party or in respect of any natural resource or feature.
- (g) To the knowledge of the Vendor there are not any underground storage tanks located on the Leased Property.

(41) Employee Plan.

- (a) There are no deferred compensation, bonus, incentive or other compensation, share option or purchase, severance, termination pay, hospitalization or other medical benefit, life or other insurance, vision, dental, drug, health, welfare, sick leave, disability, salary continuation, vacation, supplemental unemployment benefits, profit sharing, mortgage assistance, employee loan, discount, assistance or counselling, pension or supplemental pension, retirement compensation, group registered retirement savings, deferred profit sharing, employee profit sharing, savings, retirement or supplemental retirement, or any other plan, program or arrangement, whether funded or unfunded, formal or informal, written or unwritten, including any policies with respect to holidays, sick leave, expense reimbursement, allowances and rights to company-provided automobiles, that is maintained, contributed to, or required to be maintained or contributed to, by the Vendor or the Purchased Entities, or to which the Vendor or the Purchased Entities are a party, or bound by, or under which the Vendor or the Purchased Entities have any Liability or contingent Liability, for the benefit of the Vendor or the Purchased Entities' current and former directors, officers, shareholders, consultants, independent contractors or employees and their respective beneficiaries or dependents, other than Statutory Plans, the Employee Plan and the stock option and restricted share unit plans of the Vendor adopted on August 16, 2022. All members of, and Persons eligible to join, the Employee Plan are located in each of the Provinces of Canada. The Vendor is the only named employer of the Employee Plan.
- (b) The Employee Plan is not and is not intended to be a registered pension plan or a multi-employer pension plan as such terms or similar terms are defined under Applicable Law, nor is it subject to any pension standards legislation. The Employee Plan does not provide for and has never provided for, does not contain and has never contained, and does not include assets transferred from or in respect of, a "defined benefit provision" as that term is defined in Section 147.1(1) of the Tax Act.
- (c) A true, accurate and complete copy of the Employee Plan has been provided to the Purchaser together with true, accurate and complete copies of all documents relating to the Employee Plan, including, as applicable:
 - (i) all documents establishing, creating or amending the Employee Plan, including all prior versions of those documents and amendments thereto;
 - (ii) all Contracts, including all insurance contracts, investment management agreements, subscription agreements, participation agreements, trust agreements and funding agreements (including all prior versions of those documents and amendments thereto);
 - (iii) all statements of investment policies and procedures;
 - (iv) all financial statements, accounting statements and reports, annual returns and investment reports for all years since incorporation, the three most recent actuarial reports and cost certificates filed with the applicable pension regulator (the "**Pension**

Regulator”) and the three most recent actuarial reports and cost certificates prepared but not filed with the Pension Regulator;

- (v) all reports, returns, filings (including Tax Returns and filings) and material correspondence with any Governmental Authority, including all Approvals of the Pension Regulator relating to contribution or premium holidays, withdrawal of surplus, transfer of plan assets, plan mergers and demergers and plan conversions in the last three years;
 - (vi) all booklets, summaries, notices or manuals prepared for or circulated to the Employees and plan beneficiaries generally concerning the Employee Plan;
 - (vii) premium statements for each of the last three years, including the current premium statement indicating the current premiums payable and renewal rate projections;
 - (viii) enrolment projections;
 - (ix) confirmation of registration with the CRA and Pension Regulator (where applicable); and
 - (x) all data and Books and Records relating to the Employee Plan.
- (d) The Employee Plan is, and has been, established, registered, insured, administered and invested in compliance with:
- (i) the terms thereof;
 - (ii) all Applicable Laws;
 - (iii) the administrative practices of the Pension Regulator and the CRA, as applicable;

and neither the Vendor or the Purchased Entities has received, in the last three years, any notice from any Person questioning or challenging that compliance, and none of the Vendor or the Purchased Entities have any knowledge of any such notice from any Person prior to the last three years.

- (e) The current terms of the Employee Plan are valid and, if applicable, are created by valid amendments made in accordance with the terms of the Employee Plan and all Applicable Laws.
- (f) None of the Vendor, the Purchased Entities or any of their respective agents, delegates or Persons involved in the administration of the Employee Plan is in breach of its fiduciary duty with respect to the Employee Plan.
- (g) All obligations of the Vendor and the Purchased Entities due prior to Closing under or in respect of the Employee Plan and the Statutory Plans (whether pursuant to the terms thereof or any Applicable Law) have been satisfied, and there are no outstanding defaults or violations thereunder by the Vendor or the Purchased Entities. None of the Vendor and the Purchased Entities have any knowledge of any default or violation by any other Person in respect of the Employee Plan. Without limiting the generality of the foregoing, all employer and employee payments, contributions, premiums and other payments required to be remitted, deducted or paid to or in respect of the Employee Plan and the Statutory Plans have been remitted, deducted or paid, in a timely manner to or in respect of the Employee Plan and the Statutory Plans in

accordance with the terms thereof and all Applicable Laws, and no Taxes, non-Tax related interest, penalties or fees are owing or exigible under the Employee Plan.

- (h) There are no improvements, increases or changes promised to the benefits provided under the Employee Plan nor is there any pattern of ad hoc benefit increases and the Employee Plan does not provide for benefit increases or the acceleration of funding obligations or vesting that are contingent on, or will be triggered by, the entering into of this Agreement or the completion of the Transactions. The entering into of this Agreement or completion of the Transactions will not result in any payment (including bonus, golden parachute, retirement or other enhanced benefit) becoming payable under the Employee Plan, but will result in the termination of the Employee Plan.
- (i) There is no Proceeding by any applicable Governmental Authority, including the Pension Regulator and the CRA, or by any Person (other than routine claims for payment of benefits) pending or, to the knowledge of the Vendor, threatened in respect of the Employee Plan and, to the knowledge of the Vendor, no facts exist which could reasonably be expected to give rise to any such Proceeding (other than routine claims for payment of benefits).
- (j) The Employee Plan is not registered under Applicable Law.
- (k) No material changes have occurred in respect of the Employee Plan since its establishment, nor have there been any events occurring to the knowledge of the Vendor which could reasonably be expected to adversely affect the status of the Employee Plan other than the Transactions which will result in the termination of the Employee Plan. The Employee Plan is not subject to any retroactive adjustment of premiums, contributions or payments.
- (l) The Employee Plan may be amended, terminated or wound-up by the Vendor or the Purchased Entities at any time without incurring any Liabilities, costs, expenses or any other obligations, except ordinary administrative costs or expenses relating to that amendment, termination or wind-up.
- (m) Neither the Employee Plans nor the Vendor or the Purchased Entities, provides or has promised to provide benefits beyond retirement or other termination of service to current and former directors, officers, shareholders, consultants, dependent or independent contractors or employees and their respective beneficiaries or dependents.
- (n) All material employee data necessary to administer the Employee Plan is, and will on Closing continue to be, in the possession of the Vendor or the Purchased Entities and is complete, correct, accurate and in a form which is sufficient for the proper administration of the Employee Plan, provided that the Parties agree and acknowledge that the Employee Plan will be terminated at Closing.
- (o) To the extent that the Employee Plan purports to qualify as a particular type of plan under the Tax Act or has or purports to have Tax-favoured treatment, it meets all requirements in effect under the Tax Act for such qualification or treatment and has complied with the provisions of the Tax Act and the administrative practices of the CRA applicable to that type of plan or treatment. No event has occurred respecting the Employee Plan which could reasonably be expected to adversely affect the Tax-favoured status of the Employee Plan or its qualification as a particular type of plan under the Tax Act.

(42) Labour Matters.

- (a) Neither the Vendor nor either of the Purchased Entities have entered into, nor are any of them party to or otherwise bound by, either directly or by operation of law, any collective bargaining agreement, letters of understanding, letters of intent or other written communication or Contract with any trade union or association or organization that may qualify as a trade union or association, contingent or otherwise, which would cover any Employee or dependent or independent contractor of the Vendor or the Purchased Entities.
- (b) The Employees or dependent or independent contractors of the Vendor and the Purchased Entities are not subject to any collective bargaining agreements or letters of understanding, letters of intent or other written communication or Contract with any trade union or association or organization that may qualify as a trade union or association, contingent or otherwise, and are not, in their capacities as Employees or dependent or independent contractors, represented by any trade union or association or organization that may qualify as a trade union or association. No Person holds any bargaining rights by way of certification, voluntary recognition or successor rights with respect to negotiating terms and conditions of employment.
- (c) There are no controversies, labour disturbances, investigations or Proceedings pending or, to the knowledge of the Vendor, threatened, by any Governmental Authority or between the Vendor or the Purchased Entities and any Employee or one or more parties representing any of those Employees before any Governmental Authority. The Vendor and the Purchased Entities are not liable for any damages, arrears of wages, penalties or Taxes for failure to comply with any of the foregoing.
- (d) To the knowledge of the Vendor, there are no organizational efforts currently being made, threatened by or on behalf of, any trade union or association or organization that may qualify as a trade union or association with respect to the Employees or dependent or independent contractors. The Vendor and the Purchased Entities have not experienced a work stoppage, strike, lock out or other labour disturbance since incorporation and there is no work stoppage, strike, lock-out or other labour disturbance currently occurring or threatened.
- (e) The Vendor and the Purchased Entities are and have been in material compliance with their respective duties and obligations under all Employment Legislation, and the Vendor and the Purchased Entities are not subject to or liable for any arrears, penalties, fines, orders to pay, assessments, liens, charges, damages, Taxes or other amounts due or owing for failure to comply with Employment Legislation.
- (f) There are no outstanding decisions, orders, charges, tickets, notices, settlements or pending settlements under applicable Employment Legislation that place any obligation on the Vendor or the Purchased Entities to do or refrain from doing any act. All costs, charges, experience rating assessments or other assessments or other Liabilities, contingent or otherwise, under workers' compensation legislation or other legislation relating to industrial accidents and/or occupational diseases claims applicable to the Vendor and the Purchased Entities have been paid or accrued and there has not been any special or penalty charge or assessment under those legislation against the Vendor and the Purchased Entities that has not been paid.

(43) Employees and Others.

- (a) Schedule 5.2(43) of the Disclosure Letter contains, as at the date hereof, a true, accurate and complete list of the names of all individuals who are Employees or sales or other agents or representatives or dependent or independent contractors of the Vendor and the Purchased Entities specifying the location of work, length of service, age, title, rate of pay, commission

structure, referral fees, incentives, overtime accrual, termination terms and entitlements, bonus entitlement, allowances, vacation entitlement and accrual for each such Employee, agent, representative or independent contractor, and whether or not such Employee, agent, representative or independent contractor is absent for any reason such as lay off, leave of absence or workers' compensation and the anticipated return to work date.

