

**SHARE EXCHANGE AGREEMENT**

**among**

**CAVALRY CAPITAL CORP.**

**and**

**ADVANCED ENERGY FUELS, INC.**

**and**

**THE UNDERSIGNED SHAREHOLDERS OF ADVANCED ENERGY  
FUELS, INC.**

**Made as of the 17<sup>th</sup> day of July, 2025**

## SHARE EXCHANGE AGREEMENT

THIS AGREEMENT made as of the 17<sup>th</sup> day of July, 2025

AMONG:

**CAVALRY CAPITAL CORP.**, a company existing under laws of the Province of British Columbia

(“Cavalry”)

AND:

**ADVANCED ENERGY FUELS, INC.**, a company existing under the laws of Delaware

(“Advanced”)

AND:

**THE UNDERSIGNED SHAREHOLDERS OF ADVANCED**, whose names and addresses are set out in the attached Schedule “A”

(individually, a “Vendor” and collectively, the “Vendors”)

**WHEREAS:**

- A. the Vendors are the registered and/or the beneficial owners of the common shares of Advanced set out in Schedule “A”, which are all of the issued and outstanding securities of Advanced as at the date of this Agreement;
- B. Cavalry is a “capital pool company” within the meaning of Policy 2.4 *Capital Pool Companies* (“**Policy 2.4**”) of the TSXV Corporate Finance Manual, and its common shares are listed and posted for trading on the TSXV (as hereinafter defined);
- C. the Vendors wish to sell to Cavalry, and Cavalry wishes to purchase from the Vendors, the Advanced Common Shares (as hereinafter defined) on the terms and subject to the conditions set out in this Agreement, which acquisition will constitute Cavalry’s “qualifying transaction” within the meaning of Policy 2.4; and
- D. the completion of the transactions contemplated by this Agreement shall result in the reverse takeover of Cavalry by Advanced.

**NOW THEREFORE IN CONSIDERATION** of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the Parties, the Parties covenant and agree as follows:

### ARTICLE 1 DEFINITIONS, INTERPRETATION AND SCHEDULES

#### 1.1 Definitions

In this Agreement, and in the Schedules attached hereto, unless the context otherwise requires, the following words and terms with the initial letter or letters thereof capitalized have the meanings ascribed to them below:

- (a) “**1933 Act**” means the United States *Securities Act of 1933*;
- (b) “**1940 Act**” means the United States *Investment Company Act of 1940*;
- (c) “**Advanced**” means Advanced Energy Fuels, Inc., a company existing under the laws of Delaware;
- (d) “**Advanced Australia**” means Advanced Energy Fuels (Aust) Pty Ltd, a company incorporated under the laws of New South Wales in which Advanced owns 49.9% of the outstanding shares;
- (e) “**Advanced Board**” means the board of directors of Advanced;
- (f) “**Advanced Common Shares**” means the common shares in the capital of Advanced, as presently constituted;
- (g) “**Advanced Financial Statements**” means the audited annual financial statements of Advanced for the periods ended December 31 2024 and 2023, and the interim financial statements for the period ended June 30, 2025 and the notes thereto;
- (h) “**Advanced Subsidiary**” means Advanced Energy Fuels (NM) LLC, a limited liability company existing under laws of New Mexico and a wholly-owned subsidiary of Advanced;
- (i) “**affiliate**” has the meaning ascribed to such term in Section 1(1) of the BCBCA;
- (j) “**Agreement**” means this share exchange agreement, together with the Schedules attached hereto, as amended, restated or supplemented from time to time;
- (k) “**Applicable Canadian Securities Laws**” means collectively, and as the context may require, the securities legislation of each of the provinces and territories of Canada, and the rules, regulations and policies published and/or promulgated thereunder;
- (l) “**BCBCA**” means the British Columbia *Business Corporations Act*;
- (m) “**Bellpiper**” means Bellpiper Pty Ltd., a Western Australian corporation;
- (n) “**Business Day**” means a day, other than a Saturday or Sunday, on which the principal commercial banks located in the City of Vancouver, British Columbia are open for business;
- (o) “**Cavalry**” means Cavalry Capital Corp., a company existing under the BCBCA;
- (p) “**Cavalry Board**” means the board of directors of Cavalry;
- (q) “**Cavalry Common Shares**” means the common shares in the capital of Cavalry as presently constituted;
- (r) “**Cavalry Consideration Shares**” means the Post-Consolidated Cavalry Shares being issued to the Vendors pursuant to the Share Exchange;
- (s) “**Cavalry Financial Statements**” has the meaning ascribed thereto in Section 3.3(l);
- (t) “**Cavalry Name Change**” has the meaning ascribed thereto in Section 4.3(k);
- (u) “**Cavalry Options**” means the stock options exercisable to purchase Cavalry Common Shares;
- (v) “**Cavalry Public Documents**” means the public documents filed by Cavalry and available on SEDAR+ under Cavalry’s SEDAR+ profile;

- (w) **“Cavalry Share Consolidation”** means the existing Cavalry Common Shares being consolidated (along with the Cavalry Options and Cavalry Warrants) on the basis of one Post-Consolidated Cavalry Share for every 1.66 pre-consolidated Cavalry Common Shares;
- (x) **“Cavalry Warrants”** means the common share purchase warrants exercisable to purchase Cavalry Common Shares;
- (y) **“Closing”** means the completion of the Share Exchange contemplated under this Agreement;
- (z) **“Closing Date”** means the date of Closing, which shall be the fifth Business Day following the satisfaction or waiver of all of the conditions to the obligations of the Parties to consummate the Share Exchange (other than conditions that are satisfied with respect to actions the respective Parties will take at the Closing) or such other date as agreed to by Cavalry and Advanced;
- (aa) **“Closing Time”** means 9:00 a.m. (Vancouver time) on the Closing Date or such other time on such date as Cavalry and Advanced may agree as the time at which the Closing shall take place;
- (bb) **“Concurrent Financing”** means a private placement to be completed by Cavalry prior to the Closing Time of a minimum of 10,000,000 Subscription Receipts at a price of \$0.25 per Subscription Receipt for aggregate gross proceeds of a minimum of \$2,500,000, or such other amount as agreed to by Advanced and Cavalry;
- (cc) **“Concurrent Financing Warrant”** means each whole common share purchase warrant issued on conversion of the Subscription Receipts, exercisable to purchase one Post-Consolidated Cavalry Share at an exercise price of \$0.35 per Post-Consolidated Cavalry Share for a period of 24 months from the escrow release date for the Subscription Receipts;
- (dd) **“Contract”** means any written or oral mortgage, indenture, non-governmental permit or licence, franchise, lease or contract, agreement, commitment or arrangement by which a Party is bound or under which the Party has, or shall have, any rights or obligations;
- (ee) **“Directed Selling Efforts”** means directed selling efforts as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Agreement, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Cavalry Common Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the Cavalry Common Shares;
- (ff) **“Disclosed Beneficial Owner”** means, in respect of any Vendor, any disclosed beneficial owner of the Advanced Common Shares who is identified by name in Schedule “A”;
- (gg) **“Edge”** means Edge Minerals Pty Ltd., a Western Australian company;
- (hh) **“Edge Option Agreement”** means the option and acquisition agreement dated September 9, 2024, as amended on January 31, 2025, May 19, 2025 and June 30, 2025 between Advanced, Trek, Edge and Bellpiper pursuant to which Trek granted an option to Advanced to acquire 100% of the shares of Edge;
- (ii) **“Encumbrance”** means any mortgage, pledge, assignment, charge, lien, royalty, claim, security interest, adverse interest, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, licence, instrument, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

- (jj) “**Environmental Approvals**” means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by any Governmental Entity pursuant to any Environmental Laws;
- (kk) “**Environmental Laws**” means all applicable Laws, including applicable common law, relating to the protection of the environment and employee and public health and safety, and includes Environmental Approvals;
- (ll) “**Filing Statement**” has the meaning ascribed thereto in Section 4.4(d);
- (mm) “**Fluorite Ridge Project**” means the Fluorite Ridge mineral project in New Mexico, the United States of America, as more particularly described in Schedule “B”;
- (nn) “**Governmental Entity**” means any applicable:
  - (i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign;
  - (ii) subdivision, agent, commission, board or authority of any of the foregoing;
  - (iii) quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or
  - (iv) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including the TSXV or any stock or other securities exchange or professional association;
- (oo) “**IFRS**” means International Financial Reporting Standards, as adopted by the International Accounting Standards Board, as amended from time to time;
- (pp) “**International Jurisdiction**” means a country other than Canada or the United States;
- (qq) “**Investor Rights Agreement**” means the investor rights agreement dated September 4, 2024 between Advanced and Trek;
- (rr) “**Laws**” means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, and the term “applicable” with respect to such Laws and in the context that refers to one or more persons, means that such Laws apply to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Entity (or any other person) having jurisdiction over the aforesaid person or persons or its or their business, undertaking, property or securities;
- (ss) “**Material Adverse Change**” means, in respect of a Party, any one or more changes, effects, events, occurrences or states of facts that, either individually or in the aggregate, have, or would reasonably be expected to have, a Material Adverse Effect on the Party and its Subsidiaries, on a consolidated basis;
- (tt) “**Material Adverse Effect**” means, in respect of a Party, any change, effect, event, occurrence or state of facts that, individually or in the aggregate, with other such changes, effects, events, occurrences or states of facts, is or would reasonably be expected to be material and adverse to the assets, liabilities, business, properties, operations, results of operations or condition (financial or

otherwise) of the Party and its Subsidiaries (on a consolidated basis), except any change, effect, event, occurrence or state of facts resulting from or relating to:

- (i) the announcement of the execution of this Agreement or the transactions contemplated hereby or the performance of any obligation hereunder or communication by the applicable Party of its plans or intentions with respect to the other Party, including, with respect to Advanced, any of its Subsidiaries;
- (ii) changes in the United States, Australian and Canadian economies in general or the United States, Australian and Canadian capital or currency markets in general;
- (iii) the threat, commencement, occurrence or continuation of any war, armed hostilities, acts of environmental groups, civil strife, or acts of terrorism;
- (iv) any change in applicable Laws or in the interpretation thereof by any Governmental Entity;
- (v) any change in IFRS;
- (vi) any natural disaster, epidemic, or pandemic;
- (vii) any change relating to foreign currency exchange rates;
- (viii) any change in metals or metals prices; or
- (ix) any changes affecting the mining industry generally;

provided that, in the case of any changes referred to in clauses (ii) to (ix) above, such changes do not have a materially disproportionate effect on the Party relative to comparable mineral exploration companies;

(uu) “**Material Contracts**” means all Contracts or other obligations or rights (and all amendments, modifications and supplements thereto and all side letters to which Advanced or Cavalry, as the case may be, is a party affecting the obligations of any party thereunder) to which Advanced or Cavalry, or any of their Subsidiaries, as the case may be, is a party or by which any of their respective properties or assets are bound that are material to the business, properties or assets of Advanced or Cavalry, as the case may be, taken as a whole, including to the extent any of the following are material to the business, properties or assets of Advanced or Cavalry, as the case may be, taken as a whole, all:

- (i) employment, severance, personal services, consulting, non-competition or indemnification contracts (including any Contract to which Advanced or Cavalry, as the case may be, is a party involving employees);
- (ii) Contracts granting a right of first refusal or first negotiation;
- (iii) partnership or joint venture agreements;
- (iv) Contracts for the acquisition, sale or lease of material properties or assets of Advanced or Cavalry, as the case may be (by purchase or sale of assets or stock or otherwise);
- (v) Contracts with any Governmental Entity;
- (vi) loan or credit agreements, mortgages, indentures or other Contracts or instruments evidencing indebtedness for borrowed money by Advanced or Cavalry, as the case may be, or any such agreement pursuant to which indebtedness for borrowed money may be incurred;

- (vii) Contracts that purport to limit, curtail or restrict the ability of Advanced or Cavalry, as the case may be, to engage in any line of business activities or to acquire property (including, but not limited to, any real property or mineral tenures) in any geographic area;
- (viii) commitments and agreements to enter into any of the foregoing; and
- (ix) all Contracts that provide for annual payments to or from Advanced or Cavalry, as the case may be, in excess of \$50,000 per annum;

and, for greater certainty, includes the Material Contracts of Advanced and Cavalry, as applicable, as set out in Schedule “C”;

- (vv) “**Outside Date**” means the latest date by which the transactions contemplated by this Agreement are to be completed, which date shall be December 31, 2025 or such later date as Cavalry and Advanced may mutually agree in writing;
- (ww) “**Party**” means, as the context requires, either Cavalry, Advanced or the Vendors and “**Parties**” means all of them;
- (xx) “**person**” includes any individual, firm, partnership, joint venture, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Governmental Entity, syndicate or other entity, whether or not having legal status;
- (yy) “**Policy 2.4**” has the meaning ascribed thereto in Recital B hereto;
- (zz) “**Post-Consolidated Cavalry Shares**” means the common shares of Cavalry following the Cavalry Share Consolidation;
- (aaa) “**Principals**” has the meaning given to such term in Policy 1.1 – *Interpretation* of the TSXV Corporate Finance Manual;
- (bbb) “**Properties**” means, together, the SWWM Project and the Fluorite Ridge Project;
- (ccc) “**Regulation D**” means Regulation D promulgated under the 1933 Act;
- (ddd) “**Regulation S**” means Regulation S promulgated under the 1933 Act;
- (eee) “**Securities Authorities**” means domestic and foreign securities commissions and/or other securities regulatory authorities, including the securities commissions and regulatory authorities in the provinces and territories of Canada;
- (fff) “**SEDAR+**” means the System for Electronic Document Analysis and Retrieval Plus;
- (ggg) “**Share Exchange**” means the share exchange between Cavalry and the Vendors pursuant to the terms and subject to the conditions set forth in this Agreement, subject to any amendment thereto in accordance herewith;
- (hhh) “**Subscription Receipts**” means subscription receipts of Cavalry to be issued pursuant to the Concurrent Financing where each subscription receipt shall be convertible into one unit, each comprised of one Post-Consolidated Cavalry Share and one-half of one Concurrent Financing Warrant upon satisfaction of certain escrow release conditions;
- (iii) “**Subsidiary**” has the meaning ascribed thereto in Section 2(2) of the BCBCA;

- (jjj) “**Substantial U.S. Market Interest**” means substantial U.S. market interest as that term is defined in Regulation S;
- (kkk) “**SWWM Project**” means South Woodie Woodie manganese mineral project in Western Australia, as more particularly described in Schedule “B”;
- (lll) “**Tax**” and “**Taxes**” means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Entity, including all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, value added taxes, transfer taxes (including, without limitation, taxes relating to the transfer of interests in real property or entities holding interests therein), franchise taxes, license taxes, withholding taxes, payroll taxes, employment taxes, Canada Pension Plan contributions, excise, severance, social security, workers’ compensation, employment insurance or compensation taxes or premium, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties or other taxes, fees, imports, assessments or charges of any kind whatsoever, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing;
- (mmm) “**Tax Act**” means the *Canada Income Tax Act*;
- (nnn) “**Tax Returns**” means all returns, schedules, elections, declarations, reports, information returns, notices, forms, statements and other documents made, prepared or filed with any taxing authority or required to be made, prepared or filed with any taxing authority relating to Taxes;
- (ooo) “**TSXV**” means the TSX Venture Exchange;
- (ppp) “**Trek**” means Trek Metals Limited;
- (qqq) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
- (rrr) “**U.S. Accredited Investor**” means an “accredited investor” as defined in Rule 501(a) of Regulation D;
- (sss) “**U.S. Person**” means a “U.S. person” as that term is defined in Regulation S;
- (ttt) “**Vendors**” has the meaning ascribed thereto on the first page of this Agreement; and
- (uuu) “**Vendors’ Representative**” has the meaning ascribed thereto in Section 2.8(a).

