
**ATHABASCA BASIN PROPERTIES
SALE AND PURCHASE AGREEMENT**

**BETWEEN
THE NEW SASKATCHEWAN SYNDICATE**

- AND -

ATHA ENERGY CORP.

DATED AS OF SEPTEMBER 20, 2022

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ATHABASCA BASIN PROPERTIES
SALE AND PURCHASE AGREEMENT

THIS AGREEMENT is made as of September 20, 2022,

BETWEEN:

THE NEW SASKATCHEWAN SYNDICATE, an
unincorporated joint venture comprising Matthew J. Mason and
Timothy A. Young, of [Address]

(“**Mason**” and “**Young**”, respectively, and collectively the “**Vendors**”)

OF THE FIRST PART

AND:

ATHA ENERGY CORP., a company incorporated under the laws
of the Province of British Columbia and having an office at Suite
1600 – 609 Granville Street, Vancouver, British Columbia V7Y
1C3

(the “**Purchaser**”)

OF THE SECOND PART

RECITALS:

- A. WHEREAS the Vendors hold a diversified portfolio of interests in mineral properties in Alberta and Saskatchewan, comprised of: (a) a 10% carried interest in certain properties owned and operated by NexGen Energy Ltd. (“**NexGen**”) and Isoenergy Ltd. (“**Iso**”), (collectively the “**Carried Interests**”), as further set out in Schedule A hereto; and (b) 100% or majority interests in a substantial acreage prospective for uranium discovery (the “**NSS Properties**”), as further set out in Schedule B hereto;
- B. AND WHEREAS the Vendors have agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Vendors all of the Vendors’ interest, right and title in the Carried Interests and the NSS Properties, subject to the retention by the Vendors of a 2% net smelter returns/gross overriding royalty and a 10% carried interest in the NSS Properties (as further set out herein) on the terms and subject to the conditions set forth in this Agreement;

THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements hereinafter set forth, the Parties hereto agree as follows:

ARTICLE 1.
DEFINITIONS

“\$” means Canadian dollars.

“**Acquisitions Advance**” shall have the meaning set out in Subsection 2.1(e).

“**Additional Properties**” shall have the meaning set out in Subsection 2.1(e).

“**Affiliate**” means any person, partnership, limited liability company, joint venture, corporation, or other form of enterprise that directly or indirectly controls, or is controlled by or is under common control with, a Party. The term “**control**” as used herein means the rights to the exercise of, directly or indirectly, more than 50% of the voting rights attributable to the shares or ownership interests of the controlled entity.

“**Agreement**” means this Agreement and the Schedules attached hereto.

“**Arbitration Decision**” shall have the meaning set out in Section 11.2.

“**Business Day**” means a day which is not a Saturday or Sunday or a statutory holiday in the Province of British Columbia.

“**Carried Interests**” shall have the meaning set out in Schedule A - The Carried Interests.

“**Common Shares**” shall have the meaning set out in Section 2.1(d).

“**Consideration Shares**” shall have the meaning set out in Section 2.1(d).

“**Disclosure Record**” shall have the meaning set out in Section 3.4(i).

“**dispute**” shall have the meaning set out in Section 11.1.

“**Effective Date**” means the date of this Agreement that is written above.

“**Encumbrances**” means any mortgage, charge, pledge, lien, licence, privilege, security interest, royalty, encumbrance, claim or right or interest attaching to or affecting property, in each case whether registered or unregistered, and whether arising by agreement, statute or otherwise under applicable Laws.

“**Environmental Laws**” means all Laws relating to the protection of health or the environment resulting from the exploration, mining, operation, reclamation or restoration of the NSS Properties, including but not limited to the following: abatement of pollution; protection of the environment; protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural or historic resources; management, storage or control of hazardous materials and substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including ambient air, surface water and groundwater; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or

transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances, radioactive materials or hazardous wastes.

“**Exchange**” shall have the meaning set out in Section 7.3(c).

“**dispute**” shall have the meaning set out in Section 11.1.

“**Financing**” means one or more equity financings undertaken by the Purchaser since the date of the Term Sheet to raise aggregate gross proceeds of not less than \$30,000,000.