- (b) No notice has been received by the Vendor or the Purchased Entities of any complaint or Claim filed by any of the Employees or independent contractors against the Vendor or the Purchased Entities instituting a Proceeding or claiming that the Vendor or the Purchased Entities has violated any Employment Legislation (or any applicable employee or human rights or similar legislation in the other jurisdictions in which the Business is conducted or the Vendor or the Purchased Entities operates) or of any complaints, Claims or Proceedings of any kind involving the Vendor or the Purchased Entities or, to the knowledge of the Vendor, any of the Employees before any Governmental Authority. There are no outstanding orders or charges against the Vendor or the Purchased Entities under the *Workers Compensation Act* (British Columbia), the *Occupational Health and Safety Act* (Ontario) or the *Act Respecting Occupational Health and Safety* (Québec) (or any applicable health and safety legislation in the other jurisdictions in which the Business is conducted). All levies, assessments and penalties made against the Vendor or the Purchased Entities pursuant to the *Workers Compensation Act* (British Columbia), the *Occupational Health and Safety Act* (Ontario) or the *Act Respecting Occupational Health and Safety* (Québec) and any applicable workers' compensation legislation in the other jurisdictions in which the Business is conducted have been paid by the Vendor or the Purchased Entities and the Vendor or the Purchased Entities have not been reassessed under any such legislation since incorporation. The Vendor or the Purchased Entities' current personnel are sufficient to operate the Business as currently operated.
 - (c) There are no Change of Control Payments triggered as a result of the Transactions.
- (44) Employee Accruals. All accruals for unpaid vacation pay, time off in lieu of overtime pay or general holiday pay, accrued wages, bonuses, incentives, commissions, pension plan contributions, government sponsored pension, medical insurance, parental insurance, employment insurance, workers' compensation and other similar government plans, and payments pursuant to the Employee Plan have been accurately and properly reflected in the Vendor's or the Purchased Entities' Books and Records.
 - (45) Customers and Suppliers. Neither the Purchased Entities nor the Vendor has received notice of, and to the knowledge of the Vendor there is not, any intention on the part of any such customer or any such supplier to cease doing business with either the Purchased Entities or the Vendor or to modify or change in any material manner any existing arrangement with Purchased Entities or the Vendor for the purchase or supply of any products or services. The relationships of the Business with each of its principal suppliers and customers are satisfactory, and there are no unresolved disputes with any such supplier or customer. No Contract with any supplier or customer contains terms under which the execution or performance of this Agreement would give the supplier or customer the right to terminate or adversely change the terms of that Contract. There has been no termination or cancellation of, and no modification or change in, the Vendor or either of the Purchased Entities' business relationship with any major customer or group of major customers. The Vendor and the Purchased Entities have no reason to believe that the benefits of any relationship with any of the major customers or suppliers of the Business will not continue after the Closing Date in substantially the same manner as prior to the date of the Agreement.
 - (46) Inter-Company Services. There are no material inter-company services provided to the Business by any Affiliate of any of the Vendor or the Purchased Entities, other than those provided in accordance with the terms of a Contract disclosed in Schedule 5.2(25) of the Disclosure Letter or as give rise to the

Related Party Liabilities, or the general oversight provided by the directors and officers of the Vendor (as the sole shareholder of each of the Purchased Entities).

- (47) Product Warranties. There are no contractual product warranties relating to the sale or lease of any of the products or services of the Business. Except as required by Applicable Law, no product manufactured, sold, leased or delivered by, or service rendered by or on behalf of, the Business is subject to any guarantee, warranty, or other indemnity, express or implied, beyond the listed standard terms and conditions.
- (48) Ethical Practices. To the knowledge of the Vendor, no Representative of any of the Vendor or of the Purchased Entities, has directly or indirectly:
- (a) made or received any contribution, gift, bribe, rebate, payoff, influence payment, kickback, or other payment to or from any Person, private or public, regardless of form, whether in money, property or services (i) to obtain favourable treatment in securing business, (ii) to pay for favourable treatment in business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of the Business, or (iv) in violation of any Applicable Law;
 - (b) taken any action, directly or indirectly, that has resulted in a violation by such Persons of the CFPOA, or any other Applicable Law addressing anti-corruption, anti-money laundering or sanctions matters, whether within Canada, the United States or elsewhere with respect to the Business; or
 - (c) established or maintained any fund or asset that has not been recorded in the Books and Records.

In addition there are no ongoing, pending, or to the knowledge of the Vendor, threatened inquiries, investigations or other proceedings by any Governmental Authority in respect of the Purchased Entities (or any predecessor), the Assets or the Business, and neither the Vendor or either of the Purchased Entities conducted or initiated an internal investigation, made a voluntary or other disclosure to a Governmental Authority, or received any notice or citation, related to alleged violations of anti-corruption, anti-money laundering, or sanctions law.

- (49) Personal Information and CASL Compliance.
- (a) All Personal Information is stored through Microsoft SharePoint, Microsoft OneDrive, Zoho and Filebank software.
 - (b) The Vendor and each of the Purchased Entities is in compliance with all Privacy Requirements in all material respects relating to the collection, use, security, retention and disclosure of Personal Information, and each of the Purchased Entities have been in such compliance in all material respects since their respective dates of acquisition by the Vendor.
 - (c) The Vendor and each of the Purchased Entities has obtained all required consents to its collection, use, retention and disclosure of the Personal Information from individuals to whom such Personal Information relates or, where such consents are obtained from a third party, the Vendor and the Purchased Entities have each verified that the third party has the consent of the individual to whom the information relates to disclose the Personal Information to the Vendor or the Purchased Entities (as applicable).
 - (d) The collection, use, retention and disclosure of Personal Information by the Vendor and each of the Purchased Entities is within the scope of the consent provided by the individual to whom

the Personal Information relates, and has been in such compliance in all material respects since the respective dates of acquisition of the Purchased Entities by the Vendor.

- (e) To the best of the Vendor's knowledge, the Personal Information is accurate and complete, and the Vendor and each of the Purchased Entities, as applicable, has corrected all inaccurate Personal Information of which it has been notified by the individual to whom the Personal Information relates upon proof of such inaccuracy.
- (f) The Vendor represents and warrants as follows:
 - (i) neither the Vendor or the Purchased Entities has received any communication from any regulator with respect to issues involving the collection, use, disclosure, retention or destruction of Personal Information by the Vendor or the Purchased Entities, including any claims of unauthorized access or disclosure of such Personal Information;
 - (ii) no complaint against the Vendor or the Purchased Entities alleging non-compliance with any Privacy Requirement has been found by any Governmental Authority to be well-founded, and no order or judgment has been made against the Vendor or either of the Purchased Entities by any Governmental Authority based on any finding of non-compliance with any such Privacy Requirements;
 - (iii) no unresolved complaint or other proceeding against the Vendor or the Purchased Entities relating to any such alleged non-compliance is now pending by or before any Governmental Authority; and
 - (iv) to the Vendor's knowledge, no event has occurred that could give rise to any such complaint or proceeding against the Vendor, or the Purchased Entities related to the Business.
- (g) The Personal Information has not been subject to any loss or unauthorized disclosure or access while under the control of the Vendor or the Purchased Entities, or any service provider or other third party acting on behalf of the Vendor or the Purchased Entities.
- (h) All service providers to the Vendor and the Purchased Entities who have been provided Personal Information have executed agreements pursuant to which they agree to use and disclose such Personal Information only to provide services to the Vendor or the Purchased Entities, as applicable, to limit access to the Personal Information to employees and contractors who have a need to access such Personal Information in order to provide such services and who are bound by a duty of confidentiality, the policies of the Vendor or the Purchased Entities, as applicable, and Privacy Requirements, to notify the Vendor or the Purchased Entities, as applicable, in the event of any unauthorized disclosure or access to such Personal Information and cooperate with any investigations or response to such unauthorized disclosure.
- (i) The completion of the Transaction will not result in a breach or violation of any Privacy Requirements by the Vendor or the Purchased Entities.
- (j) There are no consents or Approvals required in order for the Business to continue to use and disclose the Personal Information following the completion of the Transaction in a manner consistent with the use and disclosure of the Personal Information immediately prior to the completion of the Transaction.

- (k) The Vendor and each of the Purchased Entities employs commercially reasonable organizational, administrative, physical and technical safeguards that comply in all material respects with all Privacy Requirements to protect the Personal Information within its custody.
- (l) To the knowledge of the Vendor and the Purchased Entities, neither the Vendor nor any of the Purchased Entities has suffered a security breach with respect to any of the Data and to the Vendor's knowledge, there has been no unauthorized or illegal use of or access to any Data. Neither the Vendor nor any of the Purchased Entities, have been required to notify, any person of any information security breach involving Personal Information.
- (m) Each of the Vendor and the Purchased Entities is in compliance with all CASL Requirements in all material respects relating to the sending of commercial electronic messages and software installations, and each of the Purchased Entities have been in such compliance in all material respects since their respective dates of acquisition by the Vendor.
- (n) Each of the Vendor and the Purchased Entities has obtained all required consents to send commercial electronic messages or initiate software installations and has kept record of such consents, and any withdrawal of such consent has been recorded and acted on within the time frames set forth in CASL.
- (o) The Vendor represents and warrants as follows:
 - (i) neither the Vendor or the Purchased Entities has received any communication from any regulator with respect to issues involving commercial electronic messages or software installation;
 - (ii) no complaint against either the Vendor or the Purchased Entities alleging non-compliance with any CASL Requirement has been found by any Governmental Authority to be well founded, and no order or judgment has been made against the Vendor or the Purchased Entities by any Governmental Authority based on any finding of non-compliance with any such CASL Requirements;
 - (iii) no unresolved complaint or other proceeding against the Vendor or the Purchased Entities relating to any such alleged non-compliance is now pending by or before any Governmental Authority; and
 - (iv) to the Vendor's knowledge, no event has occurred that could give rise to any such complaint or proceeding against the Vendor or the Purchased Entities.
- (50) No Predecessors. No corporation has been merged with either of the Purchased Entities, by amalgamation, dissolution, arrangement or otherwise, in such a manner that either of the Purchased Entities is or may become liable for any Liabilities (contingent or otherwise) of any kind whatsoever of that corporation.
- (51) No Finder's Fees. Neither the Vendor nor the Purchased Entities has taken nor will they take any action that would cause the Purchaser to become liable to any claim for a brokerage commission, finder's fee or other similar arrangement.
- (52) Private Issuer. Each of the Purchased Entities is a private issuer within the meaning of National Instrument 45-106 – Prospectus Exemptions.
- (53) Full Disclosure. Neither this Agreement nor any other Contract, agreement, instrument, certificate or other document required to be delivered by or otherwise to be delivered pursuant to this Agreement by

the Vendor and the Purchased Entities or by any of them nor any certificate, report, statement or other document furnished by the Vendor and either of the Purchased Entities or by any of them in connection with the negotiation of this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading. There has been no event, transaction or information that has come to the attention of any of the Vendor or the Purchased Entities that has not been disclosed to the Purchaser in writing that could reasonably be expected to have a Material Adverse Effect.