In addition, words and phrases used herein and defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

## 1.2 Interpretation Not Affected by Headings

The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions refer to this Agreement and the Schedules attached hereto and not to any particular Article, Section or other portion hereof and include any agreement, schedule or instrument supplementary or ancillary hereto or thereto.

### **1.3 Section References**

All references in this Agreement to a designated Article, Section, paragraph, clause or other subdivision, or to a Schedule, is to the designated Article, Section, Paragraph, clause or other subdivision of or Schedule to this Agreement unless otherwise specifically stated.

### **1.4 Number and Gender**

In this Agreement, unless the context otherwise requires, words importing the singular only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.

### **1.5 Date for any Action**

If the date on which any action is required to be taken hereunder by any party hereto is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

### **1.6 Statutory References**

Any reference in this Agreement to a statute includes all regulations made thereunder, all amendments, consolidations and re-enactments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

### **1.7 Document References**

All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all Schedules and exhibits attached thereto.

### **1.8 Currency**

Unless otherwise stated, all references in this Agreement to dollar amounts are expressed in Canadian currency.

### **1.9 Invalidity of Provisions**

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by applicable Laws, the Parties waive any provision of Law that renders any provision of this Agreement or any part thereof invalid or unenforceable in any respect. The Parties shall engage in good faith negotiations to replace any provision hereof or any part thereof that is declared invalid or unenforceable with a valid and enforceable provision or part thereof, the economic effect of which approximates as much as possible the invalid or unenforceable provision or part thereof that it replaces.

### **1.10 Accounting Matters**

Unless otherwise stated, all accounting terms used in this Agreement have the meanings attributable thereto hereunder, and all determinations of an accounting nature required to be made hereunder shall be made in a manner consistent with IFRS.

### **1.11 Knowledge**

Where the phrases “to the knowledge of Cavalry” or “to the knowledge of Advanced” are used in respect of Cavalry or Advanced, such phrase shall mean, in respect of each representation and warranty or other statement which is qualified by such phrase, that such representation and warranty or other statement is being made based upon:

- (a) in the case of Cavalry, the actual knowledge of Brandon Bonifacio, the Chief Executive Officer and President, and Adam Garvin, the Chief Financial Officer, of Cavalry after due inquiry and investigation; and
- (b) in the case of Advanced, the actual knowledge of Gary Lewis, the Executive Director of Advanced after due inquiry and investigation.

### **1.12 Meaning of Certain Phrases**

In this Agreement the phrase “in the ordinary and regular course of business” shall mean and refer to those activities that are normally conducted by corporations engaged in the exploration of minerals, the word “or” is not exclusive and the words “include”, “includes” or “including” shall not be considered to set forth an exhaustive list (whether or not non-limited language, such as “without limitation” or “but not limited to” or words of similar import is used with reference to such terms).

### **1.13 Schedules**

The following Schedules are attached to, and are deemed to be incorporated into and form part of, this Agreement:

Schedule “A”	–	Vendors
Schedule “B”	–	The Properties
Schedule “C”	–	Material Contracts

## **ARTICLE 2 THE SHARE EXCHANGE**

### **2.1 Terms of Share Exchange**

The Parties hereby covenant and agree to implement the Share Exchange in accordance with the terms and subject to the conditions of this Agreement, as follows:

- (a) at the Closing Time, subject to the terms and conditions set out in this Agreement and in reliance on the representations, warranties and covenants set forth herein, each Vendor agrees to sell to Cavalry, and Cavalry agrees to purchase from each Vendor, the number of Advanced Common Shares which are by held the Vendor, free and clear of all Encumbrances, by way of an exchange of shares;
- (b) the Share Exchange shall proceed on the basis of one (1) Cavalry Consideration Share being allotted and issued to the Vendors at a deemed price of \$0.25 per Cavalry Consideration Share for every one (1) Advanced Common Share purchased by Cavalry; and
- (c) as a result of the foregoing, Advanced shall be a wholly-owned Subsidiary of Cavalry.

### **2.2 Share Exchange Procedure**

Subject to the fulfillment of all the terms and conditions hereof and subject to Section 4.2(i), at the Closing each Vendor shall exchange its certificate(s) representing the Advanced Common Shares held by it by delivering such certificate(s) to Cavalry duly executed and endorsed in blank or accompanied by duly

executed stock powers duly endorsed in blank, in each case in proper form for transfer with appropriate instructions to allow the transfer agent for the Cavalry Common Shares to issue certificates or electronic statements for the Cavalry Consideration Shares to the holder thereof, together with a duly completed and executed U.S. Accredited Investor certificate, if the Vendor or, if applicable, the Disclosed Beneficial Owner, is a U.S. Person or a person in the United States. If the Vendor is not the registered holder of the Advanced Common Shares, the Vendor shall cause the registered holder of the Advanced Common Shares to duly execute any transfer forms necessary to allow the transfer agent for the Cavalry Common Shares to issue certificates or electronic statements for Cavalry Consideration Shares in respect thereof.

### **2.3 Closing Date**

The Share Exchange shall be completed on the Closing Date and shall be effective at the Closing Time.

### **2.4 Closing**

Unless this Agreement is terminated pursuant to the provisions hereof, the Closing shall take place at the Closing Time on the Closing Date remotely or at such other time or location as agreed to by Cavalry and Advanced and each of them shall deliver to the other Party, as the case may be:

- (a) the documents required or contemplated to be delivered by it hereunder in order to complete, or necessary or reasonably requested by the other Party to be delivered by it in order to effect, the Share Exchange; provided that each such document required to be dated the Closing Date shall be dated as of, or become effective on, the Closing Date and shall be held in escrow to be released upon the Share Exchange becoming effective; and
- (b) written confirmation as to the satisfaction or waiver of all of the conditions in its favour contained in Article 5.

Notwithstanding the location of the Closing, each of Cavalry and Advanced agrees that the Closing may be completed by the exchange of agreements and other documents executed in counterpart via electronic transmission between their respective legal counsel accompanied by confirmations between the respective legal counsel for Cavalry and Advanced not to release same from escrow until the satisfaction of all Closing conditions and to deliver any required original documents after Closing.

### **2.5 Reliance on Prospectus and Registration Exemptions**

The Vendors acknowledge and agree that the Cavalry Consideration Shares being issued pursuant to this Agreement are being issued pursuant to an exemption from the prospectus and registration requirements of Applicable Canadian Securities Laws. As a result, the Vendors shall not be entitled to certain protections, rights and remedies available under Applicable Canadian Securities Laws, including statutory rights of rescission or damages, and the Vendors shall not receive information that would otherwise be required to be provided to the Vendors pursuant to Applicable Canadian Securities Laws.

### **2.6 Resale Restrictions**

- (a) The Parties acknowledge and agree that it is the intention of the Parties that the Cavalry Consideration Shares to be issued to the Vendors hereunder shall be issued pursuant to the “take-over bid and issuer bid” exemption set out in Section 2.16 of National Instrument 45-106 *Prospectus Exemptions*, such that, excepting any applicable escrow hold periods and seed share resale restrictions, there shall be no resale restrictions in Canada under Applicable Canadian Securities Laws. Notwithstanding the foregoing, the Vendors acknowledge and agree that, to the extent that the Cavalry Consideration Shares are subject to resale restrictions under Applicable Canadian Securities Laws, then the terms of such resale restrictions shall be endorsed on the certificates or electronic statements representing such Cavalry Consideration Shares, and the Cavalry Consideration Shares may not be sold, transferred or otherwise disposed except in

accordance with exemption from, or in a transaction not subject to, the prospectus and registration requirements of Applicable Canadian Securities Laws and in each case only in accordance with all Applicable Canadian Securities Laws. The Vendors agree to comply with such resale restrictions.

- (b) Each Vendor acknowledges and agrees that the Cavalry Consideration Shares to be issued to the Vendors pursuant to the Share Exchange may be subject to escrow or seed share resale restriction provisions under the rules of the TSXV, and the terms of such restrictions may be endorsed on the certificates or electronic statements representing such Cavalry Consideration Shares as legends.
- (c) Each Vendor acknowledges and agrees that it is knowledgeable of, or has been independently advised as to, the applicable Laws of the jurisdiction(s) which apply to the sale of the Advanced Common Shares and the issuance of the Cavalry Consideration Shares, and which may impose restrictions on the resale of such Cavalry Consideration Shares in that jurisdiction and it is the responsibility of the Vendor to find out what those resale restrictions are, and to comply with the resale restrictions before selling the Cavalry Consideration Shares.

## 2.7 Treatment of Restricted Securities under the U.S. Securities Act

The Parties acknowledge and agree that the Cavalry Consideration Shares issued to the Vendors resident in or subject to the laws of the United States in connection with the Share Exchange shall be “restricted securities” within the meaning of Rule 144 under the 1933 Act and each certificate or electronic statement representing the Cavalry Consideration Shares issued to holders resident in or subject to the laws of the United States shall bear a legend in substantially the form that follows:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”), OR ANY STATE SECURITIES LAWS, AND MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY TO (A) [NAME OF RESULTING ISSUER] (THE “COMPANY”) (B) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (D) PURSUANT TO ANOTHER EXEMPTION OR EXCLUSION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, PROVIDED THAT THE HOLDER HAS, PRIOR TO SUCH SALE UNDER (C) OR (D), FURNISHED TO THE COMPANY A LEGAL OPINION, REASONABLY SATISFACTORY TO THE COMPANY, TO THE EFFECT THAT SUCH TRANSFER IS EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.”

## 2.8 Vendors’ Representative

- (a) Each Vendor hereby, constitutes and appoints Gary Lewis as its representative (the “**Vendors’ Representative**”) and its true and lawful attorney in fact, with full power and authority in its name on its behalf:
  - (i) to act on such Vendor’s behalf in the absolute discretion of the Vendors’ Representative with respect to all matters relating to this Agreement and the transactions contemplated hereby, including the execution and delivery of (A) any amendment, supplement, or modification of this Agreement; (B) any waiver of any claim or right arising out of this

Agreement; and (C) stock powers of attorney authorizing the transfer to Cavalry of the Advanced Common Shares held by such Vendor; and

- (ii) in general, to do all things and to perform all acts as such Vendor might or could do in person, including executing and delivering all agreements, certificates, receipts, instructions, and other instruments contemplated by or deemed advisable to effectuate the provisions in this Section 2.8.
- (b) The power of attorney granted herein:
- (i) is a power coupled with an interest;
  - (ii) is in consideration of the mutual covenants made in this Agreement;
  - (iii) is irrevocable;
  - (iv) extends to, and is binding on and enforceable against the heirs, executors, administrators, other legal representatives and successors, transferees and assigns of each Vendor; and
  - (v) shall not be terminated by any act of any Vendor or by operation of law, whether by the death or incapacity of any Vendor or by occurrence of any other event.

Each Vendor hereby consents to the taking of any and all actions and the making of any decisions required and permitted to be taken or made by the Vendors' Representative pursuant to this Section 2.8. Each Vendor, agrees to be bound by any representations or actions so made or taken by the Vendors' Representative and agrees to abide by any such restrictions as may be so imposed by the Vendors' Representative pursuant to the power of attorney contained herein, and hereby waives any and all defences which may be available to contest, negate or disaffirm any action of the Vendors' Representative taken in good faith under such power of attorney.

- (c) Each Vendor agrees that the Vendors' Representative shall have no obligation or liability to any person for any action taken or omitted by the Vendors' Representative in good faith, and each Vendor shall indemnify and hold harmless the Vendors' Representative from, and shall pay to the Vendors' Representative the amount of, or reimburse the Vendors' Representative for, any loss that the Vendors' Representative may suffer, sustain, or become subject to as a result of any such action or omission by the Vendors' Representative under this Agreement.
- (d) Cavalry and Advanced shall be entitled to rely upon any documents or other paper delivered by the Vendors' Representative as being authorized by the Vendors, and Cavalry and Advanced shall not be liable to any of such Vendors for any action taken or omitted to be taken by Cavalry and Advanced based on such reliance.
- (e) In accordance with the *Power of Attorney Act* (British Columbia) and any other similar applicable legislation of any other jurisdiction governing a power of attorney, each Vendor declares that the power of attorney granted to the Vendors' Representative herein may be exercised during any legal incapacity, mental incapacity or infirmity, or mental incompetence on the part of such Vendor. The power of attorney granted by each Vendor herein shall not be terminated by the execution or granting of any further powers of attorney by a Vendor, and each Vendor covenants and agrees not to take any action in the future which shall result in the termination of the power of attorney granted by each Vendor herein, until the Closing or the termination of this Agreement in accordance with Section 6.2.
- (f) Until all obligations under this Agreement shall have been discharged, the Vendors who, immediately prior to the Closing, are entitled in the aggregate to receive more than 50% of the Cavalry Consideration Shares, may, from time to time upon notice to Cavalry and Advanced,

appoint a new Vendors' Representative upon the resignation of the Vendors' Representative. If, after the resignation of the Vendors' Representative, a successor Vendors' Representative shall not have been appointed by the Vendors within 15 Business Days after a request by Cavalry and Advanced, Cavalry and Advanced may appoint a Vendors' Representative from among the Vendors to fill any vacancy so created by notice of such appointment to the Vendors.

## 2.9 Application of the Tax Act

The Parties acknowledge and agree that the transactions contemplated herein are not intended to give rise to any income tax liability whatsoever, and it is their intention that the Share Exchange shall be effected pursuant to the provisions of Section 85.1 of the Tax Act, unless that provision is inapplicable in respect of any particular Vendor, in which case the non-application of Section 85.1 to a particular Vendor is not intended to alter the application of this provision to any other Vendor.

## ARTICLE 3 REPRESENTATIONS AND WARRANTIES

### 3.1 Representations and Warranties of the Vendors

Each Vendor hereby severally, and not jointly, represents and warrants to Cavalry and Advanced, and hereby acknowledges that Cavalry and Advanced are relying upon such representations and warranties in connection with entering into this Agreement and agreeing to complete the Share Exchange, as follows:

- (a) Capacity. If the Vendor is an individual, the Vendor has the capacity to own the Advanced Common Shares owned by the Vendor, to enter into this Agreement and all other agreements and instruments to be executed by the Vendor and to perform the Vendor's obligations hereunder and thereunder. If the Vendor is not an individual, the Vendor has all requisite power, authority and capacity to own or hold the Vendor's Advanced Common Shares and to execute and deliver this Agreement and all other agreements and instruments to be executed by the Vendor as contemplated herein and to perform the Vendor's obligations hereunder and thereunder.
- (b) Non-Individual Authorization. If the Vendor is not an individual, the execution and delivery of this Agreement and all other agreements and instruments to be executed and delivered hereunder have been duly authorized by all necessary action on the part of such Vendor, and the Vendor has obtained all necessary approvals to perform its covenants and obligations hereunder.
- (c) Binding and Enforceable Agreement. This Agreement constitutes a legal, valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity.
- (d) Bankruptcy, Insolvency and Reorganization. The Vendor is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada), and the Vendor has not made (i) an assignment in favour of its creditors; (ii) a proposal in bankruptcy to its creditors or any class thereof; or (iii) had any petition for a receiving order presented in respect of it. If the Vendor is not an individual, the Vendor has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver has been appointed in respect of the Vendor or any of its property or assets and no execution or distress has been levied upon any of its property or assets.
- (e) Residency and Securities Laws.
  - (i) The Vendor and, if applicable, the Disclosed Beneficial Owner is resident in the jurisdiction indicated beside such person's name in Schedule "A" and, except as set out in

Schedule "A", is not a non-resident person within the meaning of Section 116 of the Tax Act.

