

THIS URANIUM PUT AND SALE AGREEMENT ("Agreement") made this 3rd day of May, 2017.

BETWEEN:

2037881 ALBERTA LTD., a company organized under the laws of
Alberta, Canada (the "**Purchaser**")

-and-

RED ROCK ENERGY INC., a company organized under the laws of Alberta, Canada (the "**Vendor**")

-and-

1262430 ALBERTA LTD., a company organized under the laws of
Alberta, Canada ("**126**")

-and-

SOTO ENTERPRISES LTD., a company organized under the laws of
Alberta, Canada ("**Soto**")

-and-

(126 and Soto are collectively referred to herein and the "**Lenders**" and
individually as a "**Lender**")

PURCHASE AND SALE AGREEMENT

WHEREAS:

- A. The Vendor is the legal and beneficial owner of a 100% interest in 14 mineral claims as more specifically described in Schedule A (the "**Red Rock Claims**") covering property located in the Uranium City area of Northwestern Saskatchewan, and the related Technical Data (as hereinafter defined) (collectively, the "**Red Rock Property**");
- B. The Vendor may, depending upon business and market conditions, desire at a future time to sell to the Purchaser, all of its 100% interest in the Red Rock Claims;
- C. The Purchaser has agreed to purchase from the Vendor the Red Rock Claims, provided the Vendor (at the Vendor's sole discretion) determines to effect the transfer of same on or before the Option Expiry Date (as hereinafter defined), and otherwise on the terms set out in this Agreement;
- D. The parties hereto (the "**Parties**") desire the transfer of the Red Rock Property be effected solely at the option of the Vendor, and acknowledge that the Vendor may choose not to transfer the Red Rock Property (or any portion thereof) to the Purchaser;
- E. The Vendor is currently indebted to the Lenders in the amounts set forth in Schedule B, representing an aggregate amount of \$1,879,439 (the "**Aggregate Outstanding Loan Balance**") (representing principal plus accrued interest) each loan having been made pursuant to an amended and restated loan agreement between each Lender and the Vendor dated May 3, 2017 (collectively,

2017 (collectively, the "**Amended and Restated Loan Agreements**", and each an "**Amended and Restated Loan Agreement**");

- F. Each Lender holds an interest (equity or otherwise) in the Purchaser and will benefit from the acquisition by the Purchaser of the Red Rock Property;
- G. Each Lender has agreed to cancel its or his, as applicable, portion of the Outstanding Loan Balance as represented opposite its or his name in Schedule B (each, an "**Individual Lender Balance**") in consideration of, subject to and effective as at the time of transfer to the Purchaser of the Red Rock Property pursuant to this Agreement and that the transfer of the Red Rock Property to the Purchaser on or prior to the Option expiry date will result in payment in full of all amounts owing by the Vendor to such Lender;
- H. This Agreement is part of a larger transaction pursuant to which ownership and control of the Vendor is being acquired (the "**Investment Transaction**") by a group of third party investors (collectively, the "**Investors**"). The Purchaser is familiar with the Red Rock Property and acknowledges that, as part of and as a condition of completion of the Investment Transaction, the Investors have required that the Purchaser indemnify the Vendor in connection with any ongoing liabilities that may arise in connection with the Vendor's prior ownership of the Red Rock Property.

NOW THEREFORE in consideration of the mutual premises, covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the Parties, the Parties hereto agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement, including the recitals and any schedules hereto, unless otherwise stated or unless there is something in the subject matter or context inconsistent therewith, the following terms shall be ascribed the meanings set forth below:

- (a) "**Affiliate**" has the meaning ascribed thereto in the *Business Corporations Act* (Alberta);
- (b) "**Agreement**" means this uranium put and sale agreement including the recitals and all schedules hereto, any agreement amending this Agreement or any agreement or instrument which is supplemental or ancillary thereof, and the expressions "above", "below", "herein", "hereto", "hereof" and similar expressions refer to this Agreement;
- (c) "**Amended and Restated Loan Agreements**" has the meaning set forth in Recital E;
- (d) "**Applicable Laws**" with respect to a Person, property, transaction or event, means all applicable laws, statutes, regulations, treaties, by-laws, ordinances, judgments and decrees and (to the extent they have the force of law) all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders (including judicial or administrative orders) and policies of any Governmental Authority having authority over, that Person, property, transaction or event;
- (e) "**Approval**" means any authorization, approval, permit or consent by the Province of Saskatchewan or any other regulatory authority that is required to conduct activity on the Red Rock Claims or the Red Rock Property;