5.3 Representations and Warranties of the Purchaser and ALS. The Purchaser and ALS jointly and severally represent and warrant to the Vendor as of the date hereof and as of the Effective Time as follows and acknowledge that the Vendor is relying on these representations and warranties in connection with the sale by the Vendor of the Transferred Interests: Purchaser Organization and Corporate Power. The Purchaser is a corporation duly incorporated and organized, and is validly subsisting, under the laws of the Province of British Columbia and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction. The Purchaser has all necessary corporate power and authority to acquire the Transferred Interests, to enter into this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by the Purchaser and to perform its obligations hereunder and thereunder.

- (2) ALS Organization and Corporate Power. ALS is a corporation duly incorporated and organized, and is validly subsisting, under the federal laws of Canada and is up-to-date in the filing of all corporate and similar returns under the laws of that jurisdiction. ALS has all necessary corporate power and authority to enter into this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by ALS and to perform its obligations hereunder and thereunder.
- (3) Authorization. All necessary corporate action has been taken by or on the part of each of ALS and the Purchaser to authorize its respective execution and delivery of this Agreement and the Contracts, agreements and instruments required by this Agreement to be delivered by it and the performance of its respective obligations hereunder and thereunder.
- (4) Enforceability. This Agreement has been duly executed and delivered by each of ALS and the Purchaser and (assuming due execution and delivery by the other Parties) is a legal, valid and binding obligation of each of ALS and the Purchaser enforceable against each of them in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction. Each of the Contracts, agreements and instruments required by this Agreement to be delivered by ALS and the Purchaser will at the Closing have been duly executed and delivered by them and (assuming due execution and delivery by the other parties thereto) will be enforceable against them in accordance with its terms, except as that enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
- (5) Bankruptcy. Neither ALS nor the Purchaser is an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) nor have either of them made an assignment in favour of their creditors or a proposal in bankruptcy to their creditors or any class thereof, and no petition for a receiving order has been presented in respect of either of them. Neither ALS nor the Purchaser has initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of ALS or the Purchaser or any of their respective undertakings, property or assets and no execution or distress has been levied on any of their respective undertakings, property or assets, nor have any proceedings been commenced in connection with any of the foregoing.

- (6) Consents and Approvals. There is no requirement for the Purchaser or ALS to make any filing with or give any notice to any Governmental Authority or to obtain any Permit, as a condition to the lawful completion of the Transactions.
- (7) Absence of Conflict. The execution, delivery and performance by ALS and the Purchaser of this Agreement and the completion of the Transactions will not, (whether after the passage of time or notice or both), result in:
- (a) the breach or violation of any of the provisions of, or constitute a default under, or conflict with or cause the acceleration of any of its obligations, under:
 - (i) any provision of its Constatng Documents or resolutions of their respective board of directors (or any committee thereof) or shareholders;
 - (ii) any judgment, decree, order or award of any Governmental Authority having jurisdiction over either ALS or the Purchaser;
 - (iii) any Approval issued to, held by or for the benefit of, ALS or the Purchaser;
 - (iv) any Applicable Law; or
 - (b) the requirement for any Approval from any creditor of ALS or the Purchaser.
- (8) No Finder's Fees. Neither ALS nor the Purchaser has taken, and will not take, any action that would cause the Vendor to become liable to any claim for a brokerage commission, finder's fee or other similar arrangement.

5.4 Survival of Representations, Warranties and Covenants of the Vendor. The representations and warranties of the Vendor and, to the extent that they have not been fully performed or waived at or prior to the Effective Time, the covenants and other obligations of the Vendor, in each case contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement survive Closing and continue for the benefit of the Purchaser notwithstanding the Closing, any investigation made by or on behalf of the Purchaser or any knowledge of the Purchaser, provided that:

- (a) the representations and warranties set out in Sections 5.1(1), 5.1(2), 5.1(3), 5.1(4), 5.1(5), 5.2(1) (insofar as it relates to the due incorporation and organization and valid existence of the Purchased Entities and the Ridgeline Subsidiary), 5.2(2), 5.2(3), 5.2(7), 5.2(8), 5.2(9), 5.2(15) (insofar as it relates to title to and Encumbrances relating to the Assets or the assets of the Purchased Entities) and 5.2(41) (insofar as it relates to non-Tax matters) (and the corresponding representations and warranties set out in the certificates to be delivered pursuant to Section 4.1 (the "**Closing Certificates**")) survive and continue in full force and effect without limitation of time;
- (b) the representations and warranties set out in Sections 5.2(35) and 5.2(41) (insofar as Section 5.2(41) relates to Tax matters) (and the corresponding representations and warranties set out in the Closing Certificates) survive Closing and continue in full force and effect until, but not beyond, the one hundred eightieth (180th) day following the expiration of the period, if any, during which an assessment, reassessment or other form of recognized document assessing Liability for Taxes under applicable Tax legislation in respect of any taxation year to which those representations and warranties extend could be issued under that Tax legislation to the Vendor or the Purchased Entities, provided the Vendor or the Purchased Entities did not file any waiver or other document extending that period; and

- (c) the remainder of the representations and warranties set out in Sections 5.1 and 5.2 (and the corresponding representations and warranties set out in the Closing Certificates) survive Closing and continue in full force and effect until, but not beyond, the eighteen (18) month anniversary of the Closing Date; and
- (d) notwithstanding Sections 5.4(a) through 5.4(c), a claim for any breach by the Vendor of any of the representations, warranties and covenants contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud, fraudulent misrepresentation, intentional misrepresentation or deliberate or wilful breach may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

5.5 Survival of the Representations, Warranties and Covenants of the Purchaser and ALS. The representations and warranties of the Purchaser and ALS and, to the extent that they have not been fully performed or waived at or prior to Closing, the covenants and other obligations of the Purchaser and ALS, contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement survive Closing and continue for the benefit of the Vendor notwithstanding the Closing, any investigation made by or on behalf of any of the Vendor or any knowledge of any of them, provided that:

- (a) the representations and warranties set out in Section 5.3 (and the corresponding representations and warranties set out in the certificates to be delivered pursuant to Section 4.2) survive Closing and continue in full force and effect, but not beyond, the eighteen (18) month anniversary of the Closing Date; and
- (b) notwithstanding Section 5.5(a), a claim for any breach by ALS or the Purchaser of any of its representations, warranties and covenants contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud, fraudulent misrepresentation, intentional misrepresentation or deliberate or wilful breach may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

5.6 Termination of Liability

- (1) No Party or other Person is entitled to indemnification pursuant to this Agreement unless the Party or other Person has given written notice of its Claim for indemnification pursuant to Section 7.4 or Article 8, as the case may be, prior to the expiry of the relevant survival period prescribed by Sections 5.4 and 5.5 and in that event, only on and subject to the terms and conditions of and to the extent provided for in Section 7.4 and Article 8, as applicable.
- (2) This Agreement constitutes an “agreement” under the *Limitations Act* (Ontario) and to the extent that the provisions of this Agreement are found to be an agreement to vary or exclude, or suspend or extend, a limitation period prescribed under such legislation, that limitation period will be deemed to be varied or excluded, or suspended or extended, as the case may be, to the extent necessary to give full force and effect to the provisions of this Agreement.

ARTICLE 6 COVENANTS

6.1 Exclusive Dealings. During the Interim Period, the Vendor shall not, and shall cause Ridgeline and Géotic not to, take any action, directly or indirectly, to encourage, initiate or engage in discussions or negotiations with, or provide any information to, or enter into any agreement or arrangement or understanding with, any Person, other than the Purchaser and its designated and authorized Representatives, concerning any sale, transfer

or assignment of the Transferred Interests, or any portion of the Business or the Assets. The Vendor shall notify the Purchaser promptly if any such discussions or negotiations are sought or if any proposal for a sale, transfer or assignment of the Transferred Interests, any portion of the Business or the Assets is received or being considered.

6.2 Transfer of Documentation

- (1) On the Closing Date, the Vendor shall deliver, and shall cause to be delivered, to the Purchaser or make available to it at Ridgeline or Géotic's premises the Books and Records in its possession and all documents (except, in the case of those required by Applicable Law to be retained by the Vendor, copies thereof) and other data, technical or otherwise, which are owned by the Vendor at the Closing Date, relating to Ridgeline, Géotic, the Business or the Assets. The Purchaser shall preserve all those documents delivered to it in accordance with the Purchaser's document retention procedures, or for such longer period as is required by Applicable Law. The Purchaser shall permit the Vendor or their authorized Representatives reasonable access to those documents while they are in the Purchaser's possession or control solely to the extent that access is required by the Vendor to perform their obligations under this Agreement or under Applicable Law (including with respect to the audit of the financial statements of the Vendor for the fiscal year ended December 31, 2022), but the Purchaser shall not be responsible or liable to any of the Vendor for, or as a result of, any loss or destruction of or damage to any such documents and other data unless that destruction, loss or damage is caused by the Purchaser's negligence or wilful misconduct. The Vendor shall be responsible for all reasonable out-of-pocket costs and expenses incurred, directly or indirectly, by the Purchaser in connection with any access contemplated by this Section 6.2(1).
- (2) Notwithstanding Section 6.2(1), the Vendor shall be entitled to retain copies of any documents or other data delivered to the Purchaser pursuant to Section 6.2(1) provided that those documents or data are reasonably required and only used or relied on by the Vendor to perform their obligations under this Agreement or under Applicable Law (including with respect to the audit of the financial statements of the Vendor for the fiscal year ended December 31, 2022). The Vendor shall retain any documents or data which relate to the Business and which are retained by the Vendor pursuant to this Section 6.2(2) in strict confidence and shall not use or otherwise disclose the data or information contained therein except as permitted by Section 10.1(3).
- (3) The Vendor hereby agrees that it shall, upon request of the Purchaser, make available to the Purchaser all books, records, files and papers of the Vendor that relate to, but are not necessarily exclusively related to, the Assets, the Business and/or the Assumed Liabilities. The Purchaser hereby agrees that it shall, upon request of the Vendor, make available to the Vendor following Closing all books, records, files and papers of the Purchaser that relate to, but are not necessarily exclusively related to, the Assets, the Business and/or the Assumed Liabilities, in order to assist the Vendor with any post-Closing filings and for other accounting and record-keeping purposes.

6.3 Investigation

- (1) During the Interim Period, the Vendor shall, and shall cause Ridgeline and Géotic and their respective Representatives to, permit the Purchaser and its authorized Representatives to make such investigations, inspections, surveys or tests of Ridgeline, Géotic, the Business and the Assets, and of their respective financial, legal and physical condition as the Purchaser deems necessary or desirable to familiarize itself with Ridgeline, Géotic, the Business, Assets and other matters. Without limiting the generality of the foregoing, the Vendor shall, and shall cause the Purchased Entities and their respective Representatives to, provide the Purchaser with free and unrestricted access during normal business hours to: (a) all documents relating to information scheduled or required to be disclosed under this Agreement, (b) the Books and Records in its possession (which include all original share registers, share transfer ledgers, minute books and corporate seals (if any) of Ridgeline and Géotic); (c) the Information Technologies,

including permitting any testing as may be agreed upon by the Vendor and Purchaser, each acting reasonably, to be conducted on the Information Technologies, (d) the Contracts, (e) the Leased Property, (f) the Employees, (g) records regarding suppliers, customers and regulators, (h) environmental reports, surveys, “as built” plans, drawings for buildings on the Leased Property, inspection reports, internal audits, manifests, incident reports and any and all correspondence with Governmental Authorities or third parties in respect of environmental matters pertaining to Ridgeline, Géotic, the Business and the Assets, and (i) all other reports prepared by advisors of the Vendor and its Affiliates in connection with Ridgeline, Géotic, the Business and the Assets, and the Vendor shall cause Ridgeline and Géotic and their respective Representatives to provide photocopies to the Purchaser of all such written information and documents as reasonably requested by the Purchaser.