“**Financing Closing**” means the final closing of the Financing; provided, however, that if the Financing (or any part thereof) is completed by way of an issuance of subscription receipts, then, except for the purposes of the payment referenced in Section 2.1(e), “Financing Closing” shall be deemed to refer to the date that all escrow release conditions with respect to such subscription receipts have been satisfied and the corresponding escrowed funds have been released to the Purchaser.

“**Financing Closing Outside Date**” means that date which is no later than 75 days following the Effective Date; provided, however, that if the Financing (or any part thereof) is completed by way of an issuance of subscription receipts, the Financing Closing Outside Date shall mean the date of issuance of the subscription receipts and not the date that the corresponding escrowed funds have been released to the Purchaser.

“**First Deposit**” shall have the meaning set out in Subsection 2.1(c)(i).

“**Governmental Agency**” means any federal, provincial, state, regional, municipal or other government, governmental department, agency, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency.

“**Indemnities**” shall have the meaning set out in Section 13.4.

[Contract descriptions]

[Contract descriptions]

“**Law**” or “**Laws**” means all applicable federal, state and local laws (statutory and common), rules, ordinances, treaties, regulations, judgments, decrees, and other valid governmental restrictions, including permits and other similar requirements, whether legislative, municipal, administrative or judicial in nature.

“**Net Smelter Returns**” shall have the meaning set out in Schedule D.

[Contract descriptions]

[Contract descriptions]

“**NSS Properties**” means the interests held by the Vendors in those mineral tenures set out in Schedule B hereof.

“**Party**” means a party to this Agreement and its successors and assigns.

“**Permitted Encumbrances**” means the Encumbrances listed in Schedule E.

“**Purchase Price**” shall have the meaning set out in Section 2.1.

“**Regulatory Approvals**” means all third party approvals required to be obtained prior to either the Financing Closing or the Transaction Closing, including without limitation all required approvals of a stock exchange having jurisdiction.

“**Royalty**” shall have the meaning set out in Schedule D.

“**Second Deposit**” shall have the meaning set out in Subsection 2.1(c)(ii).

“**Term Sheet**” means that certain term sheet executed by the Parties and dated on or about January 11, 2022.

“**Transaction Closing**” means the closing of the transactions set out herein, including, without limitation, the public listing of the Purchaser’s shares (including the Consideration Shares) on the Exchange other than the Financing.

“**Transaction Closing Date**” means that date that is no later than 30 days following the Financing Closing.

“**Underlying Agreements**” means those agreements pursuant to which certain of the NSS Properties were acquired, namely:

- (i) [Contract descriptions] _____;
- (ii) [Contract descriptions] _____;
- (iii) [Contract descriptions] _____.

1.2 Attached to and forming part of this Agreement are the following Schedules:

- Schedule A - The Carried Interests
- Schedule B - The NSS Properties
- Schedule C - Common Shares of the Purchaser Authorized for Issuance
- Schedule D - Royalty and Participation Agreement

Schedule E - Permitted Encumbrances

ARTICLE 2.
SALE AND PURCHASE

- 2.1 Upon and subject to the terms and conditions set out in this Agreement, the Purchaser hereby agrees to purchase from the Vendors:
- (a) The Vendors' entire interest, being a 100% interest, in the Carried Interests, and
 - (b) The Vendors' entire interest in the NSS Properties, in consideration of:
 - (c) \$2,000,000 cash, to be paid:
 - (i) as to \$200,000 (the "**First Deposit**") forthwith following the execution of the Term Sheet (the prior receipt of which is hereby acknowledged by the Vendors);
 - (ii) as to \$800,000 (the "**Second Deposit**") forthwith on the execution and delivery of this Agreement (the prior receipt of which is hereby acknowledged by the Vendors, and which cash payment is non-refundable), and
 - (iii) as to \$1,000,000 to be paid at the Financing Closing;
 - (d) subject to compliance with Law, issuance and delivery to the Vendors or persons nominated by the Vendors of such number of Common shares in the capital of the Purchaser (the "**Common Shares**") as represents not less than 30% of the issued and outstanding Common Shares of the Purchaser on the Financing Closing, calculated on a fully diluted basis (the "**Consideration Shares**"); and
 - (e) \$3,000,000 cash to be made available to the Vendors at the Financing Closing (the "**Acquisitions Advance**") to be used by the Vendors for the purpose of acquiring additional prospective uranium exploration properties (the "**Additional Properties**") on behalf of and for the benefit of the Purchaser in accordance with Section 8.2 (on acquisition by the Purchaser, such properties to be automatically subject to the Royalty, and a 10% Carried Interest to be held by the Vendors, on the terms and conditions set out in the Royalty and Participation Agreement set out in Schedule D hereto,
- collectively, the "**Purchase Price**".
- 2.2 On the Financing Closing, the Purchaser shall grant to the Vendors:
- (a) a 2% Royalty; and
 - (b) a 10% Carried Interest,