- (f) **"Bringdown Certificate"** means the form of certificate attached as Schedule D;
- (g) **"Business Day"** means any day exclusive of Saturdays, Sundays or statutory holidays in the Province of Alberta;
- (h) **"Claims"** means any actual or threatened civil, criminal, administrative, regulatory, or arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim or demand resulting therefrom or any other claim or demand of whatever nature or kind;
- (i) **"Closing"** means the completion of the transfer of the Red Rock Property as contemplated in this Agreement;
- (j) **"Closing Date"** means has the meaning set forth in Section 2.2;
- (k) **"Closing Time"** means 3:00 p.m. (MST) on the Closing Date;
- (l) **"Effective Date"** means May 3, 2017;
- (m) **"Encumbrance"** means a lien, encumbrance, charge, security interest, royalty, net profits interest, carried working interest, penalty or other adverse claim;
- (n) **"Environmental Claims"** means any and all administrative or judicial actions, suits, orders, lines, notices, violations or proceedings related to any applicable Environmental Law or any Environmental Permit brought, issued or asserted by:
 - (i) a governmental authority for compliance, damages, penalties, removal, response, remedial or other action pursuant to any applicable Environmental Law; or
 - (ii) a third party seeking damages for personal injury or Red Rock Property damage resulting from the release of Hazardous Material at, to or from the Red Rock Claims or the Red Rock Property;
- (o) **"Environmental Laws"** means all federal, provincial, state and local laws, statutes, ordinances, codes, rules and regulations related to protection of the environment or the handling, use, generation, treatment, storage, transportation or disposal of Hazardous Materials;
- (p) **"Environmental Permit"** means all permits, licenses, approvals, authorizations or consents required by any governmental authority under any applicable Environmental Law and includes any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law;
- (q) **"Governmental Approval"** means any authorization, permit, quotas, approval, grant, license, consent, right, privilege, registration, filing, commitment, order, opinion, judgment, direction, ordinance or decree which has the force of law issued or granted pursuant to Applicable Laws or by any Governmental Authority having jurisdiction, including all authorizations, permits, approvals, grants, licenses, consents, rights, privileges, registrations, filings, commitments, orders, opinions, judgments, directions, ordinances or decrees, issued under or pursuant to environmental laws;
- (r) **"Government Payments"** means payments to the Province of Saskatchewan or any other regulatory or taxing authority that are required to maintain the Red Rock Claims in good standing;
- (s) **"Hazardous Material"** means any hazardous or toxic substance, material or waste which is regulated by any federal, provincial, state or local governmental

authority under any Environmental Law now or hereafter effective, including, without limitation, any waste, pollutant, hazardous substance, toxic substance, hazardous waste, special waste, uranium or uranium-derived substance or waste, or any constituent of any such substance or waste;

- (t) **"Interim Period"** means the period commencing on the Effective Date and terminating on the Option Exercise Date;
- (u) **"Governmental Authority"** means any domestic or foreign government (with respect to any such government's jurisdiction), whether federal, provincial, national, state, municipal or territorial, and any political subdivision, any agency and any entity or Person properly exercising executive, legislative, judicial, regulatory or administrative functions of government;
- (v) **"including"** means including but without limiting the generality of the foregoing, unless the context otherwise expressly provides, such as "including only";
- (w) **"Lenders"** has the meaning set forth on the face page of this agreement;
- (x) **"Material"** means when used to qualify a representation, warranty, covenant or obligation shall mean that the breach of such representation, warranty, covenant or obligation will have a material adverse effect on the business, operations, assets or prospects, taken as a whole;
- (y) **"Notice"** includes any communication required or permitted to be given to a Party including any approval, demand, direction, consent, designation, request, document, instrument, certificate and notice;
- (z) **"Option Exercise Notice"** means the form of notice attached as Schedule C;
- (aa) **"Option Exercise Date"** means the date of delivery to the Purchaser of the Option Exercise Notice;
- (bb) **"Option Expiry Date"** means December 31, 2017;
- (cc) **"Parties"** means the parties to this Agreement and **"Party"** means any one of the parties to this Agreement, as the context requires;
- (dd) **"Person"** means an individual, a partnership, a corporation, a trust, a joint venture, a syndicate, a Governmental Authority, and any other form of incorporated or unincorporated association, organization or other entity of any nature;
- (ee) **"Property Transfer Documents"** means the standard forms of asset transfer documents, in use by industry participants on or about the time the Vendor exercises the Put Option, or such other transfer documentation as effects the transfer of legal title to the Red Rock Property to the Purchaser as the Vendor may reasonably determine appropriate;
- (ff) **"Purchase Price"** has the meaning set forth in Section 2.1;
- (gg) **"Put Option"** means the right of the Vendor to effect Closing by delivery off the Option Exercise Notice, the Bringdown Certificate and the Property Transfer Documents;
- (hh) **"Red Rock Claims"** has the meaning set forth in Recital A;

- (ii) **"Red Rock Property"** has the meaning set forth in Recital A and specifically includes the Technical Data;
- (jj) **"Shareholder Loans"** means the indebtedness owed by the Vendor to the Lenders in an aggregate amount of \$1,879,439, representing both principal and cumulative interest up to and including the date hereof and being an amount equal to the Purchase Price;
- (kk) **"Technical Data"** means all data, documents, intellectual property rights (including all patents pending filed in the name of Sandy Loutitt), work product and information, in whatever form, held by, or under the control of, the Vendor in relation to the Red Rock Claims; and
- (ll) **"Third Party"** means any Person other than the Vendor, the Purchaser and their respective Affiliates,

and capitalized terms otherwise defined in this Agreement shall have the meanings ascribed to them at the time of reference.

1.2 Schedules

Appended hereto are the following Schedules, which are incorporated into this Agreement by reference and are deemed to be a part hereof:

Schedule A	Red Rock Claims
Schedule B	Lender Breakdown
Schedule C	Option Exercise Notice
Schedule D	Bringdown Certificate

1.3 Headings and Table of Contents

The division of this Agreement into "Articles" and "Sections" and the insertion of headings and a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement. Unless otherwise specified, references to "Articles", "Sections" and "Schedules" are to Articles of, Sections of, and Schedules to, this Agreement. The terms "this Agreement", "of this Agreement", "under this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Section of this Agreement.