- (ii) Unless the Vendor and, if applicable, the Disclosed Beneficial Owner, is a U.S. Person or a person in the United States or is acting for the account or benefit of a U.S. Person or a person in the United States, in which case each of the Vendor and, if applicable, the Disclosed Beneficial Owner is a U.S. Accredited Investor and has properly completed, executed and delivered to Cavalry and Advanced a U.S. Accredited Investor certificate, in form and substance satisfactory to Cavalry and Advanced:
  - (A) the Vendor and, if applicable, the Disclosed Beneficial Owner is not a U.S. Person or a person in the United States and is not acting for the account or benefit of a U.S. Person or a person in the United States;
  - (B) the offer to acquire the Cavalry Consideration Shares was not made to the Vendor and, if applicable, the Disclosed Beneficial Owner in the United States, and at the time this Agreement was executed and delivered to Cavalry and Advanced, the Vendor and, if applicable, the Disclosed Beneficial Owner (or their authorized signatory, if an entity) were outside the United States;
  - (C) the current structure of this transaction and all transactions and activities contemplated hereunder are not a scheme to avoid the registration requirements of the 1933 Act;
  - (D) the Vendor and, if applicable, the Disclosed Beneficial Owner is acquiring the Cavalry Consideration Shares as principal for investment purposes only and not with a view to, or for, resale, distribution or other disposition, in whole or in part, and, in particular, it has no intention to distribute either directly or indirectly any of the Cavalry Consideration Shares in the United States or to U.S. Persons except pursuant to registration under the 1933 Act and the securities laws of all applicable states or available exemptions therefrom; and
  - (E) the Vendor and, if applicable, the Disclosed Beneficial Owner has not acquired the Cavalry Consideration Shares as a result of any form of general solicitation or general advertising, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, broadcast over radio or television, or published or broadcast via electronic display, including the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (iii) If the Vendor is a U.S. Person or a person in the United States or is acting for the account or benefit of a U.S. Person or a person in the United States:
  - (A) the Vendor and, if applicable, the Disclosed Beneficial Owner is acquiring the Cavalry Consideration Shares as principal for investment purposes only and not with a view to, or for, resale, distribution or other disposition, in whole or in part, and, in particular, it has no intention to distribute either directly or indirectly any of the Cavalry Consideration Shares in the United States or to U.S. Persons except pursuant to registration under the 1933 Act and the securities laws of all applicable states or available exemptions therefrom; and
  - (B) the Vendor and, if applicable, the Disclosed Beneficial Owner has not acquired the Cavalry Consideration Shares as a result of any form of general solicitation or general advertising, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media,

broadcast over radio or television, or published or broadcast via electronic display, including the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising; and

- (iv) If a resident in an International Jurisdiction, the Vendor and, if applicable, the Disclosed Beneficial Owner:
  - (A) is knowledgeable of, or has been independently advised as to the securities Laws of the Securities Authorities having application in the jurisdiction in which the Vendor is resident which would apply to the acquisition of the Cavalry Consideration Shares;
  - (B) is acquiring the Cavalry Consideration Shares pursuant to exemptions from the prospectus and registration requirements under the applicable securities Laws of the Securities Authorities in the International Jurisdiction or, if such is not applicable, the Vendor is permitted to acquire the Cavalry Consideration Shares under the applicable securities Laws of the Securities Authorities in the International Jurisdiction without the need to rely on any exemption; and
  - (C) confirms that the applicable securities Laws of the Securities Authorities in the International Jurisdiction do not require Cavalry to make any filings or seek any approvals of any nature whatsoever from any Governmental Entity, including any Securities Authority, of any kind whatsoever in the International Jurisdiction in connection with the acquisition of the Cavalry Consideration Shares acquired by the Vendor hereunder.
- (f) Title to Shares. The Vendor is the sole registered holder of the number of Advanced Common Shares set out opposite the Vendor's name in Schedule "A".
- (g) Encumbrances. The Advanced Common Shares held by the Vendor are free and clear of all Encumbrances.
- (h) No Agreements. No person has any agreement or option or a right capable of becoming an agreement for the assignment, purchase or other transfer of the Advanced Common Shares owned by the Vendor.
- (i) No Violation. The performance of this Agreement shall not violate any applicable Laws or any agreement or other instrument to which the Vendor is a party.
- (j) Acquiring as Principal. The Vendor is either:
  - (i) acquiring the Cavalry Consideration Shares as principal for its own account and not for the benefit of any other person, or is deemed under the applicable securities Laws to be acquiring the Cavalry Consideration Shares as principal, and is acquiring the Cavalry Consideration Shares for investment purposes only and not with a view to the resale or distribution of all or any of the Cavalry Consideration Shares; or
  - (ii) acquiring the Cavalry Consideration Shares as agent for a principal, who the Vendor has disclosed in Schedule "A" as the Disclosed Beneficial Owner, and the Vendor is duly authorized to enter into this Agreement and to execute and deliver all documentation in connection with the purchase on behalf of the Disclosed Beneficial Owner, who is acquiring as principal for its own account and not for the benefit of any other person and for investment purposes only and not with a view to the resale or distribution of all or any of the Cavalry Consideration Shares, and the Vendor in its capacity as agent is acting in compliance with all the applicable securities Laws and the Vendor, on its own behalf and,

if applicable, on behalf of the Disclosed Beneficial Owner, acknowledges that Cavalry and Advanced may be required by law to disclose to certain Securities Authorities the identity of the Disclosed Beneficial Owner.

### 3.2 Representations and Warranties of Advanced

Advanced hereby represents and warrants to Cavalry and hereby acknowledges that Cavalry is relying upon such representations and warranties in connection with entering into this Agreement and agreeing to complete the Share Exchange, as follows:

- (a) Organization and Operations. Each of Advanced and Advanced Subsidiary has been incorporated and, validly exists under the laws of its governing jurisdiction and is in good standing under applicable corporate Laws and has full corporate and legal power and authority to own its property and assets and to conduct its business as currently owned and conducted. Each of Advanced and the Advanced Subsidiary is registered, licensed or otherwise qualified in each jurisdiction where the nature of the business or the location or character of the property and assets owned or leased by it requires it to be so registered, licensed or otherwise qualified, other than those jurisdictions where the failure to be so registered, licensed or otherwise qualified would not have a Material Adverse Effect. All of the outstanding Advanced Common Shares are validly issued, and are fully paid and non-assessable.
- (b) Subsidiaries. Other than Advanced Subsidiary, Advanced does not beneficially own or exercise control or direction over 10% or more of the outstanding shares of any company that holds any assets or conducts any operations. Advanced beneficially owns all the issued and outstanding shares in the capital of Advanced Subsidiary, and Advanced beneficially owns 49.9% of the issued and outstanding shares in the capital of Advanced Australia, which in respect of both Advanced Subsidiary and Advanced Australia, are free and clear of all mortgages, Encumbrances, charges, pledges, security interests, claims or demands of any kind whatsoever, all of such shares have been duly authorized and are validly issued and are outstanding as fully paid and non-assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from Advanced of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Advanced Australia or Advanced Subsidiary or any other security convertible into or exchangeable for any such shares
- (c) Authority. Advanced has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by Advanced as contemplated by this Agreement, and to perform its obligations hereunder and under such other agreements and instruments. The execution and delivery of this Agreement by Advanced and the completion by Advanced of the transactions contemplated by this Agreement have been authorized by the Advanced Board and, subject to the execution of this Agreement by the Vendors, no other corporate proceedings on the part of Advanced are necessary to authorize this Agreement or the completion by Advanced of the transactions contemplated hereby other than approval by the TSXV of the transactions contemplated by this Agreement. This Agreement has been executed and delivered by Advanced and constitutes a legal, valid and binding obligation of Advanced, enforceable against Advanced in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity. The execution and delivery by Advanced of this Agreement and the performance by Advanced of its obligations hereunder and the completion of the transactions contemplated hereby, do not and shall not:
  - (i) result in a violation, contravention or breach or constitute a default under, or entitle any party to terminate, accelerate, modify or call any obligations or rights under, require any consent to be obtained under or give rise to any termination rights under any provision of:

- (A) the constating documents of Advanced;
- (B) any applicable Law; or
- (C) any credit arrangement, note, bond, mortgage, indenture, deed of trust, lease, franchise, concession, easement, contract, agreement, licence, permit or other instrument to which Advanced is bound or is subject to or of which Advanced is the beneficiary;

in each case, which would, individually or in the aggregate, have a Material Adverse Effect on Advanced;

- (ii) cause any indebtedness owing by Advanced to come due before its stated maturity or cause any available credit to cease to be available which would, individually or in the aggregate, have a Material Adverse Effect on Advanced;
  - (iii) result in the imposition of any Encumbrance upon any of the property or assets of Advanced or Advanced Subsidiary or give any person the right to acquire any of Advanced's or Advanced Subsidiary's assets, or restrict, hinder, impair or limit the ability of Advanced to conduct the business of Advanced as and where it is now being conducted which would, individually or in the aggregate, have a Material Adverse Effect on Advanced; or
  - (iv) result in or accelerate the time for payment or vesting of, or increase the amount of any severance, unemployment compensation, "golden parachute", change of control provision, bonus, termination payments, retention bonus or otherwise, becoming due to any director or officer of Advanced or its affiliates or increase any benefits otherwise payable under any pension or benefits plan of Advanced or its affiliates or result in the acceleration of the time of payment or vesting of any such benefits; or
  - (v) result in the revocation, suspension, cancellation, variation or non-renewal of any mining claims, concessions, licenses, leases or other instruments, conferring mineral rights in respect of the material properties in which Advanced has an interest.
- (d) Capitalization. Advanced is authorized to issue an unlimited number of Advanced Shares. As of the date of this Agreement, there were 19,379,938 Advanced Common Shares issued and outstanding, and shall not exceed 19,879,938 Advanced Common Shares at the Closing Time. Except pursuant to the Investor Rights Agreement and this Agreement and the transactions contemplated hereby, as of the date hereof, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating Advanced, Advanced Subsidiary or Advanced Australia to issue or sell any securities or any securities or obligations of any kind convertible into or exchangeable for any securities. All outstanding Advanced Common Shares have been authorized and are validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights. As of the date hereof, there are no outstanding bonds, debentures or other evidences of indebtedness of Advanced. There are no outstanding contractual obligations of Advanced to repurchase, redeem or otherwise acquire any outstanding Advanced Common Shares or with respect to the voting or disposition of any outstanding Advanced Common Shares. There are no shareholders' agreements or other similar agreements with respect to the ownership or voting of any of the Advanced Common Shares.
- (e) Consents. No consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity or other person is outstanding and required to be obtained by Advanced or its

affiliates or in connection with the execution and delivery of this Agreement or the consummation by Advanced of the transactions contemplated hereby.

- (f) Directors' Approvals. The Advanced Board has unanimously:
  - (i) determined that the Share Exchange is in the best interests of Advanced; and
  - (ii) authorized the entering into of this Agreement, and the performance of Advanced's obligations hereunder.
- (g) Contracts. Each of the Material Contracts to which Advanced or its Subsidiaries is a party constitutes a valid and legally binding obligation of it, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles). Advanced has provided Cavalry with copies of all Material Contracts to which Advanced and its Subsidiaries, or any of them, is a party.
- (h) Waivers, Consents. There are no waivers, consents, notices or approvals required to complete the transactions contemplated under this Agreement from other parties to the Material Contracts of Advanced and its Subsidiaries.
- (i) No Defaults. Neither Advanced nor Advanced Subsidiary is in default under, and, there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute a default by Advanced or Advanced Subsidiary under, any credit arrangement, note, bond, mortgage, indenture, deed of trust, lease, franchise, concession, easement, Contract, agreement, licence, permit or other instrument that is material to the conduct of the business of Advanced or Advanced Subsidiary to which it is a party or by which it is bound or subject to that would, individually or in the aggregate, have a Material Adverse Effect on Advanced. No party to any Contract of Advanced or Advanced Subsidiary has given written notice to it or, to the knowledge of Advanced, made a claim against Advanced or Advanced Subsidiaries with respect to any breach or default thereunder, in any such case in which such breach or default constitutes a Material Adverse Effect on Advanced.
- (j) Absence of Changes. Except as disclosed to Cavalry in writing prior to the date hereof:
  - (i) Each of Advanced and Advanced Subsidiary has conducted its business only in the ordinary and regular course of business consistent with past practice;
  - (ii) Each of Advanced and Advanced Subsidiary has not incurred or suffered a Material Adverse Change;
  - (iii) there has not been any acquisition or sale by Advanced or Advanced Subsidiary of any material property or assets thereof;
  - (iv) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by Advanced or Advanced Subsidiary of any debt for borrowed money, any creation or assumption by Advanced or Advanced Subsidiary of any Encumbrance, any making by Advanced or Advanced Subsidiary of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by Advanced or Advanced Subsidiary of any contract, agreement, licence, lease transaction, commitment or other right or obligation that would, individually or in the aggregate, have a Material Adverse Effect on Advanced;
  - (v) Advanced has not declared or paid any dividends or made any other distribution in respect of any of the Advanced Common Shares;

- (vi) Advanced has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Advanced Common Shares;
  - (vii) other than in the ordinary and regular course of business, there has not been any material increase in or modification of the compensation payable by Advanced to any of its directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay or any increase or modification of any bonus, pension, insurance or benefit arrangement made to, for or with any of such directors, officers, employees or consultants;
  - (viii) Advanced has not effected any material change in its accounting methods, principles or practices; and
  - (ix) Advanced has not adopted any, or amended any, bonus, pension, profit sharing, stock purchase, stock option or other benefit plan or shareholder rights plan.
- (k) Employment and Consulting Agreements.
- (i) Neither Advanced nor Advanced Subsidiary has any employee or consultant whose employment or contract cannot be terminated by Advanced or Advanced Subsidiary in accordance with the provisions of such employment or consultant contract following the completion of the Share Exchange; and
  - (ii) Neither Advanced nor Advanced Subsidiary is a party to any written or oral policy, agreement, obligation or understanding providing for retention bonuses, severance or termination payments to, or any employment or consulting agreement with any director or officer of Advanced or Advanced Subsidiary that would be triggered by Advanced entering into this Agreement or the completion of the Share Exchange; and
  - (iii) Neither Advanced nor Advanced Subsidiary:
    - (A) is a party to any collective bargaining agreement;
    - (B) is, to the knowledge of Advanced, subject to any application for certification or threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement; or
    - (C) is subject to any current, or, to the knowledge of Advanced, pending or threatened strike or lockout.
- (l) Financial Matters. The Advanced Financial Statements have been prepared in accordance with IFRS consistently applied, and fairly present, in all material respects, the financial condition of Advanced and the Advanced Subsidiary on a consolidated basis, as at the dates indicated and the results of operations for the periods covered. Neither Advanced nor Advanced Subsidiary have any liability or obligation (including, without limitation, liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, or any related party transactions or off-balance sheet transactions not reflected in the Advanced Financial Statements, except liabilities and obligations incurred in the ordinary course of business or incurred in connection with the transactions contemplated by this Agreement, which liabilities or obligations would not reasonably be expected to have a Material Adverse Effect on Advanced.
- (m) Books and Records. The corporate records and minute books of Advanced and Advanced Subsidiary have been maintained in accordance with all applicable Laws and are complete and accurate in all material respects, except where such incompleteness or inaccuracy would not have a

Material Adverse Effect on Advanced. Copies of all the foregoing documents have been provided to Cavalry. Financial books and records and accounts of Advanced and Advanced Subsidiary in all material respects:

- (i) have been maintained in accordance with good business practices on a basis consistent with prior years and past practice; and
  - (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and acquisitions and dispositions of assets of Advanced and Advanced Subsidiary.
- (n) Auditors. Advanced has never had any reportable disagreement (within the meaning of Applicable Canada Securities Laws) with the present or any former auditor of Advanced.
- (o) Litigation. There is no claim, action, proceeding or investigation in progress or, to the knowledge of Advanced, pending or threatened against or relating to Advanced or the Advanced Subsidiary, or affecting any of their properties or assets before any Governmental Entity which individually or in the aggregate has, or could reasonably be expected to have, a Material Adverse Effect on Advanced and Advanced is not aware of any existing ground on which any such claim, action, proceeding or investigation might be commenced with any reasonable likelihood of success. There is no bankruptcy, liquidation, winding-up or other similar proceeding in progress, or, to the knowledge of Advanced, pending or threatened against or relating to Advanced or Advanced Subsidiary before any Governmental Entity. Neither Advanced, Advanced Subsidiary nor any of their properties or assets are subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict the right or ability of Advanced or Advanced Subsidiary, to conduct its business in all material respects as it has been carried on prior to the date hereof, or that would materially impede the consummation of the transactions contemplated by this Agreement, except to the extent any such matter would not, individually or in the aggregate, have a Material Adverse Effect on Advanced.
- (p) Title to Properties and Operational Matters.
- (i) The Edge Option Agreement is in good standing according to its terms and is a legal, valid and binding obligation of the parties thereto enforceable against them in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity.
  - (ii) The Edge Option Agreement grants Advanced the option to acquire a 100% interest in the shares of Edge.
  - (iii) To the knowledge of Advanced, Edge is the legal and beneficial owner of 100% of the outstanding shares of Bellpiper.
  - (iv) To the knowledge of Advanced, no person, other than Advanced, has a right, option, or privilege to purchase or otherwise acquire any of the issued and outstanding shares of Edge or Bellpiper, or any other securities convertible or exchangeable for any shares of Edge of Bellpiper.
  - (v) To the knowledge of Advanced, Edge and Bellpiper are the sole and exclusive legal owners of the SWWM Project, subject to the 20% interest of Planet Mining Pty Ltd on certain tenures as described in Schedule "B".
  - (vi) Advanced Subsidiary is the sole legal and beneficial owner of the Fluorite Ridge Project.
  - (vii) All material agreements pertaining to the Properties have been provided to Cavalry.