in and to the NSS Properties, on the terms and conditions set out in the Royalty and Participation Agreement set out in Schedule D hereto.

- 2.3 The Financing Closing and the Transaction Closing will take place via electronic document exchange where reasonably practicable and otherwise at the offices of Lawson Lundell LLP, 16th Floor, 925 West Georgia Street, Vancouver, B.C., V6C 3L2, the “**Time of Financing Closing**” and “**Date of Financing Closing**” means the time and the day on which the Financing Closing takes place, and the “**Time of Transaction Closing**” and “**Date of Transaction Closing**” means the time and the day on which the Transaction Closing takes place.

ARTICLE 3.

REPRESENTATIONS AND WARRANTIES

- 3.1 Mason and Young hereby severally, and not jointly and severally, represent and warrant to the Purchaser that:
- (a) they are collectively the beneficial owners of, exercise control and direction over, and have good and marketable title to, a 100% interest in the Carried Interests and the NSS Properties, free and clear of, and from, all Encumbrances except the Permitted Encumbrances;
 - (b) to the best of their knowledge, each of the NexGen Agreement and the Isoenergy Agreement is in full force and effect and is in good standing;
 - (c) to the best of their knowledge, each of the Underlying Agreements is in good standing and there is no default or violations thereunder on the part of the Vendors or on the part of any other party to any of the NexGen Agreement or the Isoenergy Agreement, as applicable;
 - (d) to the best of their knowledge, each of the mineral tenures comprising the NSS Properties has been validly and properly staked and located and is now duly recorded and in good standing in accordance with the laws in effect in the jurisdiction in which they are situated;
 - (e) each of Mason and Young has the right, power, authority and capacity to own his respective interest in the NSS Properties and the Carried Interest, to execute and deliver any agreement or instrument referred to or contemplated herein, and is legally entitled to hold his interest in the NSS Properties and the Carried Interest under applicable laws;
 - (f) the Vendors are not engaged in and have not been provided with any notice of intent to proceed with any litigation or arbitration proceedings in respect of the NSS Properties, the Carried Interest or any part thereof, or arising out of claims for personal injury or property damage of a material nature relating thereto;
 - (g) to the best of their knowledge, there are no financial encumbrances encumbering the NSS Properties which may have been used as collateral or security;

- (h) to the best of their knowledge, all fees, taxes, assessments, rentals, levies or other payments required to be made relating to the NSS Properties have been made;
- (i) other than this Agreement, there are no outstanding agreements or options to acquire or purchase the NSS Properties, the Carried Interests or any portion thereof or any interest therein;
- (j) the Vendors are not aware of any pending or threatened notice of non-compliance or other similar regulatory action pursuant to any Environmental Laws, nor are the Vendors aware of any circumstance that may give rise to any such notice of non-compliance or other similar regulatory action pursuant to any Environmental Laws;
- (k) the Vendors have not received from any government or regulatory authority, any notice of or communication relating to any actual or alleged environmental claims with respect to the NSS Properties, and, to the best of their knowledge, there are no outstanding work orders or actions required to be taken relating to environmental matters respecting the NSS Properties or any operations carried out on the NSS Properties;
- (l) the entering into this Agreement by the Vendors does not conflict with any applicable Law nor does it conflict with, or result in a breach of or accelerate the performance required by any contract or other commitment to which either of the Vendors is a party or by which he is bound;
- (m) the execution, delivery and performance of this Agreement and consummation of the transactions contemplated hereby will not:
 - (i) result in a default under any indenture, mortgage, loan agreement or other agreement or instrument to which either of the Vendors is a party or by which either Vendor or any of its properties are bound, and will not give any person or company any right to terminate or cancel any agreement or any right enjoyed by either of the Vendors,
 - (ii) result in the creation or imposition of any restriction or Encumbrance of any nature whatsoever in favour of a third party upon or against the Vendors' assets, and
 - (iii) violate any Law, regulation or applicable order of any court, arbitrator or Governmental Agency;
- (n) this Agreement has been duly executed and delivered by it and is valid and binding upon it in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium, or other similar applicable Laws presently or hereinafter in effect affecting the enforcement of Vendors' rights generally;