1.4 Currency

All references to currency herein are to lawful money of Canada unless specifically noted otherwise.

1.5 Extended Meanings

In this Agreement words importing the singular number include the plural and vice versa; words importing the masculine gender include the feminine and neuter genders and vice versa.

1.6 Entire Agreement

This Agreement, constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and cancel and supersede any prior and contemporaneous understandings and agreements between the Parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Parties other than as expressly set forth in this Agreement. The Parties agree that they have not relied upon any verbal statements, representations, warranties or undertakings in order to enter into this Agreement. No

amendment, supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by all Parties to this Agreement.

1.7 Knowledge

Where any representation or warranty of a Party is expressly qualified by a reference to knowledge or awareness (or similar qualification) it will be deemed to refer to the actual knowledge, information and belief of the Party, and knowledge, information and belief the Party ought to have had if the Party had made due inquiries, after reviewing all relevant records and making due inquiries of all relevant officers or directors.

1.8 Statutory References

Each reference herein to an enactment is deemed to be a reference to that enactment as at the date hereof, and to the regulations made under that enactment at the date hereof, as amended or re-enacted from time to time. References to any statutes shall extend to and include orders in council or regulations passed under and pursuant thereto, of any amendment or reenactment of such statute, orders in council or regulation, or any statutes, orders in council or regulations substantially in replacement thereof.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale

At Closing, subject to the terms and conditions hereof, the Vendor shall sell and transfer the Red Rock Property, free and clear of all Encumbrances, to the Purchaser, and the Purchaser shall purchase the red Rock Property in consideration of cancellation of the Aggregate Outstanding Loan Balance (the "**Purchase Price**").

2.2 Purchase Price and Payment

Each Party hereto agrees that the Purchase Price shall be deemed paid in full, and each Individual Lender Balance shall be deemed paid in full and cancelled, upon delivery by the Vendor to the Purchaser of the Option Exercise Notice, the Property Transfer Documents and the Bringdown Certificate, effective as at the date determined in accordance with Section 9.6 (Notices) (the "**Closing Date**").

2.3 Possession and Risk

Possession and risk of the Red Rock Property shall pass to the Purchaser at the Closing Time.

2.4 Payment of Tax and Registration Charges on Transfer.

Subject to the availability of an election under the Excise Tax Act, the Purchaser is liable for and shall pay all transfer and sales taxes, duties, registration charges, or other like charges properly payable upon and in connection with the conveyance and transfer of the Red Rock Property by the Vendor to the Purchaser, including retail sales taxes and land transfer taxes. With respect to GST, if applicable, the Purchaser shall directly remit, and file the required prescribed form for, applicable GST on the acquisition of that part of the Red Rock Property for purposes of the Excise Tax Act in the time and manner prescribed by the Excise Tax Act. The Purchaser is registered for GST under the Excise Tax Act.

ARTICLE 3 REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE VENDOR

3.1 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on these representations and warranties in connection with its purchase Red Rock Property:

- (a) this Agreement has been duly executed and delivered by it and (assuming due execution and delivery by the other Parties) is a legal, valid and binding obligation of him enforceable against him in accordance with its terms, except 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;
- (b) the Red Rock Claims have been validly issued and are in good standing;
- (c) the Vendor is the sole legal and beneficial owner of a 100% interest in the Red Rock Claims, free and clear of all liens, charges, Encumbrances, royalties, agreements, underlying interests and conflicting rights or claims;
- (d) the Red Rock Claims have been validly staked, located, recorded and properly acquired by the Vendor in accordance with all applicable laws and regulations of the Province of Saskatchewan; and
- (e) the Vendor has or will have, on or before the Closing Time, obtained all of the required consents and approvals for the operation of the Red Rock Property from the relevant authorities, including but not limited to, any consents or approvals from the Province of Saskatchewan, as required.

3.2 Vendor's Covenants

The Vendor will not take any action which would cause any of the foregoing representations and warranties to cease to be accurate effective up to and inclusive of the Option Expiry Date.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE PURCHASER

4.1 General

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on these representations and warranties in connection with its sale of the Red Rock Property and that the Vendor would not sell the Red Rock Property without these representations and warranties:

- (a) the Purchaser is not a bankrupt or insolvent person and there is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress or, to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority;
- (b) none of the execution, delivery or performance of this Agreement, nor the consummation of the transactions contemplated thereby, shall constitute or result in a material breach or default by the Purchaser of any contracts or agreements to which it is a party; and
- (c) certain of the directors and officers (including the Lenders) of the Purchaser have, up to the date hereof, been the sole operators and senior management of the Corporation and, as such, the Purchaser has full knowledge of the nature and all aspects of the Red Rock Property.

4.2 Purchaser's Covenants

The Purchaser will

- (a) not take any action which would cause any of the foregoing representations and warranties to cease to be accurate effective up to and inclusive of the Option Expiry Date;
- (b) take such steps as may be reasonably required to effect the transactions contemplated by this Agreement, including executing applicable Property Transfer Documents and/or such other documents as may be reasonably required by the Vendor, making or causing to be made applicable regulatory filings and remittances, and otherwise co-operating in good faith with the Vendor.