- (2) At the Purchaser’s request, the Vendor shall execute or cause to be executed, such consents, authorizations and directions as may be necessary to permit any inspection of Ridgeline, Géotic, the Business and any of the Assets and to enable the Purchaser or its authorized Representatives to obtain full access to all files and records relating to Ridgeline and Géotic or relating to any of the Assets maintained by Governmental Authorities and self-regulating authorities.
- (3) At the Purchaser’s request, the Vendor shall co-operate with and assist the Purchaser in arranging any meetings as the Purchaser should reasonably request with:
 - (a) the Employees and dependent and independent contractors of the Business;
 - (b) customers, suppliers, distributors or others who have or have had a business relationship with the Business; and
 - (c) auditors, solicitors or any other Persons engaged or previously engaged to provide services to Ridgeline and Géotic who have knowledge of matters relating to Ridgeline, Géotic and the Business.
- (4) The exercise of any rights of inspection by or on behalf of the Purchaser under this Section 6.3 does not mitigate or otherwise affect the representations and warranties of the Vendor under this Agreement, which continue in full force and effect as provided in Section 5.4.

6.4 Risk of Loss. During the Interim Period, the Vendor shall maintain in force all Insurance Policies under which any of the Assets or the Business are insured. If, before the Closing, any of the Assets or part of the Business is lost, damaged or destroyed or is appropriated, expropriated or seized by any Governmental Authority, and the loss, damage, destruction, appropriation, expropriation or seizure constitutes a Material Adverse Change, then the Purchaser at its sole discretion may either:

- (a) terminate this Agreement in accordance with the provisions of Section 4.3(3); or
- (b) complete the Transaction without reduction of the Purchase Price, in which event all proceeds of insurance or compensation for appropriation, expropriation or seizure, less the aggregate of all deductibles paid by the Purchaser and for which the Purchaser has not been reimbursed, shall be paid to the Purchaser and form part of the Assets.

Notwithstanding any other provision hereof, the Parties acknowledge and agree that the Insurance Policies and the Employee Plan shall each terminate at Closing, and the Purchaser shall be solely responsible for securing all post-Closing insurance coverage and employee plans as it may deem necessary or desirable in respect of the Transferred Interests.

6.5 Conduct Prior to Closing. Without in any way limiting any other obligations of the Vendor hereunder, during the Interim Period, the Vendor shall:

- (a) conduct and cause the Purchased Entities to conduct, the Business and the operations and affairs of the Assets and the Purchased Entities only in the Ordinary Course, and the Vendor shall not, without the prior written consent of the Purchaser, enter into or cause the Purchased Entities to enter into any transaction or refrain from doing any action that, if effected before the date of this Agreement, would constitute a breach of any representation, warranty, covenant or other obligation of the Vendor in this Agreement and, without limiting the generality of the foregoing, the Vendor shall not, and cause the Purchased Entities not to:
- (i) amalgamate, merge or consolidate with or acquire or agree to acquire all or substantially all of the shares or assets of any Person, not to acquire or lease or agree to acquire or lease any business operations or any Equity Interests in any other Person;
 - (ii) do any act or thing of the kind described in Sections 5.2(34);
 - (iii) enter into any compromise or settlement of any litigation, proceeding or government investigation relating to the Business or any of the Assets;
 - (iv) make any material modification to its usual sales, human resource, accounting, software, or management practices, processes or systems;
 - (v) enter into any Contract of the kind described in Section 5.2(25) other than in the Ordinary Course;
 - (vi) amend any employment or dependent or independent contractor agreement with any current or prospective officer, executive or manager of the Purchased Entities or any Employee, dependent or independent contractor;
 - (vii) terminate any employment or dependent or independent contractor agreement with any senior-level Employee or dependent or independent contractor engaged in connection with the Business, other than as expressly contemplated by this Agreement;
 - (viii) dispose of or acquire any Assets or material assets of the Purchased Entities unless in the Ordinary Course;
 - (ix) knowingly take any action, or omit to take any action, that would result in the Vendor or the Purchased Entities being in violation of the Privacy Requirements;
 - (x) make any change to the Constatng Documents of the Purchased Entities;
 - (xi) change its taxation year; and
 - (xii) change its methods of accounting in effect except as required by changes in IFRS;
- (b) not, and shall cause the Purchased Entities not to change any method of Tax accounting, make or change any material Tax election, file any materially amended Tax Return, settle or compromise any material Tax Liability, agree to an extension or waiver of the statute of limitations with respect to the assessment or determination of Taxes, enter into any agreement with respect to any Tax or surrender any right to claim a material Tax refund, except in each case in the Ordinary Course;
- (c) not, and shall cause the Purchased Entities not to do any act or thing that would result in a breach of Section 6.1;

- (d) continue to maintain in full force and effect all the Insurance Policies or renewals thereof currently in effect;
- (e) report, and cause the Purchased Entities to report, all claims or known circumstances or events which may give rise to a claim to its insurers under the Insurance Policies in a due and timely manner to the Closing Date and provide copies of those reports to the Purchaser;
- (f) use commercially reasonable efforts to obtain or cause the Purchased Entities to use its commercially reasonable efforts to obtain, the Approvals described in Schedule 5.2(28)(b) of the Disclosure Letter;
- (g) preserve intact, the Business, the Assets, and the operations and affairs of the Vendor and the Purchased Entities and to carry on the Business as currently conducted, and to promote and preserve for the Purchaser the goodwill of suppliers, customers and others having business relations with the Business in all material respects;
- (h) take, and cause the Purchased Entities to take, all necessary and prudent steps to ensure that its Representatives comply with all Privacy Requirements;
- (i) pay and discharge, and cause the Purchased Entities to pay and discharge, the Liabilities and Taxes of the Purchased Entities, the Assets and the Business in the Ordinary Course in accordance and consistent with the previous practice of the Business, except those contested in good faith;
- (j) take all necessary corporate action, steps and proceedings to approve or authorize, validly and effectively, the execution and delivery of this Agreement and the other agreements and documents contemplated hereby and to complete the transfer of the Transferred Interests to the Purchaser and to cause all necessary meetings of directors and shareholders of the Vendor or the Purchased Entities to be held for that purpose;
- (k) take, and cause the Purchased Entities to take all necessary corporate action, steps and proceedings to authorize, consent and otherwise complete the transfer of the Transferred Interests to the Purchaser and to cause all necessary meetings of directors and shareholders of the Vendor or the Purchased Entities to be held for that purpose;
- (l) periodically report to the Purchaser as it requests concerning the state of the Purchased Entities, the Business and the Assets; and
- (m) use their commercially reasonable efforts to satisfy the conditions contained in Section 4.1.

6.6 Notification of Certain Matters

- (1) During the Interim Period, the Vendor shall give prompt notice in writing to the Purchaser of:
 - (a) the occurrence, or failure to occur, of any event, which occurrence or failure would be likely to cause any of the representations or warranties of the Vendor contained in this Agreement to be untrue or inaccurate during the Interim Period;
 - (b) any notice or communication from any Person alleging that the consent of such Person is or may be required in connection with the Transactions;
 - (c) any notice or communication from any Governmental Authority in connection with the Transactions;

- (d) any Proceeding commenced or threatened against the Purchased Entities or the Vendor relating to or involving or otherwise affecting any of them, or which relates to the consummation of the Transactions; and
 - (e) any failure by the Vendor to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied under this Agreement.
- (2) The Vendor shall, and shall cause the Purchased Entities to, confer on a regular and frequent basis with one or more designated Representatives of the Purchaser to report on operational matters and on the general status of the Business. The Vendor shall, and shall cause the Purchased Entities to, notify the Purchaser of any emergency or other change in the Ordinary Course or in the operation of the Business and of any governmental complaints, investigations or hearings (or communications indicating that such may be contemplated) or adjudicatory proceedings involving any portion of the Business or the Assets, and will keep the Purchaser fully informed of such events and permit the Representatives of the Purchaser access to all materials prepared in connection therewith.
- (3) The giving of any notice under this Section 6.6 does not in any way change or modify the representations and warranties of the Vendor, or the conditions to the obligations of the Purchaser, contained in this Agreement or otherwise affect the remedies available to the Purchaser under this Agreement.

6.7 Regulatory Approvals. The Vendor shall, as promptly as practicable hereafter, prepare and file all filings required under any Applicable Law relating to the Transactions (including filings required by the rules and policies of the TSXV) and the Purchaser shall use all commercially reasonable efforts to assist the Vendor in connection with such matters.

6.8 Employees.

- (1) The Vendor shall provide the Purchaser with an up-to-date list of the names and contact information of the Exploration Technology Service Providers at least two weeks prior to the Closing Date (the “**Contact List**”).
- (2) The Purchaser will make offers of employment to the Exploration Technology Employees and offers of consulting Contracts to the contractors listed on the Contact List, in each case where such persons reside outside of the Province of Quebec, on substantially the same terms and conditions of employment or consulting, as applicable, as are then applicable to such Exploration Technology Employees and contractors respectively, provided that each such offer shall be conditional, such that if this Agreement is not completed on the Closing Date, the offers of employment become void and of no effect.
- (3) Notwithstanding Article 2097 of the Civil Code of Quebec, the Purchaser will make offers of employment to the Exploration Technology Employees and offers of consulting Contracts to the contractors listed on the Contact List, in each case where such persons reside in of the Province of Quebec, on substantially the same terms and conditions of employment or consulting, as applicable, as are then applicable to such Exploration Technology Employees and contractors respectively, provided that each such offer shall be conditional, such that if this Agreement is not completed on the Closing Date, the offers of employment become void and of no effect.
- (4) Subject to Section 6.8(5), the Vendor shall be responsible for all Liabilities and obligations with respect to all Exploration Technology Service Providers up to the Closing Date, including Liabilities and obligations under all Statutory Plans, salary or wages, statutory holiday pay, overtime pay, payroll or employer health Taxes, commissions, bonuses, Employee Plan payments or contributions or expense reimbursements. The Vendor shall indemnify and save harmless the Purchaser, and shall pay to the Purchaser on demand, the amount of any and all Losses as a result of or arising in connection with any Proceedings by any Exploration Technology Service Provider, with respect to any such Liability or

obligation. The Purchaser shall be responsible for all Liabilities and obligations with respect to all Transferred Employees and all employees and contractors of the Purchased Entities at all times on or after the Closing Date, including Liabilities and obligations under all Statutory Plans, salary or wages, statutory holiday pay, overtime pay, vacation pay, vacation entitlements, payroll or employer health Taxes, commissions, bonuses, Employee Plan payments or contributions or expense reimbursements. The Purchaser shall indemnify and save harmless the Vendor, and shall pay to the Vendor on demand, the amount of any and all Losses as a result of or arising in connection with any Proceedings by any Transferred Employee or employee or contractor of the Purchased Entities, with respect to any such Liability or obligation.