- (o) no consents, approvals or other authorizations of any Party are required to be obtained by it in connection with the execution and delivery or the performance by it of this Agreement or the transactions contemplated hereby;
 - (p) there are no outstanding rights, agreements, options or other obligations, or understandings capable of becoming rights, agreements, options or obligations, to acquire any right, title or interest in or to the Carried Interests or to grant any interest in or Encumbrance against the NSS Properties, save and except the Permitted Encumbrances;
 - (q) no Person is entitled to or has been granted any royalty or other payment in the nature of rent or royalty on any minerals, metals or any other product mined, produced, removed or otherwise recovered from the NSS Properties, other than pursuant to the Underlying Agreements and as mandated under applicable Laws; and
 - (r) to the best of its knowledge, all taxes, assessments, rentals, levies and other payments, as well as all reports, relating to the NSS Properties and required to be made, performed and filed to and with any Governmental Agency in order to maintain the NSS Properties in good standing have been so made, performed or filed, as the case may be.
- 3.2 The representations and warranties hereinbefore set out are conditions upon which the Purchaser has relied on entering into this Agreement and shall survive the Transaction Closing Date by a period of twelve months.
- 3.3 Other than as set out in Section 3.1 hereof, the NSS Properties are being sold on an “as is, where is” basis.
- 3.4 The Purchaser hereby represents to each of Mason and Young that:
- (a) it is a company in good standing under the laws of the province of British Columbia and has full corporate power and authority to enter into this Agreement;
 - (b) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of the Purchaser, and this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, except as limited by laws of general application affecting the rights of creditors;
 - (c) no consent, approval, license, permit, order or authorization of, or registration, declaration or filing with, or permit from, any governmental body is required to be obtained or made by or with respect to the Purchaser in connection with the execution, delivery and performance of this Agreement or the completion of the transactions contemplated hereby, other than those which if not obtained, could not individually or in the aggregate be reasonably expected to materially impair

the ability of the Purchaser to perform its obligations hereunder or to complete the transactions contemplated hereby;

- (d) the Purchaser is registered, licensed or otherwise qualified as an extra-provincial corporation or foreign corporation 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 in respect of the Purchaser;
- (e) the execution, delivery and performance of this Agreement and the completion of the transactions contemplated hereby will not:
 - (i) violate any agreement to which the Purchaser is a party or by which it is bound, and will not give any person or company any right to terminate or cancel any agreement or any right enjoyed by the Purchaser,
 - (ii) result in the creation or imposition of any lien, encumbrance or restriction of any nature whatsoever in favour of a third party upon or against the Purchaser's assets, and
 - (iii) violate any law, regulation or applicable order of any court, arbitrator or governmental authority, or conflict with or result in a breach of the Purchaser's constating documents or the resolutions of the directors or shareholders;
- (f) the authorized capital of the Purchaser consists of an unlimited number of Common Shares, without par value, of which 51,341,388 Common Shares are issued as of the Effective Date and an unlimited number of Preferred Shares, of which nil are issued as of the Effective Date;
- (g) Schedule "C" accurately sets out, as of the Effective Date, all of the Common Shares of the Purchaser which are authorized to be issued pursuant to incentive stock options, share purchase warrants and other instruments;
- (h) to the Purchaser's knowledge, there is no shareholders' or voting agreements in force with respect to the Purchaser;
- (i) the Purchaser's public disclosure record (the "**Disclosure Record**") as found at www.sedar.com is true and correct in all material respects and omits no information required so that the information therein contained is not misleading;
- (j) there are no material liabilities, contingent or otherwise, of the Purchaser which are not disclosed or reflected in the Disclosure Record, and except as set out in the Disclosure Record, the Purchaser has not guaranteed, nor agreed to guarantee, any debt, liability or other obligation of any firm, person or corporation;