4.3 Survival of Purchaser's Representations and Warranties

The representations and warranties of the Purchaser set forth in this Agreement shall survive the completion of the transactions herein provided for and, notwithstanding such completion, shall continue in full force and effect for the benefit of the Vendor for the maximum period permitted under Applicable Law.

ARTICLE 5 REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE LENDERS

5.1 General

Each Lender, severally and not jointly, represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying on these representations and warranties in connection with its sale of the Red Rock Property and that the Vendor would not sell the Red Rock Property without these representations and warranties:

- (a) the Lender is not a bankrupt or insolvent person and there is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress or, to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority;
- (b) none of the execution, delivery or performance of this Agreement, nor the consummation of the transactions contemplated thereby, shall constitute or result in a material breach or default by the Lender of any contracts or agreements to which it is a party;
- (c) the Lender has had opportunity to consult independent legal counsel and agrees and acknowledges that the Vendor's counsel, and the Purchaser's, counsel, are acting solely as counsel to the Vendor and the Purchaser, respectively, and not as counsel to the Lender;
- (d) the Individual Lender Balance set forth opposite the Lender's name in Schedule B represents all monies owing (inclusive of accrued and unpaid interest) by the Vendor to the Lender; and
- (e) the Lender agrees that transfer of the Red Rock Property to the Purchaser represents good and sufficient consideration for cancellation of the Individual Loan balance.

5.2 Lender's Covenants

Each Lender will:

- (a) not take any action (including transfer or assignment of any portion of the Individual Lender Balance) which would cause any of the foregoing representations and warranties to cease to be accurate effective up to and

inclusive of the Option Expiry Date, without the express written approval of each of the Vendor and the Purchaser; and

- (b) take such steps as may be reasonably required to effect the transactions contemplated by this Agreement, including executing such other documents as may be reasonably required by the Vendor, making or causing to be made applicable regulatory filings and remittances, and otherwise co-operating in good faith with the Vendor and the Purchaser.

5.3 Survival of Lender's Representations and Warranties

The representations and warranties of the Purchaser set forth in this Agreement shall survive the completion of the transactions herein provided for and, notwithstanding such completion, shall continue in full force and effect for the benefit of the Vendor for the maximum period permitted under Applicable Law.

ARTICLE 6 CLOSING

6.1 Time and Place of Closing

Closing shall be effected by delivery to the purchaser of the Option Exercise Notice, the Property Transfer Documents and the Bringdown Certificate and shall be deemed to have taken place at the Closing Time.

6.2 Condition not Fulfilled

If any condition herein in favour of a Party is not satisfied on or before the Option Expiry Date (other than as a result of a failure of the other Party to comply with its obligations under this Agreement), then the Party may in its sole discretion may, without limiting any rights or remedies available to them at law or in equity, either:

- (a) terminate this Agreement by written notice to the other Party, as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfillment of any other condition.

ARTICLE 7 INTERIM PERIOD

7.1 Conduct of Business During the Interim Period

During the period from the date of this Agreement and continuing until the earlier of the termination of this Agreement or the Closing Date, the Vendor shall cause the Corporation to operate the Red Rock Property in the ordinary course, except to the extent contemplated by this Agreement or as consented to in writing by the Purchaser.

7.2 Cooperation

Each Party shall fully cooperate with the other Parties and their legal counsel, accounting advisers and other representatives in connection with any steps required to be taken as part of its obligations under this Agreement. Each Party will use reasonable efforts to cause all conditions to this Agreement to be satisfied as promptly as possible and to obtain all consents and approvals necessary for the due and punctual performance of this Agreement and for the satisfaction of the conditions hereof. Each Party shall take all commercially reasonable actions within its control to ensure that the representations and warranties given by each Party in this Agreement are true and correct on and as of the Closing.

ARTICLE 8
TERMINATION; EFFECT OF TERMINATION

8.1 Termination

Notwithstanding anything herein to the contrary, this Agreement may be terminated and the transactions contemplated hereby abandoned at any time prior to the completion of Closing:

- (a) by written agreement between the Vendor and the Purchaser;
- (b) by the Purchaser or the Vendor if the Put Option has not been exercised by the Vendor on or before the Option Expiry Date;
- (c) by the Purchaser, if any of the Vendor's covenants are not fulfilled on or prior to the Option Expiry Date (provided that such failure is not due to the failure of the Purchaser to comply in all material respects with its obligations under this Agreement), and such conditions shall not have been waived by the Purchaser;
or
- (d) by the Vendor, if any of the Purchaser's or a Lender's covenants are not fulfilled on or prior to the Option Expiry Date (provided that such failure is not due to the failure of the Vendor to comply in all material respects with their obligations under this Agreement), and such conditions shall not have been waived by the Vendor.

8.2 Indemnification to the Vendor

- (a) Indemnity Obligation of the Purchaser

The Purchaser shall and does hereby agree to indemnify and absolutely hold harmless the Vendor, and the Affiliates, directors, officers, employees and agents of the Vendor, effective commencing on the Effective Date of this Agreement, from and against all Losses that any or all of them suffer or incur, in any way relating to, arising out of or resulting, directly or indirectly, from any of the following:

- (i) any inaccuracy in or breach of any representation and warranty of the Purchaser contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Vendor pursuant to this Agreement;
- (ii) action which is attributable to the Vendor's activities (other than any activities conducted commenced during Interim Period) in relation to the Red Rock Claims, including any environmental damage or in relation to any Environmental Claims;
or
- (iii) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Purchaser pursuant to this Agreement.