- (5) The Purchaser shall be responsible for all Employee Severance Amounts with regard to Transferred Employees, and the Vendor shall be responsible for all Employee Severance Amounts with regard to those persons that do not agree to accept offers of employment or offers of consulting Contracts with the Purchaser, as contemplated in Sections 6.8(2) and 6.8(3) hereof, as applicable. In addition, the Parties agree and acknowledge that as of the Effective Time, the Purchaser shall assume all obligations and Liabilities with respect to vacation pay and vacation entitlements of all Transferred Employees and employees and contractors of the Purchased Entities which exist as of the Closing Date such that, for greater certainty, all such Transferred Employees, and employees and contractors of the Purchased Entities shall be entitled to carry-over their respective accrued vacation pay and vacation entitlements following Closing in accordance with the terms of their respective Contracts and Applicable Law.
- (6) The Vendor shall employ all of the Exploration Technology Employees until the Effective Time, except for any Exploration Technology Employees who prior to Closing:
 - (a) are terminated for cause;
 - (b) are terminated with the Purchaser's consent, which consent shall not be unreasonably withheld or conditioned;
 - (c) voluntarily resign; or
 - (d) retire.
- (7) The Vendor shall not attempt in any way to discourage any of the Exploration Technology Service Providers from accepting any offer of employment or offer of a consulting Contract to be made by the Purchaser.
- (8) No Service Provider is entitled to any rights under this Section 6.8 or under any other provisions of this Agreement.

6.9 Leased Property. The Parties hereby agree that, after Closing, the Leased Property will be under the control of the Purchaser, and the Vendor hereby agrees that no employees of the Vendor (who, for greater certainty, are not Employees), shall have access to the Leased Property. The Vendor hereby agrees to remove all Excluded Assets from the Leased Property prior to Closing.

6.10 Engagement of Consultant. The Vendor acknowledges and consents to the engagement of Mathew Wilson as a management consultant/advisor by the Purchaser or the Purchased Entities after Closing.

6.11 Name. The Vendor confirms it has obtained NUANS reservation reports dated as of September 13, 2022 in respect of the name "GoldSpot Discoveries Inc." under the laws of the Province of Ontario and the federal laws of Canada, and will provide all assistance reasonably necessary to transfer all rights associated with such name reservations to the Purchaser at Closing.

6.12 Transition Services Agreement. The Vendor and the Purchaser hereby agree to use commercially reasonable efforts to negotiate and finalize Schedule “A” to the Transition Services Agreement prior to the Closing. The Vendor and the Purchaser hereby agree that the intention of the Parties is for the pricing under the Transition Services Agreement to be on an actual cost basis, except for raw labour costs which shall be at a cost plus 15% basis, without inclusion of direct costs related to employee insurance and benefits. For greater certainty, the Transition Services Agreement (other than Schedule “A” thereto) shall remain in the form attached to this Agreement as Exhibit “B” and shall not be negotiated during the Interim Period.

6.13 Deferred Revenue Obligations. The Purchaser covenants that it shall use its commercially reasonable efforts to satisfy, following the Closing, all Deferred Revenue Obligations outstanding as of the Effective Time, all in accordance with the respective Contracts governing such matters, provided that consent to assign such Contracts are received from the third party thereto prior to Closing, and it shall indemnify and save harmless the Vendor in respect of all Claims that arise in connection with the provision of such services by the Purchaser after the Closing.

6.14 Books and Records.

- (1) After Closing, the Vendor shall make commercially reasonable efforts to obtain those Books and Records that are requested by the Purchaser and are either:
 - (a) not in the Vendor’s possession and are related to the Business or the Purchased Entities, or
 - (b) do not exclusively relate to the Assets, the Business, the Assumed Liabilities and/or the Purchased Entities

and in such a case the Vendor shall be entitled to make such reasonable redactions to preserve any confidential or privileged information contained in such Books and Records.

6.15 Retention Amount.

- (1) At Closing, the Vendor shall pay the Purchaser the Retention Amount. The Retention Amount shall be held in escrow by the Purchaser for disbursement to Essential Employees as follows:
 - (a) Fifty percent (50%) of the Retention Amount shall be disbursed in equal shares to those Essential Employees that are employed with the Purchaser or an Affiliate of the Purchaser on the first anniversary of the Closing Date; and
 - (b) The balance of the Retention Amount shall be disbursed in equal shares to those Essential Employees that are employed with the Purchaser or an Affiliate of the Purchaser on the second anniversary of the Closing Date.

6.16 Information Technology.

- (1) Prior to Closing, the Vendor will undertake and complete the work contemplated in Section 5.2(22) of the Disclosure Letter at its cost.

6.17 Assignment of Contracts.

- (1) Vendor shall prepare all Specific Conveyances and shall deliver a copy thereof to the Purchaser, no later than five (5) Business Days prior to the Closing Date. None of the Specific Conveyances shall confer or impose upon a Party any greater right or obligation than contemplated in this Agreement.

- (2) In respect of any Specific Conveyances that require execution by third parties, Vendor shall make all commercially reasonable efforts prior to Closing to obtain the execution of such third parties.
- (3) To the extent the execution of any Specific Conveyances by requisite third parties is not obtained by Closing, the Vendor will hold the benefit and burden of any such Contract in trust for Purchaser and will take all commercially reasonable steps and provide all reasonable assistance that Purchaser may reasonably request in connection with Purchaser's procurement of the execution of such Specific Conveyances by such third parties.
- (4) To the extent that the execution of the Specific Conveyances is not obtained by the date of delivery of the Final Closing Balance Sheet, either because the consent has not been forthcoming or has been refused, then, at the Purchaser's option, the Asset that is subject of the Specific Conveyance shall be deemed to be an Excluded Asset hereunder, and the corresponding reduction in value as a result of same shall be included in the calculation of the Final Working Capital.
- (5) To the extent that the execution by third parties is refused, and such third parties' Contracts contain Deferred Revenue Obligations, the amount of the Deferred Revenue Obligation contained in such Contract shall reduce the maximum amount of the Deferred Revenue Obligation to be performed by the Purchaser (being \$6,000,000.00), as contemplated in Section 2.2(1).
- (6) In respect of any Specific Conveyances that do not require execution by third parties, Purchaser shall deliver such Specific Conveyances to the appropriate recipients thereof promptly after Closing.
- (7) Between the execution hereof and the Closing Date, to the extent new Contracts are entered into between the Vendor and third parties (such Contracts either to be entered into in compliance with Section 6.5 hereof, or are proposals that have been submitted prior to the date hereof and such proposal has been accepted by the counterparty thereto), such new Contracts shall be:
 - (a) added as Contracts hereunder and into the applicable Schedules in the Disclosure Letter; and
 - (b) added to Exhibit G hereof, and included for the purposes of calculating the seventy percent (70%) threshold contemplated in Section 4.1(1)(j)(xviii) hereof.

ARTICLE 7 TAX MATTERS

7.1 Preparation and Filing of Tax Returns and Audit. The Purchaser shall cause to be prepared all Tax Returns of the Purchased Entities that relate to taxation periods commencing before the Closing Date and are not due for filing until after the Closing Date. The Vendor shall co-operate fully with the Purchaser in, and make available to the Purchaser in a timely fashion all information reasonably required for, the preparation of those Tax Returns. The Purchaser shall give the Vendor an opportunity to review and comment on those Tax Returns, by providing copies of them to the Vendor at least thirty (30) days before they are required by Applicable Law to be filed. The Purchaser shall reasonably consider all comments in respect of those Tax Returns received from the Vendor within fifteen (15) days of the Tax Returns' receipt by the Vendor. However, the Purchaser shall not be obligated to amend the Tax Returns to reflect any such comments. In addition, the Purchaser shall co-operate fully with the Vendor in, and make available to the Vendor in a timely fashion all information reasonably required for, the audit of the annual financial statements of the Vendor for the fiscal year ended December 31, 2022, and all Tax Returns required to be submitted by the Vendor post-Closing.

7.2 Books and Records Relating to Taxes. Within five (5) Business Days after the Closing Date, to the extent not already provided to the Purchaser, the Vendor shall deliver to the Purchaser copies of all documents relating to the Taxes of the Purchased Entities since the dates of their respective acquisitions by the Vendor, and of the Vendor in respect of the Transferred Interests in respect of the Pre-Closing Periods that the Vendor retained

pursuant to Section 6.2(2) and all working papers, correspondence and other documents prepared after the Closing Date which relate to Taxes for all such Pre-Closing Periods.

7.3 Notification Requirements. The Purchaser shall promptly forward to the Vendor all written notifications and other written communications from any Governmental Authority received by the Purchaser or the Purchased Entities relating to Indemnified Taxes for all Pre-Closing Periods, and shall promptly inform the Vendor of any audit proposed to be undertaken and any adjustment proposed in writing to be made by any Governmental Authority in respect of a Pre-Closing Period. Notwithstanding the obligation of the Purchaser to give prompt notice as required above, the failure of the Purchaser to give that prompt notice does not relieve the Vendor of its obligations under this Article 7 except to the extent (if any) that the Vendor has been prejudiced thereby.

7.4 Vendor Indemnification. From and after the Closing Date, the Vendor shall indemnify and save harmless the Purchaser and shall pay to the Purchaser upon receipt of an assessment or reassessment by the CRA (or any Governmental Authority) of any applicable Taxes payable, the amount of any and all Losses attributable to any inaccuracy in, or breach of, a representation and warranty made in Sections 5.2(35) and 5.2(41) (insofar as Section 5.2(41) relates to Tax matters) and the corresponding representation and warranty made in the Closing Certificate and the Vendor shall indemnify and save harmless the Purchaser for all Taxes for all Pre-Closing Periods payable by the Purchaser (in respect of the acquired Assets) or by the Purchased Entities or by the Ridgeline Subsidiary. From and after the Closing Date, the Purchaser shall indemnify and save harmless the Vendor for all Taxes for all Post-Closing Periods in respect of the Transferred Interests. For the purposes of this Section, "Losses" include Losses suffered or incurred by the Purchaser and by either of the Purchased Entities post-Closing.

7.5 Purchaser's Contest Rights. Subject to Section 7.6, the Purchaser shall have the sole right to control, defend, settle, compromise, or prosecute in any manner an audit, examination, investigation, and other proceeding with respect to any Tax Return of the Purchaser or of a Purchased Entity. The Purchaser shall keep the Vendor duly informed of any proceedings in connection with any matter for which the Purchaser may have a right to indemnification pursuant to this Article 7 and promptly provide the Vendor with copies of all correspondence and documents relating to those proceedings. The Vendor shall execute or cause to be executed such documents and shall take such action as reasonably requested by the Purchaser to enable the Purchaser to take any action the Purchaser deems appropriate with respect to any proceedings in respect of which the Purchaser has contest rights under this Agreement.