- (viii) The mineral claims comprising the Properties are in good standing as at the date of this Agreement under applicable Laws and there are no undischarged obligations under the Properties.
- (ix) All Taxes on the Properties that are due have been paid.
- (x) The Properties comply in all material respects with all applicable Laws and all work required to be performed has been performed and all Taxes, fees, expenditures and all other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.
- (xi) Each of Advanced and Advanced Subsidiary has all necessary surface rights, access rights and other rights and interests relating to the Properties, granting it the right and ability to conduct its business as currently conducted, with only such exceptions as do not materially interfere with the use made by it of the rights or interests so held, and each of the property interests or rights and each of the documents, agreements, instruments and obligations relating thereto and referred to above is currently in good standing.
- (xii) Neither Advanced nor Advanced Subsidiary has received, nor does it have knowledge of, any written notice from any Governmental Entity or any other person of any revocation or intention to revoke, diminish or challenge its interest in the Properties.
- (xiii) The Properties and all Encumbrances related thereto, are fully and accurately described in Schedule "B".
- (xiv) There are no orders or directions relating to environmental matters requiring any work, repairs, construction or capital expenditures with respect to the Properties and the conduct of operations related thereto, nor has Advanced or Advanced Subsidiary received any notice thereof.
- (q) Royalty Payments and Other Interests. There are no landowner's royalties, overriding royalties, net profits interests or similar interests or any other rights or interests whatsoever of third parties by which Advanced or Advanced Subsidiary is bound on or in relation to its properties or assets, other than as set out in Schedule "B".
- (r) Assets. Neither Advanced nor Advanced Subsidiary has material property or assets, except for the right to acquire an interest in the SWWM Project pursuant to the terms of the Edge Option Agreement. Advanced has determined that the Fluorite Ridge Project is not a material property pursuant to Applicable Canadian Securities Laws. Each of Advanced and Advanced Subsidiary has good and marketable title to its assets free and clear of any Encumbrances, adverse claims and demands of any nature or kind whatsoever recorded or unrecorded, except to the extent any such matter would not, individually or in the aggregate, have a Material Adverse Effect on Advanced.
- (s) Environmental. To the knowledge of Advanced:
  - (i) Advanced, Advanced Subsidiary and all conditions on the Properties are in compliance with all Environmental Laws;
  - (ii) Advanced, Advanced Subsidiary and present and past operators on the Properties, has operated its business at all times, and has received, handled, used, stored, treated, shipped and disposed of all contaminants, without violation of Environmental Laws;
  - (iii) there is no material claim or judicial or administrative proceeding which may affect Advanced, Advanced Subsidiary or any of the Properties relating to or alleging any violation of Environmental Laws; and

- (iv) each of Advanced and Advanced Subsidiary holds all licences, permits and approvals required under any Environmental Laws in connection with the operation of its business as presently conducted and the ownership and use of its assets, other than those which the failure to hold would not reasonably be expected to have a Material Adverse Effect on Advanced, and each of Advanced, Advanced Subsidiary and their assets are not the subject of any investigation, evaluation, audit or review not in the ordinary and regular course of business by any Governmental Entity to determine whether any violation of Environmental Laws has occurred or is occurring, and neither Advanced nor Advanced Subsidiary is subject to any known environmental liabilities.
- (t) Insurance. Advanced maintains policies of insurance in amounts and in respect of such risks as are normal and usual for companies of a similar size and business and such policies are in full force and effect as of the date hereof.
- (u) Tax Matters. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Advanced:
  - (i) each of Advanced and Advanced Subsidiary has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Entity and has, in all material respects, completely and correctly reported all income and all other amounts or information required to be reported thereon;
  - (ii) each of Advanced and Advanced Subsidiary has:
    - (A) duly and timely paid all Taxes due and payable by it;
    - (B) duly and timely withheld all Taxes and other amounts required by applicable Laws to be withheld by it and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts required by applicable Laws to be remitted by it; and
    - (C) duly and timely collected all amounts on account of sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by applicable Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Entity any such amounts required by applicable Laws to be remitted by it;
  - (iii) the charges, accruals and reserves for Taxes of Advanced and Advanced Subsidiary (whether or not due and whether or not shown on any Tax Return but excluding any provision for deferred income taxes) are, in the opinion of Advanced, adequate under IFRS to cover Taxes with respect to Advanced and Advanced Subsidiary accruing through the date hereof;
  - (iv) there are no proceedings, investigations, audits, assessments, reassessments or claims now pending or, to the knowledge of Advanced, threatened against Advanced or Advanced Subsidiary that propose to assess Taxes in addition to those reported in the Tax Returns; and
  - (v) no waiver of any statutory limitation period with respect to Taxes has been given or requested with respect to Advanced or Advanced Subsidiary.
- (v) Compliance with Laws. Each of Advanced and Advanced Subsidiary has complied with and is not in violation of any applicable Laws other than such non-compliance or violations that would not, individually or in the aggregate, have a Material Adverse Effect on Advanced.

- (w) No Option on Assets. No person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from Advanced or Advanced Subsidiary any of the Properties or other material assets of Advanced or Advanced Subsidiary.
- (x) Certain Contracts. Neither Advanced nor Advanced Subsidiary is a party to or bound by any non-competition agreement or, any other agreement, obligation, judgment, injunction, order or decree that purports to:
  - (i) limit the manner or the localities in which all or any material portion of the business of Advanced or Advanced Subsidiary is conducted;
  - (ii) limit any business practice of Advanced or Advanced Subsidiary in any material respect; or
  - (iii) restrict any acquisition or disposition of any property by Advanced or Advanced Subsidiary in any material respect.
- (y) No Broker's Commission. Neither Advanced nor Advanced Subsidiary has not entered into any agreement that would entitle any person to any valid claim against them for a broker's commission, finder's fee or any like payment in respect of the Share Exchange or any other matter contemplated by this Agreement.
- (z) U.S. Securities Law Matters. Neither Advanced, nor any person acting on its behalf, has not made and shall not make any Directed Selling Efforts in the United States with respect to the Cavalry Consideration Shares and has not engaged and shall not engage in any form of general solicitation or general advertising (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine, or similar media, broadcast over radio or television, or published or broadcast via electronic display, including the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising in connection with the offer or exchange of the Cavalry Consideration Shares in the United States.
- (aa) No Shareholdings in Cavalry. Neither Advanced nor its affiliates, legally or beneficially, own, directly or indirectly, any securities of Cavalry and does not have any right, agreement or obligation to purchase any securities of Cavalry or any securities or obligations of any kind convertible into or exchangeable for any securities of Cavalry.
- (bb) Restrictions on Business Activities. There is no agreement, judgment, injunction, order or decree binding upon Advanced or Advanced Subsidiary that has or could be reasonably expected to have the effect of prohibiting, restricting or materially impairing: (i) any business practice of Advanced or Advanced Subsidiary; (ii) any acquisition of property by Advanced or Advanced Subsidiary; or (iii) the conduct of business by Advanced or Advanced Subsidiary as currently conducted.
- (cc) Expropriation. No property or asset of Advanced or Advanced Subsidiary has been taken or expropriated by any Governmental Entity and no notice or proceeding in respect of any such expropriation has been given or commenced or, to the knowledge of Advanced, is there any intent or proposal to give any such notice or commence any such proceeding.
- (dd) Right to Use Personal Information. All personal information in the possession of Advanced and its affiliates has been collected, used and disclosed in compliance with all applicable privacy Laws in those jurisdictions in which Advanced and its affiliates conducts, or Advanced or its affiliates is deemed by operation of law in those jurisdictions to conduct, its business. Advanced has disclosed to Cavalry all Contracts and facts concerning the collection, use, retention, destruction and disclosure of personal information, and there are no other Contracts, or facts which, on completion of the transactions contemplated by this Agreement, would restrict or interfere with the use of any

personal information by Cavalry in the operation of its business as conducted by Advanced or its affiliates before the Closing. There are no claims in progress or, to the knowledge of Advanced, pending or threatened, with respect to the collection, use or disclosure of personal information by Advanced or its affiliates.

### 3.3 Representations and Warranties of Cavalry

Cavalry hereby represents and warrants to Advanced and the Vendors, and hereby acknowledges that Advanced and the Vendors are relying upon such representations and warranties in connection with entering into this Agreement and agreeing to complete the Share Exchange, as follows:

- (a) Organization and Operations. Cavalry has been incorporated and validly exists under the laws of its governing jurisdiction and is in good standing under applicable corporate Laws and has full corporate and legal power and authority to own its property and assets and to conduct its business as currently owned and conducted. Cavalry is registered, licensed or otherwise qualified in each jurisdiction where the nature of the business or the location or character of the property and assets owned or leased by it requires it to be so registered, licensed or otherwise qualified, other than those jurisdictions where the failure to be so registered, licensed or otherwise qualified would not have a Material Adverse Effect on Cavalry. For greater clarity, Cavalry is not carrying on any business or ancillary activities other than as permitted pursuant to Section 3.1 of Policy 2.4. All of the outstanding Cavalry Common Shares are validly issued, and are fully paid and non-assessable. Cavalry does not have any Subsidiaries.
  
- (b) Authority. Cavalry has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by Cavalry as contemplated by this Agreement, and to perform its obligations hereunder and under such other agreements and instruments. The execution and delivery of this Agreement by Cavalry and the completion by Cavalry of the transactions contemplated by this Agreement have been authorized by the Cavalry Board, no other corporate proceedings on the part of Cavalry are necessary to authorize this Agreement or the completion by Cavalry of the transactions contemplated hereby other than approval by the TSXV and any approval of the shareholders of Cavalry, to the extent required by the TSXV, of the transactions contemplated by this Agreement. This Agreement has been executed and delivered by Cavalry and constitutes a legal, valid and binding obligation of Cavalry, enforceable against Cavalry in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity. The execution and delivery by Cavalry of this Agreement and the performance by it of its obligations hereunder and the completion of the transactions contemplated hereby, do not and shall not:
  - (i) result in a violation, contravention or breach or constitute a default under, or entitle any party to terminate, accelerate, modify or call any obligations or rights under, require any consent to be obtained under or give rise to any termination rights under any provision of:
    - (A) the articles or notice of articles of Cavalry;
    - (B) any applicable Law or rule or policy of the TSXV (except that the approval of the TSXV, which is required for the completion by Cavalry of the transactions contemplated hereby, shall be applied for by Cavalry but need not have been obtained as of the date hereof); or
    - (C) any credit arrangement, note, bond, mortgage, indenture, deed of trust, lease, franchise, concession, easement, contract, agreement, licence, permit or other instrument to which Cavalry is bound or is subject to or of which Cavalry is the beneficiary;

in each case, which would, individually or in the aggregate, have a Material Adverse Effect on Cavalry;

- (ii) cause any indebtedness owing by Cavalry to come due before its stated maturity or cause any available credit to cease to be available which would, individually or in the aggregate, have a Material Adverse Effect on Cavalry;
  - (iii) result in the imposition of any Encumbrance upon any of the property or assets of Cavalry or give any person the right to acquire any of Cavalry's assets, or restrict, hinder, impair or limit the ability of Cavalry to conduct the business of Cavalry as and where it is now being conducted which would, individually or in the aggregate, have a Material Adverse Effect on Cavalry;
  - (iv) result in or accelerate the time for payment or vesting of, or increase the amount of any severance, unemployment compensation, "golden parachute", change of control provision, bonus, termination payments, retention bonus or otherwise, becoming due to any director or officer of Cavalry or increase any benefits otherwise payable under any pension or benefits plan of Cavalry or result in the acceleration of the time of payment or vesting of any such benefits; or
  - (v) result in the revocation, suspension, cancellation, variation or non-renewal of any mining claims, concessions, licenses, leases or other instruments, conferring mineral rights in respect of the material properties in which Cavalry has an interest.
- (c) Capitalization. Cavalry is authorized to issue an unlimited number of Cavalry Common Shares. As of the date of this Agreement, there were 6,462,500 Cavalry Common Shares issued and outstanding, stock options exercisable to acquire 613,938 Cavalry Common Shares and common share purchase warrants exercisable to acquire 396,250 Cavalry Common Shares. Except for the Subscription Receipts, the Post-Consolidated Cavalry Shares to be issued upon the conversion of the Subscription Receipts, the exercise of existing stock options and warrants of Cavalry, and the exercise of the Concurrent Financing Warrants, and under the Edge Option Agreement and except as disclosed herein and pursuant to this Agreement and the transactions contemplated hereby, as of the date hereof, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating Cavalry to issue or sell any Cavalry Common Shares or any securities or obligations of any kind convertible into or exchangeable for any shares of Cavalry. All outstanding Cavalry Common Shares have been authorized and are validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights. As of the date hereof, there are no outstanding bonds, debentures or other evidences of indebtedness of Cavalry. There are no outstanding contractual obligations of Cavalry to repurchase, redeem or otherwise acquire any outstanding Cavalry Common Shares or with respect to the voting or disposition of any outstanding Cavalry Common Shares.
- (d) Shareholders' Agreements. There are no shareholders' agreements or other similar agreements with respect to the ownership or voting of any of the Cavalry Common Shares.
- (e) Consents. No consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity or other person (including approval of the Cavalry shareholders) is required to be obtained by Cavalry in connection with the execution and delivery of this Agreement or the consummation by Cavalry of the transactions contemplated hereby other than:
- (i) the approval of the TSXV as referred to in Section 3.3(b)(i)(B);
  - (ii) filings pursuant to Applicable Canadian Securities Laws in connection with the issuance of the Subscription Receipts; and