The Purchaser covenants and agrees to promptly notify the Vendor of any and all information or events that may affect or relate to the indemnities referenced in this Section. The Purchaser further acknowledges and agrees that no such notification shall waive or modify its representations, warranties, obligations or indemnities set out in this Agreement.

- (b) Effect of Investigation

Neither the representations, warranties and covenants of the Purchaser, nor the right to indemnification of the Vendor making a claim under this Agreement with respect thereto, shall be affected or deemed waived by reason of any investigation made by or on behalf of the Vendor

(including by any of its representatives) or by reason of the fact that a Vendor or any of its representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Purchaser's waiver of any condition set forth herein.

(c) Other Rights and Remedies Not Affected

The indemnification rights of the Vendor under this Section 8.2 are independent of, and in addition to, such rights and remedies as the parties may have at law or in equity or otherwise for any misrepresentation, breach of warranty or failure to fulfill any covenant, agreement or obligation hereunder on the part of any party hereto, including the right to seek specific performance, rescission or restitution, none of which rights or remedies shall be affected or diminished hereby.

(d) Procedure on Direct Claim by the Vendor

The following provisions shall apply to the entitlement of the Vendor for indemnification where such Claim arises out of a Claim made by the Vendor:

- (i) upon Notice being provided to the Purchaser, the Purchaser shall have thirty (30) days to make such investigation of the Claim as its considers necessary and desirable;
- (ii) within thirty (30) days of receipt of the Notice (or such other time period as mutually agreed upon by the Parties) the Purchaser shall advise the Vendor if it intends to:
 - (A) pay the full amount of the Claim or such other amount as agreed to by the Parties; or
 - (B) dispute the Claim; and
- (iii) if the Purchaser intends to pay the full amount of the Claim, or such other amount as agreed to by the Parties involved in the Claim, the Purchaser shall, contemporaneously with the delivery of Notice of that intention, pay to the Vendor the full amount of the Claim or the amount agreed upon by the Parties in consideration of an appropriate release from the Vendor;
- (iv) if the Purchaser fails to respond in writing to the Claim within the thirty (30) day period specified in Section 8.2(d)(ii), the Purchaser is deemed to have disputed the Claim.

(e) Procedures on Claim by Third Party

The following provisions shall apply to the entitlement of the Vendor for indemnification where such Claim arises out of a Claim made by an arm's length Third Party (a "**Third Party Claim**"):

- (i) upon the Vendor becoming aware of any Third Party Claim, the Vendor agrees to forthwith provide the Purchaser with particulars of the Third Party Claim that it possesses;
- (ii) within thirty (30) days, the Purchaser shall advise the Vendor if it intends to:
 - (A) dispute the Claim;
 - (B) pay the Claim; or

- (C) negotiate a settlement of the Claim (with or without formally disputing the Claim); and
- (iii) if the Purchaser intends to pay the Claim, it shall contemporaneously, with delivery of their intention, pay to the Vendor's Solicitors the amount of the Claim on appropriate trust conditions; and
- (iv) if the Purchaser fails to respond in writing to the Claim within the 30 day period specified in Section 8.2(e)(ii), the Purchaser is deemed to have disputed the Claim.

Subject to the right of the Vendor below, if the Purchaser chooses that the Claim be disputed, or that a settlement of the Claim be negotiated, the Purchaser shall, at its sole expense, diligently pursue such dispute until a decision of a court of competent jurisdiction is obtained or a settlement is otherwise negotiated in which case the Purchaser agrees to be bound by the decision (subject to appeal) and agree to forthwith forward to the Vendor the amount of the decision or settlement in exchange for an appropriate release from the Vendor with respect to such Claim. If the Claim seeks relief other than monetary damages, or the Vendor determines in good faith that the ability of the Purchaser to defend the Claim or to pay for the Claim is not satisfactory, or that there is a reasonable probability that the Claim may adversely affect the reputation of the Vendor, then the Vendor may provide Notice to the Purchaser that it will either (i) exercise the right to participate, with separate counsel at the expense of the Purchaser, in the defense, compromise or settlement of the Claim, or (ii) exercise the exclusive right to defend, compromise or settle the Claim. All reasonable costs associated with evaluating the Claim, and negotiating a settlement of the Claim, or disputing a Claim, including, without limitation, all legal and other advisory fees and expenses, shall be borne exclusively by the Purchaser and shall be paid when due.

If the Vendor exercises the exclusive right to defend, compromise or settle a Claim by a Third Party, the Purchaser will be bound by any determination of such Claim or any compromise or settlement of such Claim effected without the consent of the Purchaser.

The Vendor and the Purchaser agree to keep the other fully informed of the status of any Third Party Claim and any related proceedings. If the Purchaser assumes the investigation and defense of a Third Party Claim in accordance with the foregoing, the Vendor will, at the request and expense of the Purchaser, use its reasonable efforts to make available to the Purchaser, on a timely basis, those employees whose assistance, testimony or presence is necessary to assist the Purchaser in investigating and defending the Third Party Claim. The Vendor shall, at the request and expense of the Purchaser, make available to the Purchaser, or their representatives, on a timely basis all documents, records and other materials in the possession, control or power of the Vendor, reasonably required by the Purchaser for its use solely in defending any Third Party Claim of which it has elected to assume the investigation and defense in accordance with the foregoing. The Vendor shall cooperate on a timely basis with the Purchaser in the defense of any Third Party Claim.