- (k) the financial statements of the Purchaser for the period from incorporation on January 14, 2021 to June 30, 2022, as set out in the Disclosure Record are true and correct in all material respects, and present fairly the financial position of the Purchaser and the results of its operations for the period then ended, and have been prepared in accordance with International Financial Reporting Standards;
- (l) except as set out in the Disclosure Record, since June 30, 2022:
 - (i) there has not been any material adverse change in the financial position or condition of the Purchaser or any damage, loss or other change in circumstances materially affecting the business or property of the Purchaser or its right or capacity to carry on business,
 - (ii) the Purchaser has not waived or surrendered any right of material value,
 - (iii) the Purchaser has not discharged or satisfied or paid any lien or encumbrance or obligation or liability other than current liabilities in the ordinary course of business, and
 - (iv) the business of the Purchaser has been carried on in the ordinary course;
- (m) except in relation to professional and agent fees related to the transactions contemplated hereby, the Disclosure Record sets out all contracts, agreements (written or oral), commitments, indentures, or other instruments to which the Purchaser is bound and which are material to the Purchaser's business;
- (n) the Purchaser holds all licences and permits as may be required for carrying on its business in the manner currently carried on;
- (o) there is no basis for and there are no actions, suits, judgments, investigations or proceedings outstanding or pending or to the best of the knowledge of the Purchaser threatened against or affecting the Purchaser at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency;
- (p) the Purchaser is not in breach of any laws, ordinances, statutes, regulations, bylaws, orders or decrees to which it is subject or which apply to it;
- (q) the Purchaser has good and marketable title to all of its properties and assets and the said properties and assets as disclosed in the Disclosure Record;
- (r) the Purchaser has not experienced nor is it aware of any occurrence or event which has had, or might reasonably be expected to have, a materially adverse effect on its financial condition, assets or liabilities;
- (s) the Purchaser's shares are not listed and called for trading on any stock exchange;

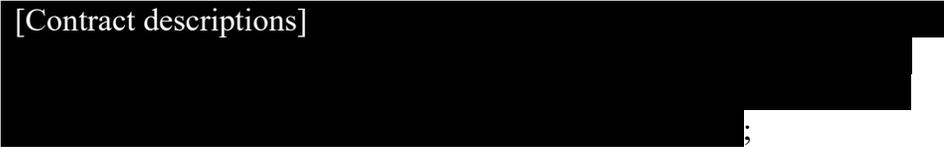
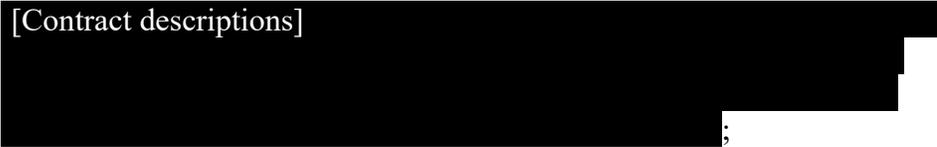
- (t) the Consideration Shares, when issued, will be free of all restrictions on trading, other than those required by Law or the rules and policies of the Exchange; and
- (u) the Purchaser is a “reporting issuer” (as that term is defined under the securities legislation in Canada) and is not in default under the securities regulations of the provinces of British Columbia and Alberta

3.5 The representations and warranties hereinbefore set out are conditions upon which each of Mason and Young has relied on entering into this Agreement and shall survive the Transaction Closing Date by a period of twelve months.

ARTICLE 4.