7.6 Vendor's Contest Rights

- (1) The Vendor may at any time by written notice to the Purchaser elect to control, defend, settle, compromise or prosecute in any manner an audit, examination, investigation, or other proceeding with respect to Taxes or Tax issues related to any matter in respect of which the Purchaser may have a right of indemnification pursuant to this Article 7, except that in order to exercise such right:
 - (a) the Vendor shall deliver to the Purchaser a written agreement that the Purchaser is entitled to indemnification for all Losses arising out of that audit, examination or other proceeding and that the Vendor shall be liable for the entire amount of those Losses;
 - (b) the Vendor may not, without the written consent of the Purchaser, settle or compromise Taxes or Tax issues related to any matter which may affect Tax Liabilities of the Purchaser or either of the Purchased Entities for a Post-Closing Period; and
 - (c) the Vendor shall pay to the Purchaser the amount of all Taxes (including, for greater certainty, interest and penalties) specified in the notice of assessment or other claim from the Governmental Authority to which the Purchaser's indemnity Claim relates within ten (10)

Business Days before the amount is required to be paid to the Governmental Authority or within ten (10) Business Days after the Purchaser has forwarded to the Vendor a Claim for indemnity.

- (2) The Purchaser and/or the applicable Purchased Entity, as applicable, shall execute or cause to be executed such documents or take such action as reasonably requested by the Vendor to enable the Vendor to take any action it deems appropriate with respect to any proceedings in respect of which the Vendor has contest rights under this Agreement. In addition:
 - (a) the Vendor shall keep the Purchaser duly informed of any proceedings in connection with any matter which may affect the Taxes payable by the Purchaser or the Purchased Entities; and
 - (b) the Purchaser shall be promptly provided with copies of all correspondence and documents relating to those proceedings and may, at its option and its own expense, participate in those proceedings through counsel of its choice.

7.7 Indemnification Procedures. Except to the extent expressly provided to the contrary in this Article 7, the general procedures regarding notice and pursuit of indemnification Claims set forth in Article 8 apply to all Claims for indemnification made under this Article 7, except that notwithstanding any provision of Article 8 to the contrary, if a Claim for indemnification involves any matter covered in this Article 7, then the contest provisions of Sections 7.5 and 7.6, as applicable, prevail regarding the defence and handling of any such Third Party Claim that could give rise to an indemnification obligation on the part of the Vendor. Except as provided in Section 5.4(b), there is no limit on the time period during which a Claim for indemnification may be made under this Article 7.

ARTICLE 8 INDEMNIFICATION AND RETAINED LIABILITIES

8.1 Definitions. In this Article 8:

- (1) **“Claim”** means any act, omission or state of facts and any demand, action, investigation, inquiry, suit, proceeding, claim, assessment, judgment or settlement or compromise relating thereto which may give rise to a right of indemnification under this Agreement.
- (2) **“Direct Claim”** means any Claim by an Indemnitee against an Indemnitor which does not result from a Third Party Claim.
- (3) **“Increased Amount”** has the meaning attributed to that term in Section 8.10(1).
- (4) **“Indemnification Notice”** means written notice by an Indemnitee to the applicable Indemnitor or Indemnitors of a Third Party Claim or Direct Claim, as the case may be.
- (5) **“Indemnitee”** means any Person entitled to indemnification under this Agreement.
- (6) **“Indemnitees Representative”** means:
 - (a) in respect of the Purchaser Indemnitees, the Purchaser; and
 - (b) in respect of the Vendor Indemnitees, the Vendor.
- (7) **“Indemnitor”** means any Party obligated to provide indemnification under this Agreement.
- (8) **“Losses”** means any and all loss, Liability, obligation, damage, cost, expense, charge, fine, penalty or assessment, suffered, incurred, sustained or required to be paid by the Person seeking indemnification

(including lawyers', experts' and consultants' fees and expenses), directly resulting from or arising out of any Claim, including the costs and expenses of any action, suit, proceeding, investigation, inquiry, arbitration award, grievance, demand, assessment, judgment, settlement or compromise relating thereto; provided that "Losses" shall not include indirect, consequential, punitive or special damages, except in the case of fraud or to the extent awarded to a Governmental Authority or other third party.

- (9) **"Payment"** has the meaning attributed to that term in Section 8.10(4).
- (10) **"Purchaser Indemnitees"** means the Representatives of the Purchaser, and related Persons.
- (11) **"Third Party Claim"** means any Claim asserted against an Indemnitee by any Person who is not a Party or an Affiliate of a Party.
- (12) **"Vendor Indemnitees"** means the Representatives of the Vendor, and related Persons.

8.2 Indemnification by the Vendor. In addition to any other indemnification provided by the Vendor contained in this Agreement and subject to this Article 8, the Vendor shall indemnify and save harmless the Purchaser and, to the extent named or involved in any Third Party Claim, the Purchaser Indemnitees from, and shall pay to the Purchaser and the Purchaser Indemnitees in accordance with the terms hereof, the amount of any and all Losses, as a result of or arising in connection with:

- (1) any inaccuracy of or any breach of any representation or warranty made by any of the Vendor in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, whether or not the Purchaser relied on or had knowledge of it;
- (2) to the extent not performed or waived prior to Closing, any breach or non-performance by any of the Vendor of any covenant or other obligation contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement;
- (3) the operations of the Business or the ownership of the Assets up to the Effective Time, except to the extent it constitutes an Assumed Liability;
- (4) any of the Excluded Liabilities, including any alleged responsibility of the Purchaser in respect thereof;
- (5) without limiting the generality of the foregoing, any Claims arising from the license to and/or use by customers of and/or licensees of Géotic's Information Technology as the same exists at the Closing Date;
- (6) any Claim by any Person for brokerage or finder's fees, commission or similar payments based on any agreement or understanding made or alleged to have been made by any such Person with the Vendor or the Purchased Entities (or any Person acting on their behalf) in connection with the Transaction.

8.3 Indemnification by the Purchaser. In addition to any other indemnification provided by the Purchaser contained in this Agreement and subject to this Article 8, the Purchaser shall indemnify and save harmless the Vendor and, to the extent named or involved in any Third Party Claim, the Vendor Indemnitees from, and shall pay to the Vendor and the Vendor Indemnitees in accordance with the terms hereof, the amount of any and all Losses as a result of or arising in connection with:

- (1) any inaccuracy of or any breach of any representation or warranty made by the Purchaser in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, whether or not the Vendor relied on or had knowledge of it;

- (2) to the extent not performed or waived prior to Closing, any breach or non-performance by the Purchaser of any covenant or other obligation contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement;
- (3) the assumption of the Assumed Liabilities by the Purchaser; and
- (4) any Claim by any Person for brokerage or finder's fees, commission or similar payments based on any agreement or understanding made or alleged to have been made by any such Person with the Purchaser (or any Person acting on its behalf) in connection with the Transaction.

8.4 Thresholds and Limitations

- (1) Subject to Section 8.4(4), the obligation of the Vendor to indemnify the Purchaser and the Purchaser Indemnitees pursuant to Sections 8.2 and the Purchaser's obligation to indemnify the Vendor and the Vendor Indemnitees pursuant to Section 8.3 are applicable only if the aggregate of all those Losses suffered or incurred by the Purchaser and the Purchaser Indemnitees, on the one hand, or by the Vendor and the Vendor Indemnitees, on the other hand, as applicable, is in excess of \$100,000.00 (the "**Threshold**"). Subject to Section 8.4(2), if the aggregate of all those Losses incurred by the Purchaser and the Purchaser Indemnitees exceeds the Threshold, the Vendor shall be obliged to indemnify the Purchaser and the Purchaser Indemnitees for all of those Losses, including the Losses up to and including that amount. Subject to Section 8.4(3), if the aggregate of all those Losses incurred by the Vendor and the Vendor Indemnitees exceeds the Threshold, the Purchaser shall be obliged to indemnify the Vendor and the Vendor Indemnitees for all of those Losses, including the Losses up to and including that amount.
- (2) The maximum aggregate Liability of the Vendor for Losses pursuant to Sections 8.2 is not to exceed \$12,000,000.
- (3) The maximum aggregate Liability of the Purchaser for Losses pursuant to Section 8.3 is not to exceed \$12,000,000.
- (4) The provisions of Section 8.4(1) and 8.4(2) do not apply in respect of:
 - (a) any Loss to the extent that such Loss relates to a breach of the representations and warranties referenced in Section 5.4(a);
 - (b) any Retained Liabilities, which shall be the responsibility of the Vendor and not require the Purchaser or the Purchased Entities to follow the indemnification procedures in this Article 8;
 - (c) any inaccuracy or breach of a representation or warranty involving fraud, fraudulent misrepresentation or intentional misrepresentation;
 - (d) to the extent not performed or waived prior to Closing, any breach or non-performance by the Vendor of any covenant or other obligation to be performed by it that is contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement; and
 - (e) the indemnifications by the Vendor in favour of the Purchaser contained in Section 7.4.
- (5) The provisions of Section 8.4(1) do not apply in respect of any Loss to the extent that such Loss relates to a breach of Section 5.2(22).

8.5 Notice of Claim

- (1) An Indemnitee, promptly on becoming aware of any circumstances that have given or could give rise to a Third Party Claim or a Direct Claim, shall give an Indemnification Notice of those circumstances to its Indemnitees Representative and to the applicable Indemnitor. The Indemnification Notice will specify whether the Losses arise as a result of a Third Party Claim or a Direct Claim, and will also specify with reasonable particularity (to the extent the information is available) the factual basis for the Claim and the amount of the Losses, if known.
- (2) The failure to give, or delay in giving, an Indemnification Notice does not relieve the Indemnitor of its obligations except and only to the extent of any prejudice caused to the Indemnitor by that failure or delay.
- (3) Provided that the Indemnitee gives an Indemnification Notice of the Claim to the Indemnitor on or prior to the expiry of the applicable time period related to that representation and warranty or covenant, as the case may be, set out in Sections 5.4 and 5.5, Liability of the Indemnitor for that representation, warranty or covenant will continue in full force and effect until the final determination of that Claim.
- (4) The Indemnitee, from the time it receives notice of the Third Party Claim, and its Indemnitees Representative, from the earlier of the time it receives notice of the Third Party Claim and the time it receives the Indemnification Notice, must use its best efforts to protect its rights and the rights of the Indemnitor with respect to that Third Party Claim.