- (iii) any other consents, approvals, orders, authorizations, declarations or filings which, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on Cavalry.
- (f) Directors' Approvals. The Cavalry Board has unanimously:
  - (i) determined that the Share Exchange is in the best interests of Cavalry; and
  - (ii) authorized the entering into of this Agreement, and the performance of Cavalry's obligations hereunder.
- (g) Contracts. The Contracts described in the Cavalry Public Documents as Material Contracts constitute all of the Material Contracts of Cavalry. Unless otherwise described in the Cavalry Public Documents, each of the Material Contracts to which Cavalry is a party constitutes a valid and legally binding obligation of Cavalry, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles).
- (h) Waivers, Consents. There are no waivers, consents, notices or approvals required to complete the transactions contemplated under this Agreement from other parties to the Material Contracts of Cavalry.
- (i) No Defaults. Cavalry is not in default under, and, there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute a default by Cavalry under any credit arrangement, note, bond, mortgage, indenture, deed of trust, lease, franchise, concession, easement, Contract to which Cavalry is a party, agreement, licence, permit or other instrument that is material to the conduct of the business of Cavalry to which it is a party or by which it is bound or subject to that would, individually or in the aggregate, have a Material Adverse Effect on Cavalry. No party to any Contract to which Cavalry is a party has given written notice to Cavalry of or, to the knowledge of Cavalry, made a claim against Cavalry with respect to any breach or default thereunder, in any such case in which such breach or default constitutes a Material Adverse Effect on Cavalry.
- (j) Absence of Changes. Since September 30, 2024:
  - (i) Cavalry has conducted its business only in the ordinary and regular course of business consistent with past practice;
  - (ii) Cavalry has not incurred or suffered a Material Adverse Change;
  - (iii) there has not been any acquisition or sale by Cavalry of any material property or assets thereof;
  - (iv) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by Cavalry of any debt for borrowed money, any creation or assumption by Cavalry of any Encumbrance, any making by Cavalry of any loan, advance or capital contribution to or investment in any other person or any entering into, amendment of, relinquishment, termination or non-renewal by Cavalry, of any contract, agreement, licence, lease transaction, commitment or other right or obligation that would, individually or in the aggregate, have a Material Adverse Effect on Cavalry;
  - (v) Cavalry has not declared or paid any dividends or made any other distribution in respect of any of the Cavalry Common Shares;

- (vi) Cavalry has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Cavalry Common Shares;
  - (vii) other than in the ordinary and regular course of business consistent with past practice and generally accepted compensation levels for a “capital pool company”, there has not been any material increase in or modification of the compensation payable by Cavalry to any of its directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay or any increase or modification of any bonus, pension, insurance or benefit arrangement made to, for or with any of such directors, officers, employees or consultants;
  - (viii) Cavalry has not effected any material change in its accounting methods, principles or practices, other than as disclosed in the Cavalry Financial Statements; and
  - (ix) Cavalry has not adopted any, or amended any, bonus, pension, profit sharing, stock purchase, stock option or other benefit plan or shareholder rights plan.
- (k) Employment and Consulting Agreements.
- (i) Cavalry is not a party to any written or oral policy, agreement, obligation or understanding providing for retention bonuses, severance or termination payments to, or any employment or consulting agreement with any director or officer of Cavalry that would be triggered by Cavalry’ entering into this Agreement or the completion of the Share Exchange.
  - (ii) Cavalry does not have any consultant whose Contract with Cavalry cannot be terminated by Cavalry in accordance with the provisions of such consultant Contract following the completion of the Share Exchange; and
  - (iii) Cavalry is not:
    - (A) a party to any collective bargaining agreement;
    - (B) to the knowledge of Cavalry, subject to any application for certification or threatened or apparent union–organizing campaigns for employees not covered under a collective bargaining agreement; or
    - (C) subject to any current, or to the knowledge of Cavalry, pending or threatened strike or lockout.
- (l) Financial Matters. The audited annual financial statements of Cavalry for the year ended September 30, 2024 and the unaudited interim financial statements of Cavalry for the six months ended March 31, 2025 and the respective notes thereto (collectively, the “**Cavalry Financial Statements**”) were prepared in accordance with IFRS consistently applied throughout the periods to which they relate and fairly present in all material respects the consolidated financial condition of Cavalry at the respective dates indicated, and the results of operations of Cavalry for the period covered on a consolidated basis. Except as disclosed in the Cavalry Financial Statements, as of the date hereof Cavalry does not have any liability or obligation (including, without limitation, liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, or any related party transactions or off–balance sheet transactions not reflected in the Cavalry Financial Statements, except for those incurred in connection with the transactions contemplated by this Agreement since September 30,

2024, which liabilities or obligations would not reasonably be expected to have a Material Adverse Effect on Cavalry.

- (m) Books and Records. The corporate records and minute books of Cavalry have been maintained in accordance with all applicable Laws and are complete and accurate in all material respects, except where such incompleteness or inaccuracy would not have a Material Adverse Effect on Cavalry. Financial books and records and accounts of Cavalry, in all material respects:
  - (i) have been maintained in accordance with good business practices on a basis consistent with prior years and past practice;
  - (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and acquisitions and dispositions of assets of Cavalry; and
  - (iii) accurately and fairly reflect the basis for the Cavalry Financial Statements.
- (n) Auditors. Cavalry has never had any reportable disagreement (within the meaning of Applicable Canadian Securities Laws) with the present or any former auditor of Cavalry.
- (o) Litigation. There is no claim, action, proceeding or investigation in progress or, to the knowledge of Cavalry pending or threatened against or relating to Cavalry or affecting any of its properties or assets before any Governmental Entity which individually or in the aggregate has, or could reasonably be expected to have, a Material Adverse Effect on Cavalry, and Cavalry is not aware of any existing ground on which any such claim, action, proceeding or investigation might be commenced with any reasonable likelihood of success. There is no bankruptcy, liquidation, winding-up or other similar proceeding in progress, or, to the knowledge of Cavalry, pending or threatened against or relating to Cavalry before any Governmental Entity. Neither Cavalry nor any of its properties or assets are subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict the right or ability of Cavalry to conduct its business in all material respects as it has been carried on prior to the date hereof, or that would materially impede the consummation of the transactions contemplated by this Agreement, except to the extent any such matter would not, individually or in the aggregate, have a Material Adverse Effect on Cavalry.
- (p) Assets. Cavalry has no material property or assets, except as set forth in the Cavalry Financial Statements. Cavalry has good and marketable title to its assets free and clear of any Encumbrances, adverse claims and demands of any nature or kind whatsoever recorded or unrecorded, except as disclosed in the Cavalry Public Documents.
- (q) Tax Matters.
  - (i) Cavalry has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Entity and has, in all material respects, completely and correctly reported all income and all other amounts or information required to be reported thereon;
  - (ii) Cavalry has:
    - (A) duly and timely paid all Taxes due and payable by it;
    - (B) duly and timely withheld all Taxes and other amounts required by applicable Laws to be withheld by it and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts required by applicable Laws to be remitted by it; and

- (C) duly and timely collected all amounts on account of sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by applicable Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Entity any such amounts required by applicable Laws to be remitted by it;
  - (iii) the charges, accruals and reserves for Taxes reflected on the Cavalry Financial Statements (whether or not due and whether or not shown on any Tax Return but excluding any provision for deferred income taxes) are, in the opinion of Cavalry, adequate under IFRS, as applicable, to cover Taxes with respect to Cavalry accruing through the date hereof;
  - (iv) there are no proceedings, investigations, audits, assessments, reassessments or claims now pending or to the knowledge of Cavalry, threatened against Cavalry that propose to assess Taxes in addition to those reported in the Tax Returns; and
  - (v) no waiver of any statutory limitation period with respect to Taxes has been given or requested with respect to Cavalry.
  - (r) Reporting Status. Cavalry is a reporting issuer in good standing in the provinces of British Columbia and Alberta. The Cavalry Common Shares are listed on the TSXV and Cavalry is in compliance in all material respects with the rules, regulations and policies of the TSXV.
  - (s) Reports. Since September 30, 2024, Cavalry has filed with the Securities Authorities, all applicable self-regulatory authorities and the TSXV, a true and complete copy of all forms, reports, schedules, statements, certifications, material change reports and other documents required to be filed by it, including the Cavalry Public Documents. The Cavalry Public Documents, at the time filed or, if amended, as of the date of such amendment:
    - (i) did not contain any “misrepresentation” and did not contain an untrue statement of a “material fact” (both as defined in the British Columbia *Securities Act*) or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and
    - (ii) complied in all material respects with the requirements of applicable securities Laws and the rules, policies and instruments of all Securities Authorities or stock exchange or other self-regulatory authority having jurisdiction over Cavalry.
- Cavalry has not filed any confidential material change or other report or other document with any Securities Authorities or stock exchange or other self-regulatory authority which at the date hereof remains confidential.
- (t) Compliance with Laws. Cavalry has complied with and is not in violation of any applicable Laws other than such non-compliance or violations that would not, individually or in the aggregate, have a Material Adverse Effect on Cavalry.
  - (u) No Cease Trade. Other than the TSXV halt on the trading of the Cavalry Common Shares on the TSXV pursuant to TSXV policies, Cavalry is not subject to any cease trade or other order of any applicable stock exchange or Securities Authority and, to the knowledge of Cavalry, no investigation or other proceedings involving Cavalry that may operate to prevent or restrict trading

of any securities of Cavalry are currently in progress or pending before any applicable stock exchange or Securities Authority.

- (v) No Option on Assets. No person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from Cavalry of any of the material assets of Cavalry.
- (w) Certain Contracts. Cavalry is not a party to or bound by any non-competition agreement or any other agreement, obligation, judgment, injunction, order or decree that purports to:
  - (i) limit the manner or the localities in which all or any material portion of the business of Cavalry is conducted;
  - (ii) limit any business practice of Cavalry in any material respect; or
  - (iii) restrict any acquisition or disposition of any property by Cavalry in any material respect.
- (x) No Broker's Commission. Except in relation to the Concurrent Financing, Cavalry has not entered into any agreement that would entitle any person to any valid claim against Cavalry for a broker's commission, finder's fee or any like payment in respect of the Share Exchange or any other matter contemplated by this Agreement.
- (y) Shares. The Cavalry Consideration Shares to be issued pursuant to the Share Exchange shall: (i) be issued as fully paid and non-assessable; (ii) be freely trading shares, subject to any applicable escrow provisions, resale restrictions and/or restricted periods under the rules of the TSXV or applicable securities Laws and except for the Cavalry Consideration Shares issued to Vendors resident in or subject to the laws of the United States as contemplated in Section 2.7; and (iii) subject to the approval of the TSXV, listed for trading on the TSXV.
- (z) U.S. Securities Law Matters.
  - (i) The Cavalry Consideration Shares to be issued to persons in the United States pursuant to the Share Exchange shall be exempt from registration requirements under the 1933 Act pursuant to Rule 506 of Regulation D.
  - (ii) Cavalry is a "foreign issuer" within the meaning of Regulation S and reasonably believes that there is no Substantial U.S. Market Interest in the Cavalry Common Shares.
  - (iii) Cavalry is not now, and is not registered, or required to be registered as, an "investment company" as defined in the 1940 Act.
  - (iv) Except with respect to offers and sales to U.S. Accredited Investors in reliance upon the exemption from the registration requirements of the 1933 Act provided by Rule 506(b) of Regulation D, neither Cavalry nor any of its affiliates, nor any person acting on its or their behalf, has made or shall make:
    - (A) any offer to sell, or any solicitation of an offer to buy, any Cavalry Common Shares to any person in the United States; or
    - (B) any sale of Cavalry Common Shares unless, at the time the buy order was or shall have been originated, the purchaser is (i) outside the United States or (ii) Cavalry, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.
  - (v) None of Cavalry, any of its affiliates or any person acting on its or their behalf has made or shall make any Directed Selling Efforts in the United States with respect to the Cavalry

Common Shares or has engaged or shall engage in any form of general solicitation or general advertising (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine, or similar media, broadcast over radio or television, or published or broadcast via electronic display, including the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising in connection with the offer or exchange of the Cavalry Consideration Shares in the United States.

- (vi) Except with respect to the offer of the Cavalry Consideration Shares contemplated herein, Cavalry has not, for a period of six months prior to the date hereof, sold, offered for sale or solicited any offer to buy any of its securities in the United States.
- (dd) No Shareholdings in Advanced. Cavalry does not, legally or beneficially, own, directly or indirectly, any securities of Advanced and does not have any right, agreement or obligation to purchase any securities of Advanced or any securities or obligations of any kind convertible into or exchangeable for any securities of Advanced, except as otherwise set out in this Agreement.
- (ee) Restrictions on Business Activities. Except as provided by Policy 2.4, there is no agreement, judgment, injunction, order or decree binding upon Cavalry or that has or could be reasonably expected to have the effect of prohibiting, restricting or materially impairing any business practice of Cavalry, any acquisition of property by Cavalry, or the conduct of business by Cavalry as currently conducted.
- (gg) Right to Use Personal information. All personal information in the possession of Cavalry has been collected, used and disclosed in compliance with all applicable privacy Laws in those jurisdictions in which Cavalry conducts, or Cavalry is deemed by operation of law in those jurisdictions to conduct, its business. Cavalry has disclosed to Advanced all Contracts and facts concerning the collection, use, retention, destruction and disclosure of personal information, and there are no other Contracts, or facts which, on completion of the transactions contemplated by this Agreement, would restrict or interfere with the use of any personal information by Cavalry in the operation of its business as conducted by Cavalry before the Closing. There are no claims in progress or, to the knowledge of Cavalry, pending or threatened, with respect to Cavalry's collection, use or disclosure of personal information.

### **3.4 Survival of Representations and Warranties**

No investigation by or on behalf of any Party prior to the execution of this Agreement will mitigate, diminish or affect the representations and warranties made by the other Parties. The representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and shall expire and be terminated and extinguished upon the date that is one year after the Closing Date.

## **ARTICLE 4 COVENANTS**

### **4.1 Covenants of the Vendors**

Each Vendor hereby covenants and agrees on its own behalf and, if applicable, on behalf of the Disclosed Beneficial Owners, with Cavalry and Advanced as follows:

- (a) Certain Actions. Each Vendor shall use, and, if applicable, shall cause any Disclosed Beneficial Owner to use, its commercially reasonable efforts to not take any action, or refrain from taking any action or permit any action to be taken or not taken that is inconsistent with the provisions of this Agreement or that would reasonably be expected to materially impede the completion of the transactions contemplated hereby or would render, or that could reasonably be expected to render, any representation or warranty made by the Vendors in this Agreement untrue or inaccurate in any

material respect at any time on or before the Closing Date if then made or that would or could have a Material Adverse Effect on the Advanced Common Shares held by such Vendor.

- (b) Certain Actions Prohibited. Other than as required to give effect to the transactions contemplated by this Agreement, each Vendor shall not, without the prior written consent of Advanced and Cavalry, directly or indirectly sell, grant, pledge, lease, dispose of, encumber or create any Encumbrance on or agree to sell, grant, pledge, lease, dispose of, or encumber or create any Encumbrance on any Advanced Common Shares that it holds.
- (c) Representations. Each Vendor shall use, and, if applicable, shall cause any Disclosed Beneficial Owner to use, its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of the Vendors contained herein shall be true and correct on and as of the Closing Date as if made on and as of such date.
- (d) Closing Documents. Each Vendor shall execute and deliver, and, if applicable, shall cause any Disclosed Beneficial Owner to execute and deliver at the Closing such customary agreements and certificates, resolutions, opinions and other closing documents as may be required by Cavalry and Advanced, all in form satisfactory to Cavalry and Advanced, acting reasonably.
- (e) Personal Information. Each Vendor, on its behalf and, if applicable, on behalf of any Disclosed Beneficial Owner, hereby consents to the disclosure of the Vendor's personal information in connection with the Share Exchange and acknowledges and consents to the fact that Cavalry and Advanced are collecting the personal information (as that term is defined under applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect in Canada from time to time) of the Vendors and, if applicable, the Disclosed Beneficial Owners, for the purposes of completing this Agreement and the transactions contemplated hereby. Each Vendor, on its behalf and, if applicable, on behalf of any Disclosed Beneficial Owner, acknowledges and consents to Cavalry and Advanced retaining such personal information for as long as permitted or required by law or reasonable business practices. Each Vendor, on its behalf and, if applicable, on behalf of any Disclosed Beneficial Owner, further acknowledges and consents to the fact that Cavalry and Advanced may be required by applicable Laws or the rules and policies of the TSXV to provide regulatory authorities with any personal information provided by the Vendors in this Agreement and each Vendor, on its behalf and, if applicable, on behalf of any Disclosed Beneficial Owner, further consents to the public disclosure of such information by electronic filing or by any other means. In addition to the foregoing, each Vendor hereby consents to: (1) the disclosure of personal information of the identifiable individuals of the Vendor to the TSXV (as defined in Appendix 6A and Appendix 6B of the TSXV Corporate Finance Manual); and (2) the collection, use and disclosure of personal information by the TSXV for the purposes described in Appendix 6A and Appendix 6B of the TSXV Corporate Finance Manual or as otherwise identified by the TSXV, from time-to-time.