PURCHASER’S COVENANTS

4.1 The Purchaser covenants and agrees with each of Mason and Young that the Purchaser shall:

- (a) provide to the Vendors all such further documents, instruments and materials as may be reasonably required by the Vendors to close the transactions contemplated herein, including, without limitation:
 - (i) [Contract descriptions] ;
 - (ii) [Contract descriptions] ;
- (b) use commercially reasonable efforts to obtain, in a timely manner, all necessary consents, approvals, permits, authorizations or filings from shareholders, securities regulatory bodies and third parties to complete the transactions contemplated herein;
- (c) do all such commercially reasonable acts and things reasonably necessary to ensure that all of the representations and warranties of the Purchaser remain true and correct at the Financing Closing and the Transaction Closing Date, as the case may be, and, to the extent commercially reasonable, not do any such act or thing that would render any representation or warranty untrue or incorrect at such times;
- (d) from and including the Effective Date through to and including the Financing Closing and the Transaction Closing Date, as the case may be, preserve and protect the goodwill, assets, business and undertaking of the Purchaser and, without limiting the generality of the foregoing, carry on the business of the Purchaser in the ordinary course in a reasonable and prudent manner;

- (e) from and including the Effective Date through to and including the Financing Closing and the Transaction Closing Date, as the case may be, not issue, nor reach any agreement or understanding with any other party to issue, any securities, except as set out in this Agreement, without the prior written consent of the Vendors, such consent not to be unreasonably withheld or delayed; and
- (f) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out below and to close the transactions contemplated herein by the Transaction Closing Date.

ARTICLE 5.
VENDORS' COVENANTS

- 5.1 The Vendors covenant and agree with the Purchaser that they shall:
- (a) provide to the Purchaser all such further documents, instruments and materials as may be reasonably required by the Vendors to close the transactions contemplated herein;
 - (b) use best efforts to obtain, in a timely manner, all necessary consents, approvals, permits, authorizations or filings from regulatory bodies and third parties to complete the transactions contemplated herein;
 - (c) do all such acts and things necessary to ensure that all of the representations and warranties of the Vendors remain true and correct at the Financing Closing and the Transaction Closing Date, as the case may be, and not do any act or thing that would render any representation or warranty untrue or incorrect at such times;
 - (d) from and including the Effective Date through to and including the Transaction Closing Date preserve and protect the NSS Properties and Carried Interests; and
 - (e) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out below.

ARTICLE 6.
SECURITIES LAW MATTERS

- 6.1 The Parties acknowledge that the issuance of the Consideration Shares by the Purchaser to the Vendors or persons nominated by the Vendors hereunder is being made pursuant to an exemption from the prospectus requirements of applicable Securities Laws pursuant to Section 2.13 of National Instrument 45-106 – Prospectus Exemptions.
- 6.2 Each of the Vendors confirms and covenants to the Purchaser that it will comply with all requirements of applicable securities laws in connection with the issuance of the Consideration Shares to the Vendors.
- 6.3 Upon the issuance of Consideration Shares by the Purchaser to the Vendors or persons nominated by the Vendors pursuant to this Agreement and until such time as is no longer

required under applicable securities laws, the direct registration statement (“DRS”) representing the Consideration Shares will bear such legends as may be required under National Instrument 45-102 – Resale of Securities, the policies of the Exchange or otherwise pursuant to applicable laws.

ARTICLE 7.
CONDITIONS PRECEDENT

- 7.1 The Vendors’ obligations under this Agreement are subject to the fulfilment of the following conditions at or prior to the Financing Closing:
- (a) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement;
 - (b) the Purchaser shall have complied in all material respects with all of its covenants and agreements contained in this Agreement;
 - (c) the representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as if such representations and warranties had been made by the Purchaser as of the Financing Closing (with modifications necessary to reflect the transactions contemplated by this Agreement); and
 - (d) the Purchaser shall have completed one or more equity financings to raise gross proceeds of not less than \$30,000,000, in respect of which the disclosed use of proceeds includes the cash payments to be made to the Vendors under this Agreement.

The conditions precedent set forth above are for the exclusive benefit of the Vendors and may be waived by it in whole or in part on or before the Date of Financing Closing.