ARTICLE 9 **GENERAL**

9.1 Assignment and Benefit

No Party may assign this Agreement without the prior written consent of other Party. This Agreement shall enure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, personal and legal representatives, successors and permitted assigns.

9.2 Further Assurances

Each Party shall, from time to time, promptly execute and deliver and have executed and delivered all further documents and take, and have taken, all further action, as may be necessary or appropriate to give effect to the terms and intent of this Agreement and to complete the transactions contemplated by this Agreement.

9.3 Amendments and Waiver

No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by all of the Parties hereto and no waiver of any breach of any term or provision of this Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived.

9.4 Unavoidable Delays.

If any Party is prevented or delayed in complying with any provisions or satisfying any condition of this Agreement by reason of events beyond its control, including fire, land closures, the exigencies of nature, unfavorable weather or ground conditions, the action, inaction or refusal of any governmental agency to grant any authorization, approval, permit or consent to conduct exploration or other operations, or unusual delay in the processing or granting of such authorization, approval, permit or consent, environmental restrictions or approvals, and acts of God but excluding the lack of funds, such Party may give notice to the other Parties of the event, and upon notice all times herein provided for shall be extended by the period necessary to cure any such event and the Party affected shall use all reasonable means to do so promptly.

9.5 Confidentiality.

The terms and conditions of this Agreement and all data and information coming into the possession of a Party by virtue of this Agreement with respect to the business or operations of the other Party, or the Red Rock Claims or the Red Rock Property generally, shall be kept confidential and shall not be disclosed to any person not a Party hereto without the prior written consent of the Vendor

9.6 Notices

(a) **Notice in Writing.** Unless otherwise agreed by the Parties, each notice under this Agreement (including the Option Exercise Notice) must be given in writing and delivered personally, by prepaid courier, by email or by fax, addressed to the appropriate Party as follows:

(i) to the Purchaser, addressed to it at:

405,1210 8th Street SW
Calgary, AB T2R 1L3

Attention: Sandy Loutitt

with a copy to the Purchaser's Solicitors (which shall not constitute notice), addressed to it at:

ProVenture Law LLP
Suite 310, 525 - 11th Avenue SW
Calgary, AB T2R 0C9

Attention: Brent Walter

(ii) to Vendor, addressed to them at:

Suite 3300, 205 5th Avenue SW
Calgary, AB T2P 2V7

(iii) to the Lender's, or any of them at:

c/o ProVenture Law LLP
Suite 310, 525 - 11th Avenue SW
Calgary, AB T2R 0C9

Attention: Brent Walter

or to such other address, individual or electronic communication number as may be designated by notice given by a Party to the other Parties. Any demand, notice or other communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third (3rd) Business Day following the deposit thereof in the mail and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day. If the Party giving any demand, notice or other communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such demand, notice or other communication shall not be mailed but shall be given by personal delivery or by electronic communication.

9.7 Time of the Essence

Time shall be of the essence of this Agreement.

9.8 Governing Law

This Agreement and each of the documents contemplated by or delivered in connection with this Agreement are governed by, and shall be construed and interpreted in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein. Each of the Parties irrevocably submits to the exclusive jurisdiction of the courts of Alberta for and in respect of any proceedings relating to this Agreement, provided that such submission shall in no way restrict the rights of the Parties to commence any proceedings, or to enforce any of its rights, with respect to or arising pursuant to this Agreement in any other proper jurisdiction.

9.9 Severability

If any term of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that term shall not affect the legality, validity or enforceability of the remaining terms of this Agreement, or the legality, validity or enforceability of that term in any other jurisdiction.

9.10 Remedies Cumulative

It is acknowledged and agreed by the Parties that unless specifically agreed upon herein, no remedy conferred upon any Party is intended to be exclusive of any other remedy available to that Party, but each remedy shall be cumulative and shall be in addition to every other remedy given hereunder, now, or hereafter existing at law, or in equity by statute.

9.11 Professional Fees

Each of the Purchaser on the one hand, and the Vendor on the other, shall pay its respective legal, accounting and other professional costs and expenses incurred in connection with the preparation,

execution and delivery of this Agreement and all documents and instruments executed or delivered in connection herewith.

9.12 Counterparts

This Agreement may be executed in any number of counterparts, and delivered via facsimile or by electronic transmission in portable document format, and each such counterpart so executed and delivered shall be deemed an original and all of which taken together shall constitute one and the same instrument.

9.13 Language

This Agreement is drafted in English and may be translated into Chinese. The English version is the only binding version. If and to the extent there is any discrepancy or inconsistency between the English and Chinese versions, the English version shall prevail.

**[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK.
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

2037881 ALBERTA LTD.

By:

(signed) "Sandy Loutitt"
Authorized Signatory
Name: Sandy Loutitt
Title:

RED ROCK ENERGY INC.

By:

(signed) "Sandy Loutitt"
Authorized Signatory
Name: Sandy Loutitt
Title:

1262430 ALBERTA LTD.

By:

(signed) "Jo Kingma"
Authorized Signatory
Name: Jo Kingma
Title:

SOTO ENTERPRISES LTD.