#### **4.2 Covenants of Advanced**

Advanced hereby covenants and agrees with Cavalry as follows:

- (a) Copy of Documents. Advanced shall furnish promptly to Cavalry a copy of any dealings or communications with any Governmental Entity or Securities Authority in connection with, or in any way affecting, the transactions contemplated by this Agreement or the Properties.
- (b) Certain Actions Prohibited. Other than in contemplation of or as required to give effect to the transactions contemplated by this Agreement or as otherwise permitted pursuant to this Agreement, Advanced shall not, without the prior written consent of Cavalry, which consent shall not be

unreasonably withheld or delayed, directly or indirectly do or permit to occur any of the following prior to the Closing Date:

- (i) issue, sell, grant, pledge, lease, dispose of, encumber or create any Encumbrance on or agree to issue, sell, grant, pledge, lease, dispose of, or encumber or create any Encumbrance on any shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any Advanced Common Shares or any other securities of Advanced;
  - (ii) incur or commit to incur any debt, except in the ordinary and regular course of business, or to finance its working capital requirements, or as otherwise contemplated in connection with the transactions contemplated herein;
  - (iii) declare or pay any dividends or distribute any of its property or assets to shareholders with respect to the Advanced Common Shares;
  - (iv) enter into any Material Contracts, other than in the ordinary and regular course of business, or as otherwise contemplated herein;
  - (v) alter or amend its notice of articles or articles, other than as may be required in connection with the transactions contemplated herein;
  - (vi) amend or terminate the Edge Option Agreement;
  - (vii) engage in any business enterprise or other activity different from that carried on or contemplated as of the date hereof;
  - (viii) other than in the ordinary and regular course of business, sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of its assets;
  - (ix) redeem, purchase or offer to purchase any Advanced Common Shares or other securities; or
  - (x) acquire or dispose, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary and regular course of business.
- (c) Certain Actions. Advanced shall:
- (i) use its commercially reasonable efforts to not take any action, or refrain from taking any action or permit any action to be taken or not taken, that is inconsistent with the provisions of this Agreement or that would reasonably be expected to materially impede the completion of the transactions contemplated hereby or would render, or that could reasonably be expected to render, any representation or warranty made by Advanced in this Agreement untrue or inaccurate in any material respect at any time on or before the Closing Date if then made or that would or could have a Material Adverse Effect on Advanced; and
  - (ii) promptly notify Cavalry of:
    - (A) any Material Adverse Change or Material Adverse Effect, or any change, event, occurrence or state of facts that could reasonably be expected to become a Material Adverse Change or to have a Material Adverse Effect, in respect of the business or in the conduct of the business of Advanced;
    - (B) any material Governmental Entity or third person complaints, investigations or hearings (or communications indicating that the same may be contemplated);

- (C) any breach by Advanced of any covenant or agreement contained in this Agreement; and
  - (D) any event occurring subsequent to the date hereof that would render any representation or warranty of Advanced contained in this Agreement, if made on or as of the date of such event or the Closing Date, to be untrue or inaccurate in any material respect.
- (d) Satisfaction of Conditions. Advanced shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all conditions precedent to its obligations to the extent that the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Agreement, including using its commercially reasonable efforts to:
- (i) obtain all other consents, approvals and authorizations as are required to be obtained by Advanced under any applicable Laws or from any Governmental Entity that would, if not obtained, materially impede the completion of the transactions contemplated by this Agreement or have a Material Adverse Effect on Advanced;
  - (ii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the transactions contemplated by this Agreement and participate and appear in any proceedings of any Party hereto before any Governmental Entity;
  - (iii) oppose, lift or rescind any injunction or restraining order or other order or action challenging or affecting this Agreement, the transactions contemplated hereby or seeking to enjoin or delay, or otherwise adversely affecting the ability of the Parties to consummate, the transactions contemplated hereby, subject to the Advanced Board determining in good faith after receiving advice from outside legal counsel (which may include written opinions or advice) that taking such action would be inconsistent with the fiduciary duties of such directors under applicable Laws, and provided that, immediately upon receipt of such advice, Advanced advises Cavalry in writing that it has received such advice and provides written details thereof to Cavalry;
  - (iv) fulfill all conditions and satisfy all provisions of this Agreement and the transactions contemplated hereby, including the Share Exchange, required to be fulfilled or satisfied by Advanced; and
  - (v) co-operate with Cavalry in connection with the performance by it of its obligations hereunder, provided however that the foregoing shall not be construed to obligate Advanced to pay or cause to be paid any monies to cause such performance to occur.

- (e) Keep Fully Informed. Subject to applicable Laws, Advanced shall keep Cavalry fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business.
- (f) Co-operation. Advanced shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.
- (g) Representations. Advanced shall use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of Advanced contained herein shall be true and correct on and as of the Closing Date as if made on and as of such date.
- (h) Closing Documents. Advanced shall execute and deliver, or cause to be executed and delivered, at the closing of the transactions contemplated hereby such customary agreements, certificates, resolutions, opinions and other closing documents as may be required by Cavalry, all in form satisfactory to Cavalry, acting reasonably.
- (i) Concurrent Financing. Advanced shall use commercially reasonable efforts to assist with the arrangement of the Concurrent Financing.
- (j) Filing Statement. Advanced shall use commercially reasonable efforts to ensure that the Filing Statement, as and when filed on SEDAR+ and as it relates to Advanced, its affiliates and the Properties, shall contain full, true and plain disclosure of all material facts relating to Advanced, its affiliates and the Properties.

#### **4.3 Covenants of Cavalry**

Cavalry hereby covenants and agrees with Advanced and the Vendors as follows:

- (a) Copy of Documents. Cavalry shall furnish promptly to Advanced a copy of any filing under any applicable Laws and any dealings or communications with any Governmental Entity or Securities Authority in connection with, or in any way affecting, the transactions contemplated by this Agreement.
- (b) Certain Actions Prohibited. Other than in contemplation of or as required to give effect to the transactions contemplated by this Agreement or as otherwise permitted pursuant to this Agreement, Cavalry shall not, without the prior written consent of Advanced, which consent shall not be unreasonably withheld or delayed, directly or indirectly do or permit to occur any of the following prior to the Closing Date:
  - (i) issue, sell, grant, pledge, lease, dispose of, encumber or create any Encumbrance on or agree to issue, sell, grant, pledge, lease, dispose of, or encumber or create any Encumbrance on any Cavalry Common Shares, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any Cavalry Common Shares or other securities of Cavalry, other than the issue of Cavalry Common Shares upon the exercise of common share purchase warrants or stock options of Cavalry, and other than in connection with the Concurrent Financing and the Post-Consolidated Cavalry Shares to be issued on the conversion of the Subscription Receipts and the exercise of Concurrent Financing Warrants, or under the Edge Option Agreement;
  - (ii) incur or commit to incur any debt, except in the ordinary and regular course of business, or to finance its working capital requirements, or as otherwise contemplated herein in connection with the transactions contemplated herein;

- (iii) declare or pay any dividends or distribute any of its properties or assets to shareholders with respect to the Cavalry Common Shares;
  - (iv) enter into Material Contracts, other than in the ordinary and regular course of business, except in connection with the Share Exchange or as otherwise contemplated herein;
  - (v) alter or amend its notice of articles or articles, other than as may be required in connection with the transactions contemplated herein;
  - (vi) engage in any business enterprise or other activity different from that carried on or contemplated as of the date hereof;
  - (vii) other than pursuant to the terms of property acquisitions or in the ordinary and regular course of business, sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of its assets except where to do so would not have a Material Adverse Effect on Cavalry;
  - (viii) redeem, purchase or offer to purchase any of the Cavalry Common Shares or other securities; or
  - (ix) acquire or dispose, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary and regular course of business.
- (c) Certain Actions. Cavalry shall:
- (i) use its commercially reasonable efforts to not take any action, or refrain from taking any action or permit any action to be taken or not taken that is inconsistent with the provisions of this Agreement or that would reasonably be expected to materially impede the completion of the transactions contemplated hereby or would render, or that could reasonably be expected to render, any representation or warranty made by Cavalry in this Agreement untrue or inaccurate in any material respect at any time on or before the Closing Date if then made or that would or could have a Material Adverse Effect on Cavalry; and
  - (ii) promptly notify Advanced of:
    - (A) any Material Adverse Change or Material Adverse Effect, or any change, event, occurrence or state of facts that could reasonably be expected to become a Material Adverse Change or to have a Material Adverse Effect, in respect of the business or in the conduct of the business of Cavalry;
    - (B) any material Governmental Entity or third person complaints, investigations or hearings (or communications indicating that the same may be contemplated);
    - (C) any breach by Cavalry of any covenant or agreement contained in this Agreement; and
    - (D) any event occurring subsequent to the date hereof that would render any representation or warranty of Cavalry contained in this Agreement, if made on or as of the date of such event or the Closing Date, to be untrue or inaccurate in any material respect.
- (d) Satisfaction of Conditions. Cavalry shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all of the conditions precedent to its obligations to the extent the same is within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other

things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Agreement, including using its commercially reasonable efforts to:

- (i) obtain all other consents, approvals and authorizations as are required to be obtained by Cavalry under any applicable Laws or from any Governmental Entity or under the rules or policies of the TSXV that would, if not obtained, materially impede the completion of the transactions contemplated by this Agreement or have a Material Adverse Effect on Cavalry;
  - (ii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the transactions contemplated by this Agreement and participate, and appear in any proceedings of, any Party hereto before any Governmental Entity;
  - (iii) oppose, lift or rescind any injunction or restraining order or other order or action challenging or affecting this Agreement, the transactions contemplated hereby or seeking to enjoin or delay, or otherwise adversely affecting the ability of the Parties to consummate, the transactions contemplated hereby, subject to the Cavalry Board determining in good faith after receiving advice from outside legal counsel (which may include written opinions or advice) that taking such action would be inconsistent with the fiduciary duties of such directors under applicable Laws, and provided that, immediately upon receipt of such advice, Cavalry advises Advanced in writing that it has received such advice and provides written details thereof to Advanced;
  - (iv) fulfill all conditions and satisfy all provisions of this Agreement and the transactions contemplated hereby, including the Share Exchange, required to be fulfilled or satisfied by Cavalry; and
  - (v) co-operate with Advanced in connection with the performance by Advanced of its obligations hereunder, provided however that the foregoing shall not be construed to obligate Cavalry to pay or cause to be paid any monies to cause such performance to occur, other than as contemplated in this Agreement.
- (e) Keep Fully Informed. Subject to applicable Laws, Cavalry shall keep Advanced fully informed as to the material decisions or actions required or required to be made with respect to the operation of its business.
- (f) Co-operation. Cavalry shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.
- (g) Representations. Cavalry shall use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of Cavalry contained herein shall be true and correct on and as of the Closing Date as if made on and as of such date.
- (h) Closing Documents. Cavalry shall execute and deliver, or cause to be executed and delivered, at the closing of the transactions contemplated hereby such customary agreements, certificates, opinions, resolutions and other closing documents as may be required by Advanced, all in form satisfactory to Advanced, acting reasonably.
- (i) Shares. Cavalry shall issue, at the Closing Time, Cavalry Consideration Shares in accordance with the terms hereof to those Vendors who are entitled to receive Cavalry Consideration Shares pursuant to the Share Exchange. Notwithstanding the foregoing, certificates or electronic statements

evidencing Cavalry Consideration Shares required to be held in escrow in accordance with the requirements of the TSXV, or otherwise, shall be delivered directly to the applicable escrow agent.

(j) Listing of Shares. Until the earlier of:

- (i) the Closing Time; and
- (ii) the termination of this Agreement in accordance with Section 6.2,

Cavalry shall use its commercially reasonable efforts to ensure that the Cavalry Common Shares, are continuously listed and posted for trading on the TSXV (it being expressly acknowledged that the trading of the Cavalry Common Shares has been halted upon the announcement of the proposed transaction with Advanced) and that the Cavalry Consideration Shares shall be listed and posted for trading on the TSXV upon issuance.

(k) Name Change. Prior to completion of the Share Exchange, Cavalry shall change its name to “ADVANCED ENERGY FUELS GROUP LIMITED” or such other name as is approved by Advanced (the “**Cavalry Name Change**”) and its trading symbol to such symbol as is approved by Advanced and is acceptable to the TSXV.

(l) Cavalry Board and Management. Effective at the Closing, the Cavalry Board and management shall be restructured, through resignations and appointments, such that the Cavalry Board shall consist of five (5) directors consisting of three (3) nominees of Advanced, including **[Redacted]** and **[Redacted]**, and two (2) nominees of Cavalry, and the officers of Cavalry shall include the following individuals:

<u>Name</u>	<u>Title</u>
<b>[Redacted]</b>	Chief Executive Officer
<b>[Redacted]</b>	Chief Financial Officer
<b>[Redacted]</b>	Corporate Secretary

If any of the above proposed officers of Cavalry are not acceptable to the TSXV, then Cavalry and Advanced shall mutually determine such other officers as may be acceptable to the TSXV.

(m) Filing Statement. Cavalry shall use commercially reasonable efforts to ensure that the Filing Statement, as and when filed on SEDAR+ and as it relates to Cavalry, shall contain full, true and plain disclosure of all material facts relating to Cavalry.

(n) Concurrent Financing. Cavalry shall use commercially reasonable efforts to complete the Concurrent Financing.

#### 4.4 Mutual Covenants

(a) Completion of Share Exchange. Subject to the terms and conditions in this Agreement, each of the Parties covenants and agrees that it shall complete the Share Exchange on the Closing Date or such date as Advanced and Cavalry may mutually agree to and prior to the Outside Date. At or before the Closing Time, the Cavalry Board shall approve resolutions to:

- (i) accept the resignations from the directors and officers of Cavalry that shall no longer be serving in such capacity effective at the Closing;
- (ii) approve the Cavalry Share Consolidation;
- (iii) approve the Cavalry Name Change;

- (iv) change the composition of the Cavalry Board and officers such that it shall be comprised of the individuals listed in Section 4.3(1); and
  - (v) appoint the officers listed in Section 4.3(1).
- (b) Confidential Information. Each of the Parties agrees that any information as to the other Party's financial condition, business, properties, title, assets and affairs (including any Material Contracts) received from the other Party as part of its due diligence investigations in connection with the transactions contemplated in this Agreement, whether in physical, electronic, oral or other form, and whether or not market as confidential including information which, at the time of receipt had not become generally available to the public, was not available to a Party or its representatives on a non-confidential basis before the date of the execution of this Agreement or does not become available to a Party or its representatives on a non-confidential basis from a person who is not, to the knowledge of the Party or its representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to the Party or its representatives (in this Section 4.4(b) "**confidential information**") shall be kept confidential by such Party for a period of two (2) years from the date hereof. Each of the Parties agree to use the confidential information solely for the purpose of completing the transactions contemplated herein. Prior to releasing any confidential information, Cavalry or Advanced, as applicable, may require the recipient of the confidential information to enter into a mutually acceptable confidentiality agreement. No confidential information may be released to third parties without the consent of the provider thereof, except: (i) to representatives of that Party who need to know such information for the purpose of the transactions contemplated herein, and provided that such Party will be reasonable for any disclosure by its representatives in breach of these provisions, (ii) in connection with any brokers and their counsel engaged with respect to the Concurrent Financing, (iii) if required to do so in connection with any legal proceeding, or (iv) if required by any government or governmental agency or authority, including any applicable stock exchange. Promptly upon the written request of a Party, the other Parties will return all confidential information previously furnished to it, together with all the copies of any of the same made by the receiving Party any of its representatives, or certify in writing that all of the same have been destroyed. The provisions of this Section 4.4(b) shall survive the termination of this Agreement for a period of two (2) years.
- (c) Public Statements. Until the Closing occurs or the termination of this Agreement in accordance with Section 6.2, Cavalry and Advanced shall consult with each other in issuing any press release or otherwise making any public statement with respect to this Agreement and the transactions contemplated hereby, including the Share Exchange, and in making any filing with any Governmental Entity or Securities Authority with respect thereto. Each of Cavalry and Advanced shall use its commercially reasonable efforts to enable the other to review and comment on all such press releases and filings prior to the release or filing, respectively, thereof; provided that the obligations herein shall not prevent a Party from making, after consultation with the other Party, such disclosure as is required by Applicable Canadian Securities Laws or the rules and policies of any applicable stock exchange.
- (d) Filings. Each of the Parties shall cooperate for Cavalry to prepare and file with the TSXV for its review and approval, as soon as possible following the entering into of this Agreement, a filing statement (the "**Filing Statement**") prepared in accordance with the TSXV's Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction* and each of Cavalry and Advanced shall provide in connection with the preparation for the Filing Statement, on a timely basis, all relevant information concerning its business assets and operations (including applicable financial statements for itself and its affiliates). Each of Cavalry and Advanced shall cause a certificate to be attached to the Filing Statement to be executed in the form provided for in the form. Advanced shall provide a technical report concerning the SWWM Project in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* in form and substance acceptable to the TSXV, and make any changes to the technical report as required by the TSXV. Advanced shall cause

each of the proposed Advanced director nominees and officers of Cavalry identified in Section 4.3(1), and any Advanced securityholder that will become an Insider (as defined in the policies of the TSXV) of Cavalry on the completion of the Share Exchange to file with the TSXV a Form 2A – *Personal Information/Consent Form* or Form 2C1 – *Declaration*, as applicable, prior to the Closing Date.