- 7.2 The obligations of the Purchaser under this Agreement are subject to the fulfilment of the following conditions at or prior to the Financing Closing:
- (a) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement;
 - (b) Mason and Young shall have complied in all material respects with all of their covenants and agreements contained in this Agreement;
 - (c) the representations and warranties of the Vendors contained in this Agreement shall be true in all material respects as if such representations and warranties had been made by the Vendors as of the Financing Closing (with modifications necessary to reflect the transactions contemplated by this Agreement) And
 - (d) [Third party conditions precedent]

The conditions precedent set forth above are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in whole or in part on or before the Financing Closing.

- 7.3 The Vendors' obligations under this Agreement are subject to the fulfilment of the following conditions at or prior to the Transaction Closing:
- (a) the Purchaser shall have complied in all material respects with all of its covenants and agreements contained in this Agreement;
 - (b) the representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as if such representations and warranties had been made by the Purchaser as of the Transaction Closing Date (with modifications necessary to reflect the transactions contemplated by this Agreement);
 - (c) the Purchaser shall be approved for listing on the Canadian Securities Exchange or other recognized Canadian stock exchange (an "**Exchange**") as may be determined by the Purchaser.
 - (d) The conditions precedent set forth above are for the exclusive benefit of the Vendors and may be waived by them in whole or in part on or before the Transaction Closing Date.
- 7.4 The obligations of the Purchaser under this Agreement are subject to the fulfilment of the following conditions at or prior to the Transaction Closing:
- (a) the Vendors shall have complied in all material respects with all of their covenants and agreements contained in this Agreement; and
 - (b) the representations and warranties of Mason and Young contained in this Agreement shall be true in all material respects as if such representations and warranties had been made by Mason and Young as of the Transaction Closing Date (with modifications necessary to reflect the transactions contemplated by this Agreement).

The conditions precedent set forth above are for the exclusive benefit of the Purchaser and may be waived by the Purchaser in whole or in part on or before the Transaction Closing Date.

ARTICLE 8. **CLOSINGS**

- 8.1 At the Financing Closing, the Purchaser shall deliver to the Vendors:
- (a) a certified true copy of the resolutions of the directors of the Purchaser evidencing that the board of directors and, if applicable, its shareholders, have approved this Agreement, and all of the transactions of the Purchaser contemplated hereunder;

- (b) fully executed copies of each of the Isoenergy Assumption Agreement and the NexGen Assumption Agreement;
- (c) a certificate signed by an authorized representative of the Purchaser that the representations and warranties of the Purchaser contained in this Agreement are true and correct in every respect as of the Financing Closing (with modifications necessary to reflect the transactions contemplated by this Agreement);
- (d) if applicable, a certificate signed by an authorized representative of the Purchaser that the Consideration Shares, on issuance, comprise not less than 30% of the then issued shares of the Purchaser, and including the calculations on which such certificate is based;
- (e) \$1,000,000 in cash;
- (f) access to the Acquisitions Advance;
- (g) A copy of the Royalty and Participation Agreement, executed by the Purchaser, covering the NSS Properties;
- (h) The Consideration Shares, issued in the name or names provided in writing by the Vendors; and
- (i) such other materials that are, in the opinion of the Vendors acting reasonably, required to be delivered by the Purchaser in order for it to meet its obligations under this Agreement.

8.2 No later than 15 Business Days following the Financing Closing, the Vendors and Purchaser shall have established a mutually acceptable procedure for the expenditure of the Acquisitions Advance and all associated reporting requirements. In the event of the failure to reach such agreement within such 15 Business Days, the Vendors and the Purchaser shall agree, each acting reasonably and in good faith upon any expenditures from the Acquisitions Advance prior to such expenditures being incurred.