By:

(signed) "Sandy Loutitt"
Authorized Signatory
Name: Sandy Loutitt
Title:

**Schedule A
Red Rock Claims**

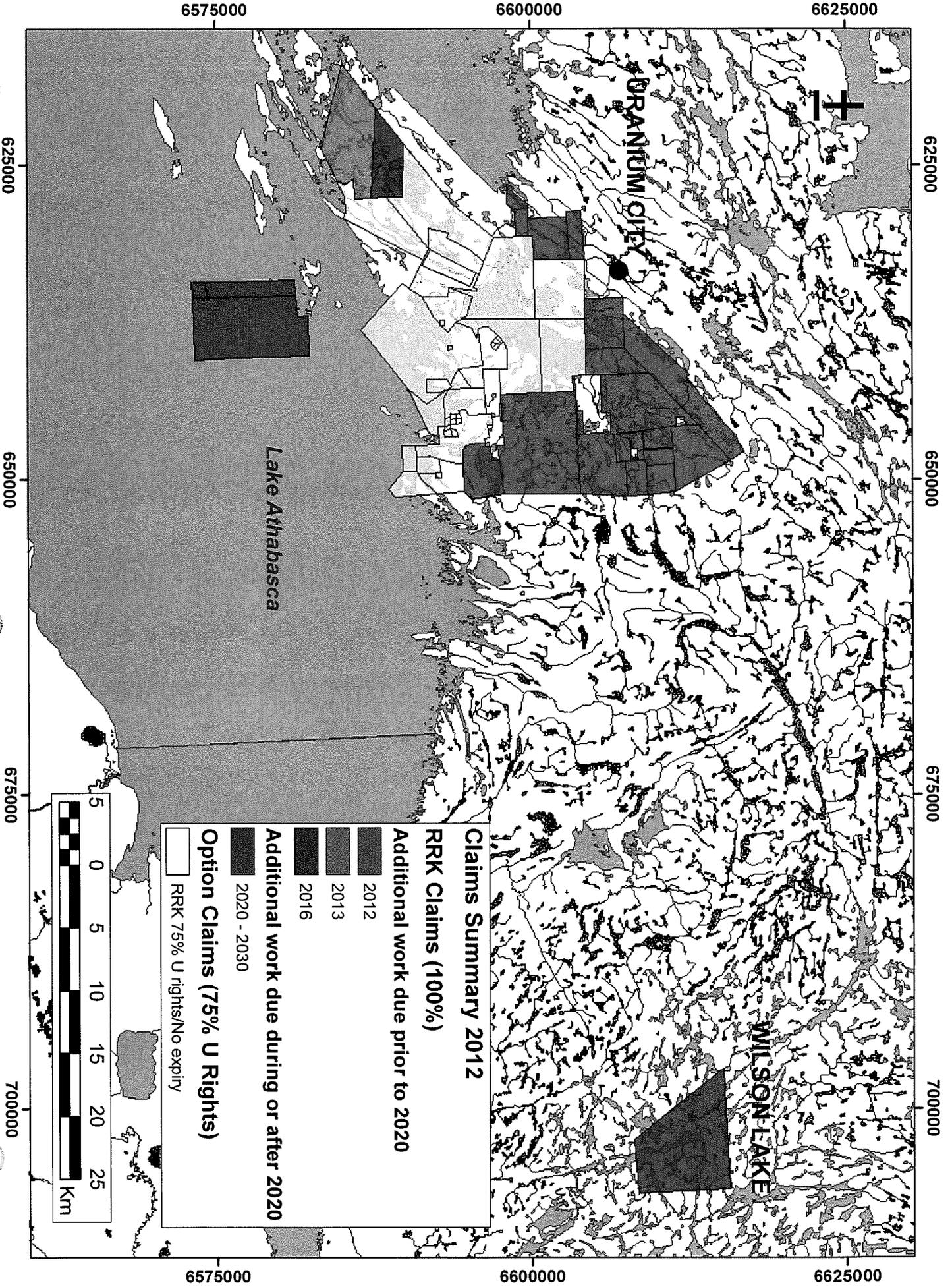
Attached.

Schedule "A"

S-107791	RRK 100%	MILLIKEN LAKE AREA	1,384	74-N-07
Subtotal			1,384	
S-103668	RRK 100%	MACINTOSH BAY, LAKE ATHABASCA	1,140	74-N-08
Subtotal			1,140	
S-107789	RRK 100%	DONALDSON LAKE AREA.	9	74-N-09
Subtotal			9	
S-108031	RRK 100%	VIRGIN LAKE AREA.	994	74-N-09
Subtotal			994	
S-107609	RRK 100%	DONALDSON LAKE AREA.	264	74-N-09
S-106537	RRK 100%	FREDETTE LAKE AREA.	1,468	74-N-09 & 74-N-10
S-107899	RRK 100%	RAGGS LAKE AREA.	497	74-N-09
S-105209	RRK 100%	DONALDSON LAKE AREA.	1,464	74-N-09
Subtotal			3,693	
S-107901	RRK 100%	FULTON LAKE AREA.	93	74-N-09
S-107902	RRK 100%	BEAVERLODGE LAKE AREA.	23	74-N-09
S-107903	RRK 100%	BEARCAT LAKE AREA.	4,840	74-N-08 & 74-N-09
S-107906	RRK 100%	YAHYAH LAKE AREA.	1,653	74-N-09
CBS 7827	RRK 100%	MELVILLE LAKE AREA.	858	74-N-09 & 74-N-10
Subtotal			7,467	
S-107390	RRK 100%	NERO LAKE AREA.	975	74-N-10
S-102825	RRK 100%	BEAVER LODGE LAKE AREA.	1,200	74-N-10
Subtotal			2,175	
S-107788	RRK 100%	BERTHA LAKE AREA.	449	74-N-10
S-106101	RRK 100%	MICKEY LAKE AREA.	2,472	74-N-09
S-107900	RRK 100%	DONALDSON LAKE AREA.	359	74-N-09
S-107441	RRK 100%	CRACKINGSTONE LAKE AREA.	225	74-N-10