- (e) Exclusive Dealing. Each of the Parties covenants and agrees that, from the date of this Agreement until the termination of this Agreement in accordance with Section 6.2 (in this Section 4.4(e), the “**Standstill Period**”), it shall not, without prior written consent of Cavalry in respect of actions by Advanced, without prior written consent of Advanced in respect of actions by Cavalry, or without prior written consent of Advanced and Cavalry in respect of actions by any Vendor, directly or indirectly:
- (i) solicit, assist, initiate, knowingly encourage or otherwise knowingly facilitate any inquiries, offers or proposals, whether publicly or otherwise, regarding an Alternative Transaction (as defined below);
  - (ii) participate in any discussions or negotiations regarding, or provide information concerning it or otherwise cooperate in any way with an Alternative Transaction; or
  - (iii) pursue any other significant corporate acquisition or disposition, merger or sale of assets, issuance of securities or make any other material change to either Party’s business or affairs including, without limitation, making any distribution to its equity or debt holders, if any.

Notwithstanding the foregoing, nothing herein shall restrict the Parties from taking such actions as may be required in order to discharge their obligations pursuant to applicable corporate laws.

For the purposes of this Section 4.4(e), “**Alternative Transaction**” means any bona fide inquiry, offer, proposal or inquiry made with respect to a Party (in this Section 4.4(e), the “**Applicable Party**”) or any shareholder of the Applicable Party (in this Section 4.4(e), the “**Applicable Shareholders**”) by any person from any person or persons “acting jointly or in concert” (within the meaning of National Instrument 62–104 *Take-Over Bids and Issuer Bids*) other than from the other Party hereto (in this Section 4.4(e), the “**Non-Applicable Party**”) or any affiliate of the Non-Applicable Party, whether or not in writing, which contemplates, relates to, constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions) any one of the following, other than pursuant to the Share Exchange and the transactions contemplated herein: (i) an acquisition from the Applicable Party or the Applicable Shareholders of any of the securities of the Applicable Party (other than on exercise of currently held options or warrants) that, when taken together with the securities of the Applicable Party held by the proposed acquiror, and any person or persons acting jointly or in concert with the proposed acquiror, would constitute 10% or more of the voting securities of the Applicable Party or any of its subsidiaries; (ii) any acquisition of a substantial amount of assets of the Applicable Party or any of its subsidiaries; (iii) an amalgamation, arrangement, merger, combination, consolidation or similar transaction involving the Applicable Party or any of its subsidiaries; (iv) any take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution, reorganization or similar transaction involving the Applicable Party or any of its subsidiaries; or (v) any other transaction the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the Share Exchange.

- (f) Edge Option Agreement. Prior to the Closing Time, Cavalry will issue 6,000,000 Post-Consolidated Cavalry Shares to Trek under the terms of the Edge Option Agreement, or such other number of Post-Consolidated Cavalry Shares when added to the 2,000,000 Post-Consolidated Cavalry Shares to be issued to Trek in exchange for its current Advanced Common Shares under the Share Exchange, is equal to not less than 20% of the total issued and outstanding Post-Consolidated Cavalry Shares following the Closing. Following the issuance of the Post-

Consolidated Cavalry Shares to Trek and prior to the Closing Time, Advanced will exercise the option under the terms of the Edge Option Agreement to acquire a 100% interest in Edge.

- (g) Investor Rights Agreement. Prior to the Closing Time, Advanced will assign its rights and obligations under the Investor Rights Agreement to Cavalry in accordance with the terms and conditions in the Investor Rights Agreement.

## ARTICLE 5 CLOSING CONDITIONS

### 5.1 Mutual Conditions in Favour of Cavalry and Advanced

The respective obligations of Advanced and Cavalry to complete the transactions contemplated herein shall be subject to the fulfillment of the following conditions at or before the Closing Time or such other time as is specified below:

- (a) each of the Advanced Board and the Cavalry Board shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Advanced and Cavalry to permit the consummation of the Share Exchange and all other matters contemplated in this Agreement;
- (b) the TSXV shall have accepted notice for filing of and approved all transactions of Cavalry contemplated herein including approving the Cavalry Share Consolidation, the Cavalry Name Change, the Share Exchange and the Filing Statement, on terms and conditions acceptable to each of Advanced and Cavalry, acting reasonably;
- (c) the Share Exchange shall have been consented to in writing by a securities dealer as a condition of its sponsorship for completion of the Share Exchange or the TSXV shall have waived the requirement for a Sponsor, as defined in the policies of the TSXV. In the event a Sponsor is required, Advanced acknowledges that the agent for Cavalry's initial public offering, PI Financial Corp., has a right of first refusal to act in such capacity;
- (d) the TSXV shall have conditionally approved the listing thereon of the Cavalry Consideration Shares, subject only to compliance with the usual requirements of the TSXV;
- (e) Cavalry shall have changed the composition of the Cavalry Board and officers such that it shall be comprised of the individuals listed in Section 4.3(l);
- (f) Cavalry shall have completed the Cavalry Share Consolidation;
- (g) Cavalry shall have completed the Cavalry Name Change and changed its trading symbol as contemplated by Section 4.3(k);
- (h) Cavalry shall have completed the Concurrent Financing;
- (i) Cavalry shall have issued the requisite number of Post-Consolidated Cavalry Shares to Trek under the Edge Option Agreement;
- (j) Advanced shall have exercised the option and completed the acquisition of Edge pursuant to the Edge Option Agreement;
- (k) Advanced shall have assigned the Investor Rights Agreement to Cavalry;
- (l) following the Closing, Cavalry shall satisfy the minimum listing requirements of the TSXV for a Tier 2 mining issuer and the TSXV shall have conditionally approved the listing on the TSXV of the Post-Consolidated Cavalry Shares, including the Cavalry Consideration Shares to be issued

pursuant to the Share Exchange, on terms and conditions acceptable to each of Advanced and Cavalry, acting reasonably;

- (m) all persons who will be Principals of Cavalry following the Closing of the Share Exchange will have, on or prior to the Closing Date, entered into any escrow agreements required by the TSXV;
- (n) the Cavalry Consideration Shares to be issued to U.S. Persons and to persons in the United States pursuant to the Share Exchange shall be exempt from registration requirements under the 1933 Act pursuant to Rule 506(b) of Regulation D; and
- (o) the distribution of the Cavalry Consideration Shares pursuant to the Share Exchange shall be exempt from prospectus and registration requirements under Applicable Canadian Securities Laws and, except with respect to persons deemed to be “control persons” of Cavalry under Applicable Canadian Securities Laws, such Cavalry Consideration Shares shall be freely trading shares, subject to escrow provisions, seed share resale restrictions and/or resale restrictions under the rules of the TSXV or applicable securities laws and except for the Cavalry Consideration Shares issued to Vendors resident in or subject to the laws of the United States as contemplated in Section 2.7 or, if applicable, an International Jurisdiction.

The foregoing conditions are for the mutual benefit of the Cavalry and Advanced and may be waived by mutual consent of Cavalry and Advanced in writing at any time. No such waiver shall be of any effect unless it is in writing signed by Cavalry and Advanced. If any of such conditions shall not be complied with or waived as aforesaid on or before the Outside Date or, if earlier, the date required for the performance thereof, then, subject to Section 5.4, either of Cavalry or Advanced may, acting reasonably, terminate this Agreement by written notice to the other Party.

## **5.2 Advanced Conditions**

The obligation of Advanced to complete the transactions contemplated herein is subject to the fulfillment of the following additional conditions at or before the Closing Time or such other time as is specified below:

- (a) the representations and warranties made by Cavalry in this Agreement without giving effect to any materiality qualifiers, including “Material Adverse Change” or “Material Adverse Effect” qualifiers, shall be true and correct as of the Closing Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), except where any failures or breaches of representations and warranties would not either individually or in the aggregate be reasonably expected to have a Material Adverse Effect on Cavalry, and Cavalry shall have provided to Advanced a certificate of an officer thereof certifying such accuracy or lack of Material Adverse Effect on the Closing Date. No representation or warranty made by Cavalry hereunder shall be deemed not to be true and correct if the facts or circumstances which make such representation or warranty untrue or incorrect are disclosed or referred to, or provided for, or stated to be exceptions under this Agreement;
- (a) Cavalry shall have complied in all material respects with its covenants herein and Cavalry shall have provided to Advanced a certificate of an officer thereof, certifying that, as of the Closing Date, Cavalry has so complied with its covenants herein;
- (b) the Cavalry Board shall have procured duly executed resignations and mutual releases in favour of Cavalry effective at the Closing Time from each director and officer of Cavalry who shall no longer be serving in such capacity or capacities following completion of the Share Exchange, which resignations and mutual releases shall be in a form acceptable to Advanced, acting reasonably;

- (c) Cavalry shall be a corporation in good standing pursuant to the BCBCA, which shall be confirmed by a certificate of good standing issued by the British Columbia Registrar of Companies on the Business Day prior to the Closing Date and delivered to Advanced;
- (d) from the date of this Agreement to the Closing Date, there shall not have occurred a Material Adverse Change in respect of Cavalry;
- (e) Cavalry shall have filed all requisite financial statements concerning Cavalry, which comply with the requirements of the TSXV and applicable securities laws, are in accordance with IFRS and are true and correct in all material respects, with the auditors having completed all necessary audits and reviews of the financial statements;
- (f) Cavalry shall not have incurred any liabilities after the date of this Agreement other than those reasonably incurred in connection with the transactions contemplated in this Agreement and shall have spent its cash on hand at the date of this Agreement exclusively: (i) in the ordinary course of business, and (ii) for the purpose of completing the transactions contemplated herein; and
- (g) Cavalry shall have executed and delivered to Advanced all documents as Advanced may reasonably request for the purposes of effecting the transactions contemplated by this Agreement, including the Share Exchange, in a form satisfactory to Advanced, acting reasonably.

The foregoing conditions are for the benefit of Advanced and may be waived, in whole or in part, by Advanced in writing at any time. No such waiver shall be of any effect unless it is in writing signed by Advanced. If any of such conditions shall not be complied with or waived by Advanced on or before the Closing Date or, if earlier, the date required for the performance thereof, then, subject to Section 5.4, Advanced may terminate this Agreement by written notice to the other Parties.

### **5.3 Cavalry Conditions**

The obligation of Cavalry to complete the transactions contemplated herein is subject to the fulfillment of the following additional conditions at or before the Closing Time or such other time as is specified below:

- (a) the representations and warranties made by Advanced in this Agreement without giving effect to any materiality qualifiers, including “Material Adverse Change” or “Material Adverse Effect” qualifiers, shall be true and correct as of the Closing Date as if made on and as of such date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), except where any failures or breaches of representations and warranties would not either, individually or in the aggregate be reasonably expected to have a Material Adverse Effect on Advanced, and Advanced shall have provided to Cavalry a certificate of an officer thereof certifying such accuracy or lack of Material Adverse Effect on the Closing Date. No representation or warranty made by Advanced hereunder shall be deemed not to be true and correct if the facts or circumstances that make such representation or warranty untrue or incorrect are disclosed or referred to, or provided for, or stated to be exceptions under this Agreement;
- (b) Advanced shall have complied in all material respects with its covenants herein and Advanced shall have provided to Cavalry a certificate of an officer thereof certifying that, as of the Closing Date, Advanced has so complied with its covenants herein;
- (c) each of Advanced and Advanced Subsidiary shall be a corporation in good standing pursuant to the laws of its jurisdiction of incorporation, which shall be confirmed by certificates of good standing on the Business Day prior to the Closing Date and delivered to Cavalry;
- (d) from the date of this Agreement to the Closing Date, there shall not have occurred a Material Adverse Change in respect of Advanced;

- (e) Advanced shall have caused each of the proposed Advanced director nominees and officers of Cavalry identified in Section 4.3(l), and of any Advanced securityholder that will become an Insider (as defined in the policies of the TSXV) of Cavalry on the completion of the Share Exchange to have filed with the TSXV a Form 2A – *Personal Information/Consent Form* or Form 2C1 – *Declaration*, as applicable, prior to the Closing Date;
- (f) Advanced shall have provided a technical report concerning the SWWM Project in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* in form and substance acceptable to the TSXV;
- (g) Advanced shall have provided for the Filing Statement all requisite financial statements concerning Advanced, the Properties and pro forma financial statements of the resulting issuer of the Share Exchange, which comply with the requirements of the TSXV and applicable securities laws, are in accordance with IFRS and are true and correct in all material respects, with the auditors having completed all necessary audits and reviews of the financial statements; and
- (h) Advanced shall have executed and delivered to Cavalry all documents as Cavalry may reasonably request for the purposes of effecting the transactions contemplated by this Agreement, including the Share Exchange, in a form satisfactory to Cavalry, acting reasonably.

The foregoing conditions are for the benefit of Cavalry and may be waived, in whole or in part, by Cavalry in writing at any time. No such waiver shall be of any effect unless it is in writing signed by Cavalry. If any of such conditions shall not be complied with or waived by Cavalry on or before the Closing Date or, if earlier, the date required for the performance thereof, then, subject to Section 5.4, Cavalry may terminate this Agreement by written notice to the other Parties.

#### 5.4 Notice and Cure Provisions

Each of Advanced and Cavalry (in this Section 5.4, the “**Breaching Party**”) shall give prompt notice (in this Section 5.4, the “**Notice of Breach**”) to the other Party (in this Section 5.4, the “**Non-Breaching Party**”) of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would, would be likely to, or could:

- (a) cause any of the representations or warranties of the Breaching Party contained herein to be untrue or inaccurate in any respect on the date hereof or on the Closing Date;
- (b) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by the Breaching Party on or before the Closing Date; or
- (c) result in the failure to satisfy any of the conditions precedent in favour of the Non-Breaching Party contained in Section 5.1, 5.2 or 5.3, as the case may be.