8.6 Third Party Claims

- (1) The Indemnitor has the right, by notice to the applicable Indemnitees Representative given not later than thirty (30) days after receipt of the Indemnification Notice, to assume control of the defence, compromise or settlement of the Third Party Claim provided that:
 - (a) the Third Party Claim involves only money damages and does not seek any injunctive or other equitable relief;
 - (b) if the named parties in any Third Party Claim include both the Indemnitor and the Indemnitee, representation by the same counsel would, in the judgment of the Indemnitee, upon the advice of counsel and acting reasonably, still be appropriate notwithstanding any actual or potential differing interests between them (including the availability of different defences);
 - (c) settlement of, or an adverse judgment with respect to, the Third Party Claim is not, in the judgment of the Indemnitee, acting reasonably, likely to establish a precedent, custom or practice adverse to the continuing business interest of the Indemnitee; and
 - (d) the Indemnitor, from time to time, at the request of the Indemnitees Representative, provides reasonable assurance to the Indemnitees Representative of its financial capacity to defend that Third Party Claim and to provide indemnification in respect thereof.
- (2) On the assumption of control by the Indemnitor, it is conclusively established for purposes of this Agreement that the Third Party Claim is within the scope of, and is subject to, the indemnification pursuant to this Article 8, and:
 - (a) the Indemnitor will actively and diligently proceed with the defence, compromise or settlement of the Third Party Claim at the Indemnitor's sole cost and expense, including the retaining of counsel reasonably satisfactory to the Indemnitees Representative, acting reasonably;

- (b) the Indemnitor will keep the Indemnitees Representative fully advised with respect to the defence, compromise or settlement of the Third Party Claim (including supplying copies of all relevant documents promptly as they become available) and will arrange for its counsel to inform the Indemnitees Representative on a regular basis of the status of the Third Party Claim;
 - (c) the Indemnitee may retain separate co-counsel at its sole cost and expense and participate in the defence of the Third Party Claim (provided the Indemnitor shall continue to control that defence); and
 - (d) the Indemnitor will not consent to the entry of any judgment or enter into any settlement with respect to the Third Party Claim unless consented to by the Indemnitees Representative (which consent may not be unreasonably or arbitrarily withheld, delayed or conditioned).
- (3) Provided all the conditions set forth in Section 8.6(1) are satisfied and the Indemnitor is not in breach of any of its obligations under Section 8.6(2), each of the Indemnitee and its Indemnitees Representative will, at the expense of the Indemnitor, co-operate with the Indemnitor and use its best efforts to make available to the Indemnitor all relevant information in its possession or under its control (provided that it does not cause the Indemnitee or its Indemnitees Representative to breach any confidentiality obligations) and will take such other steps as are, in the reasonable opinion of counsel for the Indemnitor, necessary to enable the Indemnitor to conduct that defence, provided always that:
- (a) no admission of fault may be made by or on behalf of the Purchaser or any Purchaser Indemnitee without the prior written consent of the Purchaser;
 - (b) no admission of fault may be made by or on behalf of any of the Vendor or any Vendor Indemnitee without the prior written consent of the Vendor; and
 - (c) the Indemnitee and its Indemnitees Representative are not obligated to take any measures which, in the reasonable opinion of the Indemnitee's legal counsel, could be prejudicial or unfavourable to the Indemnitee.
- (4) If (i) the Indemnitor does not give the relevant Indemnitees Representative the notice provided in Section 8.6(1), (ii) any of the conditions in Section 8.6(1) are unsatisfied, or (iii) the Indemnitor breaches any of its obligations under Sections 8.6(2) or 8.6(3), the applicable Indemnitees Representative may assume control of the defence, compromise or settlement of the Third Party Claim as in its sole discretion may appear advisable, and is entitled to retain counsel as in its sole discretion may appear advisable, the whole at the Indemnitor's sole cost and expense, provided that only one counsel may be retained to represent the Indemnitee and all Indemnitee Representatives, collectively, in each jurisdiction. Any settlement or other final determination of the Third Party Claim will be binding on the Indemnitor, subject to the right of the Indemnitor to dispute that an indemnification is required pursuant to this Agreement. The Indemnitor will, at its sole cost and expense, cooperate fully with the Indemnitee and its Indemnitees Representative and use its best efforts to make available to the Indemnitee and its Indemnitees Representative all relevant information in its possession or under its control and take such other steps as are, in the reasonable opinion of counsel for the Indemnitee, necessary to enable the Indemnitee to conduct the defence. The Indemnitor will reimburse the Indemnitee and its Indemnitees Representative promptly and periodically for the costs of defending against the Third Party Claim (including legal fees and expenses), and will remain responsible for any Losses the Indemnitee and its Indemnitees Representative may suffer resulting from, arising out of or relating to the Third Party Claim to the fullest extent provided in this Article 8.

8.7 Direct Claims. Following receipt of an Indemnification Notice in respect of a Direct Claim, the Indemnitor has sixty (60) days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of that investigation, the Indemnitee shall make available to the Indemnitor the

information relied on by the Indemnitee to substantiate the Direct Claim, together with such information as the Indemnitor may reasonably request. If the Parties agree at or prior to the expiry of this sixty (60) day period (or prior to the expiry of any extension of this period agreed to by the Parties) as to the validity and amount of that Direct Claim, the Indemnitor shall immediately pay to the Indemnitee the full amount as agreed to by the Parties of the Direct Claim, failing which the matter shall be referred to a court of competent jurisdiction. For clarity, the Purchaser is deemed to have incurred or suffered Losses as of and from the Closing Date as a consequence of any reduction in the value of the Business or Assets resulting directly from an inaccuracy or breach of any representation or warranty by the Vendor or any breach or non-fulfillment by the Vendor of any of their covenants or obligations under this Agreement, as applicable.

8.8 Waiver. The Indemnitor waives any right it may have to require an Indemnitee to proceed against or enforce any other right, power, remedy or security or to claim payment from any other Person before claiming under the indemnity provided for in this Article 8. It is not necessary for an Indemnitee to incur expense or make payment before enforcing that indemnity.

8.9 Duty to Mitigate and Subrogation

- (1) Nothing in this Agreement in any way restricts or limits the general obligation under Applicable Law of an Indemnitee to mitigate any loss which it may suffer or incur by reason of a breach by an Indemnitor of any representation, warranty, covenant or obligation of the Indemnitor under this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.
- (2) The Indemnitee shall, to the extent permitted by Applicable Law, subrogate its rights relating to any Third Party Claim to the Indemnitor and shall make all counterclaims and implead all third Persons as may be reasonably required by the Indemnitor, the whole at the cost and expense of the Indemnitor.

8.10 Obligation to Reimburse

- (1) The Indemnitor shall reimburse to the Indemnitee the amount of any Losses required to be reimbursed hereunder either (a) upon agreement of the Parties pursuant to Section 8.7 hereof with respect to a Direct Claim; or (b) on or prior to the date that is thirty (30) days following the date of final determination by a court of competent jurisdiction in a final judgement that is non-appealable as to the amount of any reimbursement due by the Indemnitor hereunder.
- (2) The amount of any and all Losses under this Article 8 shall be payable in accordance with the timing provided for under this Article 8; provided that, any insurance proceeds or any indemnity, contribution or other similar payment actually received by the Indemnitee in respect of any such Losses shall, after offsetting against such deduction the net present value of any future policy premium increases that result from the claim by the Indemnitee for such indemnity, contribution or similar payment, be set-off against amounts owing to the Indemnitee, at the time of receipt.
- (3) If an Indemnitee is subject to Tax in respect of the receipt of an amount pursuant to this Article 8, after taking into account any offsetting deduction or Tax credit available in respect of the applicable Losses, then the amount payable by the Indemnitor will be increased by an amount (the “**Increased Amount**”) such that the Indemnitee will be in the same position after paying Tax on the amount received hereunder, including any Taxes payable on the Increased Amount, as the Indemnitee would have been in had the Losses giving rise to that payment not arisen and had that amount not been payable.
- (4) If any payment (the “**Payment**”) made pursuant to this Article 8 is subject to GST/HST or is deemed by the ETA or any similar provision of any Applicable Law to be inclusive of GST/HST, the Indemnitor will pay to the Indemnitee, in addition to the Payment, an amount equal to the GST/HST in connection with that Payment and that additional amount.

8.11 Exclusivity. Unless otherwise provided in this Agreement or any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement, the provisions of this Article 8 constitute the sole remedy available to any of the Vendor and the Purchaser to any Claim for breach of covenants, representation, warranty or other obligation or provision of this Agreement or any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement (other than a Claim for specific performance or injunctive relief) and to any and all other indemnities provided in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

8.12 Set-Off. A Party is entitled to set-off any Losses subject to indemnification under this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement against any other amounts payable by the Party to another party whether under this Agreement or otherwise.

8.13 Trust and Agency. The Purchaser accepts each indemnity in favour of any of the Purchaser Indemnitees that is not a Party as agent and trustee of that Purchaser Indemnitee and may enforce any such indemnity in favour of that Purchaser Indemnitee on behalf of that Purchaser Indemnitee. The Vendor accepts each indemnity in favour of any of the Vendor Indemnitees as agent and trustee of that Vendor Indemnitee and may enforce any such indemnity in favour of that Vendor Indemnitee on behalf of that Vendor Indemnitee.

8.14 Retained Liabilities. Without limiting the generality of the foregoing, it is agreed that the Purchaser and the Purchased Entities shall have no Liability for any Retained Liabilities. **Adjustment to Purchase Price.** Any payment made by the Vendor as an indemnifying party pursuant to this Article 8 and Section 7.4 will constitute a dollar-for-dollar decrease of the Purchase Price and any payment made by the Purchaser as an indemnifying party pursuant to this Article 8 will constitute a dollar-for-dollar increase of the Purchase Price.

ARTICLE 9 GUARANTEE

9.1 Guarantee. In consideration of the sale of the Transferred Interests by the Vendor to the Purchaser hereunder and other valuable consideration, the receipt and adequacy of which are hereby acknowledged by each of the Parties, ALS hereby guarantees absolutely and unconditionally the prompt payment and performance of all indebtedness and other obligations of every kind and nature of the Purchaser to the Vendor, direct or indirect, absolute or contingent, due or to become due, now or hereafter existing, joint, several or joint and several (all such indebtedness and other obligations being hereinafter collectively referred to as the “**Purchaser Liabilities**”), and agrees to cause the Purchaser to satisfy all obligations and pay the Vendor all indebtedness comprising the Purchaser Liabilities either: (a) upon agreement of the Parties pursuant to Section 8.7 hereof with respect to a Direct Claim; or (b) on or prior to the date that is thirty (30) days following the date of final determination by a court of competent jurisdiction in a final judgment that is non-appealable as to the amount of any reimbursement due by the Purchaser hereunder. The guarantee and right of recovery under this Section 9.1 is in addition to and not in contravention of any other rights which the Vendor may have against the Purchaser and/or ALS under this Agreement or any other Contracts, certificates or other instruments provided hereunder.