S-107442	RRK 100%	FORGET LAKE AREA.	38	74-N-09
Subtotal			3,543	
S-107610	RRK 100%	FLACK LAKE AREA.	454	74-N-09
S-107611	RRK 100%	FORGET LAKE AREA.	142	74-N-09
S-107787	RRK 100%	FORGET LAKE AREA.	277	74-N-09
S-108053	RRK 100%	CRACKINGSTONE INLET AREA.	170	74-N-10
Subtotal			1,043	

RRK	4,387
Acquisition (UCR)	17,061
Total	21,448



**Schedule B
Lender Breakdown**

Lender	Balance Owing (principal plus interest)
1262430 Alberta Ltd. (Jo Kingma)	\$1,304,050
Soto Enterprises Ltd. (Sandy Loutitt)	<u>\$575,389</u>
Total:	\$1,879,439

Schedule C

Option Exercise Notice Form

NOTICE OF EXERCISE

TO: 2037881 ALBERTA LTD. (THE "PURCHASER")

RE: EXERCISE OF PUT OPTION

Reference is made to the uranium put and sale agreement (the "**Agreement**") dated _____, 2017 among Red Rock Energy Inc. (the "**Vendor**"), the Purchaser, 1262430 Alberta Ltd. and Soto Enterprises Ltd. All capitalized terms used herein shall have the meaning ascribed thereto in the Agreement unless otherwise defined herein.

The undersigned Vendor hereby exercises its Put Option to sell, assign and transfer to Purchaser, and to cause the Purchaser to purchase from the Vendor, the Red Rock Property in exchange for the cancellation of the Aggregate Outstanding Loan Balance in accordance with Article 2 of the Agreement.

DATED _____, 2017.

RED ROCK ENERGY INC.

By: _____
Name:
Title:

Schedule D

Bringdown Certificate

BRING DOWN CERTIFICATE

TO: 2037881 ALBERTA LTD. (THE "PURCHASER")

AND TO: THE LENDERS

Reference is made to the uranium put and sale agreement (the "**Agreement**") dated _____, 2017 among Red Rock Energy Inc. (the "**Vendor**"), the Purchaser, 1262430 Alberta Ltd. and Soto Enterprises Ltd. All capitalized terms used herein shall have the meaning ascribed thereto in the Purchase Agreement unless otherwise defined herein.

The Vendor hereby represents as follows effective as of the date hereof:

- (a) except as provided for by operation of the Agreement, no person, firm, corporation or other entity of any kind whatsoever has acquired, during the Interim Period any form of right to explore, develop, mine or otherwise exploit minerals from the Red Rock Claims or the Red Rock Property;
- (b) no third party consent or approval is required to be obtained by the Vendor to allow it to enter into and perform its obligations under this Agreement;
- (c) in respect of the Interim Period only, (i) to the best of the Vendor's knowledge no material releases of Hazardous Materials have occurred at or from the Red Rock Claims or the Red Rock Property; and (ii) there are no pending, or to the best of the Vendor's knowledge, threatened, Environmental Claims against or arising from the Red Rock Claims or the Red Rock Property; and (iii) to the knowledge of the Vendor, there are no facts, circumstances, or conditions that could reasonably be expected to restrict, under any Environmental Law or Environmental Permit in effect prior to or at the Effective Date, the ownership, occupancy, use or transferability of the Red Rock Claims.
- (d) all activities by or on behalf of the Vendor on or in respect of the Red Rock Claims or the Red Rock Property during the Interim Period (the "**Activities**") have been performed in compliance with all applicable laws, rules and regulations, including all laws, rules and regulations relating to operations and reclamation of disturbed lands and those relating to protection of the environment, and the Vendor has:
- (e) during the Interim Period the Vendor has not received notice of any alleged violation of any law, rule or regulation with respect to the Activities, the Red Rock Claims or the Red Rock Property,
- (f) in respect of the Interim Period only, the vendor has no knowledge of any threatened or pending governmental investigation into alleged violations of any law, rule or regulation with respect to the Activities, Red Rock Claims or the Red Rock Property,
- (g) during the Interim Period only, the Vendor has done no act or thing, nor to the reasonable and informed knowledge, information and belief of the Vendor, has there been any act or thing, whereby any of the Vendor's interests in and to the Red Rock Property may be cancelled or terminated;

- (h) the Vendor has completed the sale 20,000,000 common shares of the Vendor at a price of \$0.10 per share for gross proceeds of \$2,000,000; and
- (i) the representations and warranties made by the Vendor in the Agreement and each of the documents contemplate thereby, as applicable are true and correct in all respects as of the Closing.

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