As herein provided, upon receipt of Notice of Breach, the Non-Breaching Party may:

- (a) elect not to complete the transactions contemplated hereby, including the Share Exchange, by virtue of any of the conditions for its benefit contained in Section 5.1, 5.2 or 5.3, such condition not being satisfied or waived; and
- (b) exercise any termination right arising from such election; provided, however, that:
  - (i) promptly and in any event prior to the Closing Date, the Non-Breaching Party shall have delivered a written notice to the Breaching Party (in this Section 5.4, the “**Notice of Proposed Termination**”) specifying in reasonable detail the breaches of covenants or untruthfulness or inaccuracy of representations and warranties or other

matters that the Non-Breaching Party delivering such notice is asserting as the basis for the exercise of the termination right, as the case may be; and

- (ii) if any such Notice of Proposed Termination is delivered, and the Breaching Party proceeds diligently, at its own expense, to cure such matter, if such matter is reasonably capable of being cured, the Non-Breaching Party may not terminate this Agreement until the lesser of 10 days from the date of delivery of the Notice of Proposed Termination and the number of days remaining before the earlier of the Closing Date and the Outside Date.

## **5.5 Merger of Conditions**

If no Notice of Proposed Termination shall have been sent by the Non-Breaching Party pursuant to Section 5.4(b)(i) prior to the Closing Date, the conditions set out in Section 5.1, 5.2 or 5.3 shall be conclusively deemed to have been satisfied, fulfilled or waived as of the Closing Time.

## **ARTICLE 6 AMENDMENT AND TERMINATION**

### **6.1 Amendment**

This Agreement may, at any time, be amended by mutual written agreement of Cavalry and Advanced without, subject to applicable Laws, further notice to or authorization on the part of the Vendors, other than the prior written consent of the Vendors' Representative to such amendment, and any such amendment may, without limitation:

- (a) change the time for the performance of any of the obligations or acts of any of the Parties;
- (b) waive any inaccuracies in or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify the performance of any of the obligations of any of the Parties; and
- (d) waive compliance with or modify any condition herein contained;

provided, however, that notwithstanding the foregoing, the share exchange rate set out in Section 2.1(b) shall not be amended without the approval of the affected Vendors.

### **6.2 Termination**

This Agreement may be terminated at any time prior to the Closing Time:

- (a) by mutual written agreement by Advanced and Cavalry;
- (b) subject to Section 5.4:
  - (i) by Advanced, if any condition in Section 5.2 is not satisfied or waived in accordance with such section;
  - (ii) by Cavalry, if any condition in Section 5.3 is not satisfied or waived in accordance with such section; or
  - (iii) by Advanced or Cavalry if any of the conditions in Section 5.1 for the benefit of the terminating party is not satisfied or waived in accordance with Section 5.1;

- (c) by Cavalry, if there is a material breach of the covenants of the Vendors or Advanced contained herein by the Vendors or Advanced or any of Advanced's directors, officers, employees, agents, consultants or other representatives, in each case, on or before the Closing Date;
- (d) by Advanced, if there is a material breach of the covenants of Cavalry contained herein by Cavalry or any of its directors, officers, employees, agents, consultants or other representatives, in each case, on or before the Closing Date;
- (e) by either Advanced or Cavalry if the Share Exchange is rejected by the TSXV as the "qualifying transaction" (within the meaning of Policy 2.4) of Cavalry and all recourse or rights of appeal have been exhausted;
- (f) by either Advanced or Cavalry prior to the Outside Date provided that it pays the other a fee of \$25,000 for expense reimbursement; or
- (g) by either Advanced or Cavalry if the Share Exchange shall not have been completed by the Outside Date,

provided that any termination by Cavalry or Advanced in accordance with paragraphs (a) to (g) above shall be made by such Party delivering written notice thereof to the other Party prior the Closing Date and specifying therein in reasonable detail the matter or matters giving rise to such termination right.

### **6.3 Effect of Termination**

In the event of the termination of this Agreement as provided in Section 6.2:

- (a) this Agreement shall be of no further force and effect, except for the representations, warrants and obligations set forth in Article 3, Article 7 and Sections 4.4(b), 8.3 and 8.9, which shall survive any termination of this Agreement and continue in full force and effect; provided that no termination of this Agreement for any reason whatsoever shall relieve any Party of liability for any breaches of this Agreement that are based on a wrongful refusal or failure to perform any obligations; and
- (b) the Parties shall return all materials and copies of all materials delivered to Cavalry or Advanced, as the case may be, or their agents.

## **ARTICLE 7 DISPUTE RESOLUTION**

### **7.1 Arbitration**

Any dispute, controversy or claim arising out of or relating to this Agreement, including any question regarding its existence, validity, breach or termination shall be submitted for final determination by the Vancouver International Arbitration Centre under its applicable rules (in this Article 7, the "VanIAC Rules"), in accordance with the following:

- (a) Either of Cavalry or Advanced may refer a matter in dispute hereunder for resolution pursuant to this Article 7. For a period of 30 days after such referral, Cavalry and Advanced (on its own behalf or as the Vendors' Representative) shall attempt to resolve the matter, failing which either of Cavalry or Advanced may refer any such matter to arbitration by written notice to the other Party. Within 10 days after receipt of such notice, Cavalry and Advanced shall use commercially reasonable efforts to agree on the appointment of a single arbitrator. No person shall be appointed as an arbitrator hereunder unless such person has at least 10 years' experience in the matter or matters that are the subject of the dispute and agrees in writing to act.
- (b) If Cavalry and Advanced cannot agree on a single arbitrator as provided in Section 7.1(a), or if the person appointed is unwilling or unable to act, either Cavalry or Advanced may submit the matter

to arbitration before a single arbitrator in accordance with the VanIAC Rules. The number of arbitrators shall be one (1). The place of arbitration shall be Vancouver, British Columbia and the language to be used in the arbitral proceedings shall be English. The arbitrator shall fix a time and place for the purpose of hearing the evidence and representations of the Parties and he shall preside over the arbitration and determine all questions of procedure not provided for under the VanIAC Rules this Article 7. After hearing any evidence and representations that the Parties may submit, the arbitrator shall make an award and reduce the same to writing and deliver one (1) copy thereof to each of the Parties. The decision of the arbitrator shall be made within 30 days after the arbitrator's appointment, subject to any reasonable delay due to unforeseen circumstances. The decision of the arbitrator may be entered into any court.

- (c) The expense of the arbitration, including travel costs and attorney's fees and costs of the prevailing Party, shall be paid as specified in the award.
- (d) The award of the single arbitrator shall be final and binding upon all of the Parties. The Parties agree that they will not appeal any arbitration decision.
- (e) Notwithstanding any other provision hereof, during the conduct of dispute resolution procedures pursuant to this Article 7, the Parties shall continue to perform their respective obligations under this Agreement.

## **ARTICLE 8 GENERAL**

### **8.1 Notices**

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party hereto shall be in writing and shall be delivered by hand to the Party hereto to which the notice is to be given at the following address or sent by e-mail to the following e-mail addresses or to such other address or e-mail address as shall be specified by a Party hereto by like notice. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day or, if not, then the next succeeding Business Day) and if sent by e-mail be deemed to have been given and received at the time of receipt (if a Business Day or, if not, then the next succeeding Business Day) unless actually received after 5:00 p.m. (local time) at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day. Advanced or Cavalry may change its address for service with written notice to the other Parties. The address for service of each of the Parties shall be as follows:

- (a) if to Cavalry:

Cavalry Capital Corp.  
c/o Suite 1400 – 1050 West Pender Street,  
Vancouver, BC V6E 3S7

Attention: **[Redacted]**, Chief Executive Officer and President  
Email: **[Redacted]**

with a copy (which shall not constitute notice) to:

Maxis Law Corporation  
Suite 1400 – 1050 West Pender Street,  
Vancouver, BC V6E 3S7

Attention: **[Redacted]**  
Email: **[Redacted]**

(b) if to Advanced and the Vendors:

Advanced Energy Fuels, Inc.  
251 Little Falls Drive,  
Wilmington, Delaware 19808, USA

Attention: **[Redacted]**, Executive Director  
Email: **[Redacted]**

with a copy (which shall not constitute notice) to:

Getz Prince Wells LLP  
#530, 355 Burrard Street  
Vancouver, BC V6C 2G8

Attention: **[Redacted]**  
Email: **[Redacted]**

## **8.2 Remedies**

The Parties acknowledge and agree that an award of money damages may be inadequate for any breach of this Agreement by any Party or its representatives and advisors and that such breach may cause the non-breaching Party irreparable harm. Accordingly, the Parties agree that, in the event of any such breach or threatened breach of this Agreement by one of the Parties, Advanced (if Cavalry is the breaching party) or Cavalry (if Advanced or a Vendor is the breaching party) shall be entitled, without the requirement of posting a bond or other security, to seek equitable relief, including injunctive relief and specific performance. Subject to any other provision hereof, such remedies shall not be the exclusive remedies for any breach of this Agreement but shall be in addition to all other remedies available hereunder or at law or in equity to each of the Parties.

## **8.3 Expenses**

Subject to Article 7, the Parties agree that each Party shall pay for its own costs incurred in connection with this Agreement and the transactions contemplated hereby. Legal, accounting and financial advisor fees and all disbursements by advisors, shall be paid by the Party incurring such expense and that nothing in this Agreement shall be construed so as to prevent the payment of such expenses, whether or not the Share Exchange is completed. Without limiting the generality of the foregoing, Advanced shall be responsible for all costs associated with: (a) the preparation of any technical reports in respect of the Properties, to the extent required; and (b) the preparation of any financial statements of Advanced and the Properties required in connection with the Share Exchange. The provisions of this Section 8.3 shall survive the termination of this Agreement.

## **8.4 Time of the Essence**

Time shall be of the essence in this Agreement.

## **8.5 Entire Agreement**

This Agreement, together with the agreements and other documents herein or therein referred to, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof, including the letter agreement dated May 15, 2025 between Advanced and Cavalry. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained herein.

## **8.6 Further Assurances**

Each Party shall, from time to time, and at all times hereafter, at the request of the other of them, but without further consideration, do, or cause to be done, all such other acts and execute and deliver, or cause to be executed and delivered, all such further agreements, transfers, assurances, instruments documents or information as shall be reasonably required in order to fully perform and carry out the terms and intent hereof including, without limitation, the Share Exchange and the preparation of the Filing Statement.

## **8.7 Governing Law**

This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of British Columbia.

## **8.8 Waiver**

No waiver or release by any Party hereto shall be effective unless in writing and executed by the Party granting such waiver or release and any waiver or release shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence. Waivers may only be granted upon compliance with the provisions governing amendments set forth in Section 6.1.

## **8.9 No Personal Liability**

- (a) No director or officer of Advanced, except in their capacity as a Vendor, shall have any personal liability whatsoever (other than in the case of fraud, negligence or willful misconduct) to Cavalry or the Vendors under this Agreement or any other document delivered in connection with this Agreement or the Share Exchange by or on behalf of Advanced.
- (b) No director or officer of Cavalry shall have any personal liability whatsoever (other than in the case of fraud, negligence or willful misconduct) to Advanced or the Vendors under this Agreement or any other document delivered in connection with this Agreement or the Share Exchange by or on behalf of Cavalry.
- (c) If a corporation, no director or officer of a Vendor shall have any personal liability whatsoever (other than in the case of fraud, negligence or willful misconduct) to Cavalry or Advanced under this Agreement or any other document delivered in connection with this Agreement or the Share Exchange by or on behalf such Vendor.

## **8.10 Enurement and Assignment**

This Agreement shall enure to the benefit of the Parties and their respective successors, heirs, executors, administrators and permitted assigns, as applicable, and shall be binding upon the Parties and their respective successors and executors, as applicable. This Agreement may not be assigned by any Party without the prior written consent of Cavalry and Advanced.

## **8.11 Execution in Counterparts**

This Agreement may be executed in several counterparts and evidenced by an electronic signature of each Party, each of which when so executed shall be deemed to be an original, and such counterparts or electronic copies thereof together shall comprise one and the same instrument and, notwithstanding their date of execution, shall be deemed to bear the date as of the date first above written.



**SCHEDULE "A"**

**VENDORS**

**[Redacted]**

**SCHEDULE “B”  
THE PROPERTIES**

**South Woodie Woodie Manganese Project**

Property Description

Advanced to acquire 100% issued capital in Edge subject to settlement of the Edge Option Agreement.

Granted tenure held by Edge is as follows:

<b>ID</b>	<b>Expiry date</b>	<b>Holder</b>	<b>Interest</b>	<b>Other</b>
E46/616	02/08/2025	Edge Minerals Pty Ltd	80% (20% Planet Mining Pty Ltd)	Partial conversion into RL in 2015 (R46/002) and application for MLs in 2024 (M46/549 and M46/550)  * Subject to royalty as per Mining Royalty Agreement (defined below).
E46/787	21/07/2025	Edge Minerals Pty Ltd	100%	Application for extension has been lodged
E46/835	24/03/2027	Bellpiper Pty Ltd	100%	Extension approved on 16 June 2025
E46/1159	06/03/2028	Edge Minerals Pty Ltd	100%	-
E46/1160	15/11/2027	Edge Minerals Pty Ltd	100%	-
E46/1282	10/04/2029	Edge Minerals Pty Ltd	100%	-
E46/1304	16/01/2030	Edge Minerals Pty Ltd	100%	-
E46/1387	28/08/2027	Edge Minerals Pty Ltd	100%	-
E46/1521	30/03/2030	Edge Minerals Pty Ltd	100%	
E46/1542	18/03/2030	Edge Minerals Pty Ltd	100%	
R46/002	03/07/2027	Edge Minerals Pty Ltd	80% (20% Planet Mining Pty Ltd)	Partial conversion into applications for MLs in 2024 (M46/549 and M46/550)  * Subject to royalty as per Mining Royalty Agreement (defined below).

The Applications for tenure held by Edge Minerals Pty Ltd are as follows:

<b>ID</b>	<b>Application date</b>	<b>Holder</b>	<b>Interest</b>	<b>Other</b>
E46/1580	06/02/2025	Edge Minerals Pty Ltd	100%	-
M46/549	07/11/2024	Edge Minerals Pty Ltd	80% (20% Planet Mining Pty Ltd)	Application withdrawn.
M46/550	08/11/2024	Edge Minerals Pty Ltd	80% (20% Planet Mining Pty Ltd)	Application withdrawn.

Encumbrances

\* Mining Royalty Agreement between Churchill Mining plc (parent company of Planet Mining Pty Ltd) and Edge Minerals Pty Ltd (previously known as Spitfire Australia (SWW) Pty Ltd) dated 5 October 2007 in respect of EL 46/616 (the “**Mining Royalty Agreement**”)

**Fluorite Ridge Project**

Property Description

Staked mineral claims: 100% ownership interest held by Advanced Energy Fuels (NM) LLC:

Encumbrances

None

*[see following page for mineral claims of Fluorite Ridge Project]*

**SCHEDULE “C”**  
**MATERIAL CONTRACTS**

Cavalry

The Material Contracts of Cavalry are as follows:

1. Agency Agreement dated March 15, 2022 between Cavalry Capital Corp. and PI Financial Corp

Advanced

The Material Contracts of Advanced are as follows:

1. Option and Acquisition Agreement (“**Agreement**”) between Advanced Energy Fuels, Inc., Trek Metals Limited, Edge Minerals Pty Limited and Bellpiper Pty Ltd, dated 9th September 2024.
2. Amendment to the Agreement dated 31st January 2025.
3. Amendment to the Agreement dated 15th May 2025.
4. Amendment to the Agreement dated 30th June 2025.
5. Investor Rights Agreement between Advanced Energy Fuels, Inc. and Trek Metals Limited.
6. Heritage Protection agreement between Edge Minerals Pty Ltd and Nyamal Aboriginal Corporation.
7. Heritage Agreement between Spitfire Australia (SWW) Pty Ltd and Planet Mining Ltd and Karlka Niyaparli Aboriginal Corporation.
8. Access Agreement between Edge Minerals Pty Ltd and Harvest Road Properties Pty Ltd.