ARTICLE 10 GENERAL

10.1 Confidentiality of Information

(1) For the purposes of this Section 10.1, “**Confidential Information**” of a Party at any time means all information relating to that Party which at the time is of a confidential nature (whether or not specifically identified as confidential), is known or should be known by the other relevant Party or its Representatives as being confidential, and/or has been or is from time to time made known to or is otherwise learned by the relevant other Party or any of its Representatives as a result of the matters provided for in this Agreement, and includes:

- (a) the existence and the terms of this Agreement and of any other Contract, agreement, instrument, certificate or other document to be entered into as contemplated by this Agreement;
- (b) a Party's business records;
- (c) all Books and Records and all other information and documentation with respect to the Vendor, the Purchased Entities, the Business and the Assets provided by the Vendor to the Purchaser and its Representatives, including all notes, analyses, compilations, studies, summaries and other material prepared by the Purchaser and its Representatives as a result of the Books and Records, information or documentation; and
- (d) all copies of documents and data retained by the Vendor pursuant to Section 6.2(2).

Notwithstanding the foregoing, Confidential Information does not include any information that at the time has become generally available to the public other than as a result of a disclosure by the other Party or any of its Representatives, any information that was available to the other Party or its Representatives on a non-confidential basis before the date of this Agreement or any information that becomes available to the other Party or its Representatives on a non-confidential basis from a Person (other than the Party to which the information relates or any of its Representatives) who is not, to the knowledge of the other Party or its Representatives, otherwise bound by confidentiality obligations to the Party to which the information relates in respect of the information or otherwise prohibited from transmitting the information to the other Party or its Representatives.

- (2) Each Party shall (and shall cause each of its Representatives to) hold in strictest confidence and not use in any manner, other than as expressly contemplated by this Agreement, all Confidential Information of the other Parties.
- (3) Subject to Section 10.3, Section 10.1 shall not apply to the disclosure of any Confidential Information where that disclosure is required by Applicable Law. In that case, the Party required to disclose (or whose Representative is required to disclose) shall, as soon as possible in the circumstances, notify the other Parties of the requirement of the disclosure including the nature and extent of the disclosure and the provision of Applicable Law pursuant to which the disclosure is required. To the extent possible, the Party required to make the disclosure shall, before doing so, provide to the other Parties the text of any disclosure. On receiving the notification, the other Party may take any reasonable action to challenge the requirement, and the affected Party shall (or shall cause the applicable Representative to), at the expense of the other Party, assist the other Party in taking that reasonable action.
- (4) Following the termination of this Agreement in accordance with the provisions of Section 4.3, each Party shall (and shall cause each of its Representatives to) promptly, on a request from the other Party, return to the requesting Party all copies of any tangible items (other than this Agreement), if any, that are or that contain Confidential Information of the requesting Party, except that if the Party so obligated to return Confidential Information or its Representatives have prepared notes, analyses, compilations, studies or summaries containing or concerning any Confidential Information, then that Party may, instead of returning the notes, analyses, compilations, studies or summaries, destroy them and provide a certificate to that effect to the requesting Party.

10.2 Non-Competition and Non-Solicitation Agreement

- (1) The Vendor shall ensure that, prior to Closing, the following personnel of the Vendor associated with the Business agree to be bound by the terms of the Non-Competition and Non-Solicitation Agreement, with the proviso that such personnel will agree to be bound to the covenants set out therein during the period of their employment or engagement with the Business as of the Closing Date and for a twelve (12) month period after such employment or engagement terminates:

Denis Laviolette
Vincent Dube-Bourgeois
Cejay Kim
Binh Quach

10.3 Public Announcements. No Party shall make any public statement or issue any press release concerning the Transactions except as agreed by the Parties acting reasonably or as may be necessary, in the opinion of counsel to the Party making that disclosure, to comply with the requirements of all Applicable Law. Subject to the foregoing, if any public statement or release is so required, the Party making the disclosure shall consult with the other Parties before making that statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree on a text for the statement or release that is satisfactory to the Parties. Where both Parties are issuing public statements or press releases, they shall use their commercially reasonable efforts to ensure that such public statements or press releases are issued concurrently.

10.4 Disclosure and Consultation

- (1) Before any public statement or press release concerning the Transactions, no Party shall disclose this Agreement or any aspect of the Transactions except to its board of directors, its senior management, its legal, accounting, financial or other professional advisors, any financial institution contacted by it with respect to any financing required in connection with the Transactions and counsel to that institution, or as may be required by any Applicable Law or as agreed by the Parties.
- (2) The Vendor and the Purchaser shall consult with each other concerning the manner by which the Employees, or dependent or independent contractors, customers, suppliers and other Persons having dealings with the Business shall be informed of the Transactions, and the Purchaser shall have the right to be present for any such communication.

10.5 Expenses. Each Party shall pay all expenses (including Taxes imposed on those expenses) it incurs in the authorization, negotiation, preparation, execution and performance of this Agreement and the Transactions, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants. The Vendor shall cause the Purchased Entities not to incur any out-of-pocket expenses in connection with this Agreement and the Transactions.

10.6 Best Efforts. In this Agreement, unless specified otherwise, an obligation of any Party to use its best efforts to obtain any Approval does not require the Party to make any payment to any Person for the purpose of procuring the Approval, except for payments for amounts due and payable to that Person, payments for incidental expenses incurred by that Person and payments required by any Applicable Law.

10.7 No Third Party Beneficiary. Except as provided for in Section 8.13, this Agreement is solely for the benefit of the Parties and no third party accrues any benefit, claim or right of any kind pursuant to, under, by or through this Agreement.

10.8 Entire Agreement. This Agreement together with the Confidentiality Agreement, the Disclosure Letter and the other agreements to be entered into as contemplated by this Agreement (collectively, the “**Other Agreements**”) constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and the Other Agreements and supersede all prior correspondence, agreements, negotiations, discussions and understandings, written or oral, including the letter of intent dated July 27, 2022 between ALS Limited and the Vendor. Except as specifically set out in this Agreement or the Other Agreements, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement or the Other Agreements or which induced any Party to enter into this Agreement or the Other Agreements. No reliance is placed on any representation, warranty, opinion, advice or assertion of fact made either prior to, concurrently with, or after entering into, this Agreement or any Other Agreement, or any amendment or supplement hereto or thereto, by any Party to this Agreement or any Other Agreement or its Representatives, to any other Party or its

Representatives, except to the extent the representation, warranty, opinion, advice or assertion of fact has been reduced to writing and included as a term in this Agreement or that Other Agreement, and none of the Parties to this Agreement or any Other Agreement has been induced to enter into this Agreement or any Other Agreement or any amendment or supplement by reason of any such representation, warranty, opinion, advice or assertion of fact. There is no Liability, either in tort or in contract, assessed in relation to the representation, warranty, opinion, advice or assertion of fact, except as contemplated in this Section.

10.9 Non-Merger. Except as otherwise provided in this Agreement, the covenants, representations and warranties set out in this Agreement do not merge but survive Closing and, notwithstanding such Closing or any investigation by or on behalf of a Party, continue in full force and effect following the Closing Date in accordance with Sections 5.4 and 5.5 hereof, as applicable. Subject to the foregoing, Closing does not prejudice any right of one Party against another Party in respect of any remedy in connection with anything done or omitted to be done under this Agreement.

10.10 Time of Essence. Time is of the essence of this Agreement.

10.11 Amendment. This Agreement may be supplemented, amended, restated or replaced only by written agreement signed by each Party.

10.12 Waiver of Rights. Any waiver of, or consent to depart from, the requirements of any provision of this Agreement is effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement operates as a waiver of that right. No single or partial exercise of any such right precludes any other or further exercise of that right or the exercise of any other right.

10.13 Jurisdiction. The Parties irrevocably and unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario sitting in Toronto in respect of all disputes arising out of, or in connection with, this Agreement, or in respect of any legal relationship associated with it or derived from it.

10.14 Governing Law. This Agreement is governed by, and interpreted and enforced in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in that province, excluding the choice of law rules of that province.

10.15 Notices

(1) Any notice, demand or other communication (in this Section 10.15, a “**notice**”) required or permitted to be given or made under this Agreement must be in writing and is sufficiently given or made if:

- (a) delivered in person and left with a receptionist or other responsible employee of the relevant Party at the applicable address set forth below;
- (b) sent by prepaid courier service or (except in the case of actual or apprehended disruption of postal service) mail; or
- (c) transmitted by recorded electronic communication;

in the case of a notice to the Vendor, addressed to it at:

EarthLabs Inc.
69 Yonge Street, Suite 1010
Toronto, Ontario M5E 1K3

Attention: Denis Laviolette

Email: denis@earthlabs.com

with a copy (not constituting notice) to:

Fogler, Rubinoff LLP
77 King St W Suite 3000
Toronto, Ontario M5K 1G8

Attention: Jennifer Campbell
Email: jcampbell@foglers.com

and in the case of a notice to the Purchaser or ALS, addressed to it at:

ALS Limited

[REDACTED]

Attention: [REDACTED]
Email address: [REDACTED]

with a copy (not constituting notice) to:

Borden Ladner Gervais LLP
1900 – 520, 3rd Ave SW
Calgary, AB T2P 0R3

Attention: Miles Pittman
Email address: MPittman@blg.com

- (2) Any notice sent in accordance with this Section 10.15 is deemed to have been received:
- (a) if delivered prior to or during normal business hours on a Business Day in the place where the notice is received, on the date of delivery;
 - (b) if sent by mail, on the fifth (5th) Business Day after mailing in the place where the notice is received, or, in the case of disruption of postal service, on the fifth (5th) Business Day after cessation of that disruption;
 - (c) if transmitted by recorded electronic communication or other electronic means, on the day it was transmitted; or
 - (d) if sent in any other manner, on the date of actual receipt.
- (3) Any Party may change its address for notice by giving notice to the other Party in accordance with this Section 10.15.

10.16 Assignment. No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement to any Person with the prior written consent of the other Party, such consent not to be unreasonably withheld and except that the Purchaser may assign its rights hereunder to an Affiliate upon notice provided to the Vendor.

10.17 Further Assurances. Each Party shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that any other Party may reasonably require, for the purposes of giving effect to this Agreement.

10.18 Severability. If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, that provision will, as to that jurisdiction, be ineffective only to the extent of that restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement, without affecting the validity or enforceability of that provision in any other jurisdiction and, if applicable, without affecting its application to the other Parties or circumstances. The Parties shall engage in good faith negotiations to replace any provision which is so restricted, prohibited or unenforceable with an unrestricted and enforceable provision, the economic effect of which comes as close as possible to that of the restricted, prohibited or unenforceable provision which it replaces.

10.19 Successors. This Agreement is binding on, and enures to the benefit of, the Parties and their respective successors.

10.20 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form, including in a tagged image format file (TIFF) or portable document format (PDF), shall be equally effective as delivery of a manually executed counterpart of this Agreement.

[Remainder of page intentionally left blank – signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the date first above written.

EARTHLABS INC.

By: /s/ "Denis Lavoilette"
Name: Denis Lavoilette
Title: Executive Chairman and President

I have authority to bind the corporation

1377900 B.C. LTD.

By: /s/ "Bruce McDonald"
Name: Bruce McDonald
Title: President

I have authority to bind the corporation

ALS CANADA LTD.

By: /s/ "Bruce McDonald"
Name: Bruce McDonald
Title: President

I have authority to bind the corporation