8.3 At the Transaction Closing, the Purchaser shall deliver to the Vendors:

- (a) a certified true copy of the resolutions of the directors of the Purchaser evidencing that the board of directors and, if applicable, its shareholders, have approved this Agreement, and all of the transactions of the Purchaser contemplated hereunder;
- (b) a certificate signed by an authorized representative of the Purchaser that the representations and warranties of the Purchaser contained in this Agreement are true and correct in every respect as of the Transaction Closing Date (with modifications necessary to reflect the transactions contemplated by this Agreement);

- (c) a certificate signed by an authorized representative of the Purchaser that the Common Shares, including the Consideration Shares, have been accepted for listing on the Exchange or another recognized Canadian stock exchange;
- (d) a certificate signed by an authorized representative of the Purchaser that the Consideration Shares, on issuance, comprise not less than 30% of the then issued shares of the Purchaser, and including the calculations on which such certificate is based and
- (e) such other materials that are, in the opinion of the Vendors acting reasonably, required to be delivered by the Purchaser in order for it to meet its obligations under this Agreement.

8.4 At the Transaction Closing, the Vendors shall deliver to the Purchaser:

- (a) fully executed bills of sale or evidence of the transfer to the Purchaser of the Carried Interests and the NSS Properties, in form and substance acceptable to the Purchaser acting reasonably; and
- (b) such other materials that are, in the opinion of the Purchaser acting reasonably, required to be delivered by the Vendors in order for it to meet its obligations under this Agreement.

ARTICLE 9. **TERMINATION**

9.1 This Agreement may be terminated by:

- (a) mutual agreement of the Vendors and the Purchaser;
- (b) the Vendors, in the event that the Financing has not been completed by the Financing Closing Outside Date
- (c) the Vendors in the event that all of the transactions contemplated hereby have not been completed by the Transaction Closing Date;
- (d) the Purchaser, if there has been a material breach by the Vendors of any representation, warranty, covenant or agreement set out in this Agreement on the part of the Vendors that is not cured, to the reasonable satisfaction of the Purchaser, within ten Business Days after written notice of such breach is given by the Purchaser;
- (e) the Vendors, if there has been a material breach by the Purchaser of any representation, warranty, covenant or agreement set out in this Agreement on the part of the Purchaser that is not cured, to the reasonable satisfaction of the Vendors, within ten Business Days after written notice of such breach is given by the Vendors; and

- (f) the Vendors or the Purchaser, if any permanent injunction or other order of a governmental entity of competent authority preventing the consummation of the transactions contemplated herein has become final and non-appealable.
- 9.2 In the event of the termination of this Agreement, as provided in Section 9.1 hereof, this Agreement will be of no further force or effect; provided that, no termination of this Agreement will relieve any party of liability for any breach of this Agreement that is based on a wrongful refusal or failure to perform any obligations.
- 9.3 In the event of the termination of this Agreement, the Vendors will cease to have access to any unused portion of the Acquisitions Advance as at the effective date of such termination. For greater certainty, upon termination of this Agreement, all Additional Properties shall remain the sole property of the Purchaser and the Vendors shall have no entitlement thereto other than the Royalty and the Carried Interest and, to the extent that the full interest, right and title to any such Additional Properties has not then been transferred to the Purchaser, the Vendors shall hold such Additional Property in trust and for the sole benefit of the Purchaser and shall forthwith take all such action as is required to transfer such Additional Property to the Purchaser (subject in each case to the retention by the Vendors of the Royalty and Carried Interest).

ARTICLE 10.
PUBLIC DISCLOSURE

- 10.1 No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by the Purchaser or the Vendors without the prior written agreement of the other Party as to the content and method; provided that, the obligations herein will not prevent the Purchaser from making, after consultation with the Vendors, such disclosure as is required by the applicable securities laws or the rules and policies of a stock exchange having jurisdiction.
- 10.2 Unless and until the transactions contemplated in this Agreement will have been completed, except with the prior written consent of the other party, each of the Purchaser and the Vendors and its respective employees, officers, directors, shareholders, agents, advisors and other representatives shall hold all information received from the other party in strict confidence, except such information and documents already available to the public or as are required to be filed or disclosed by the applicable securities laws, including the rules and policies of a stock exchange having jurisdiction.
- 10.3 In the event that the transactions provided for in this Agreement are not completed, all such information and documents in any form or medium whatsoever, including copies and derivative materials made shall be returned to the party originally delivering them, or at the direction of such party, destroyed.

ARTICLE 11.
ARBITRATION

- 11.1 If there is any disagreement, dispute or controversy (hereinafter collectively called a “**dispute**”) between the Parties with respect to any matter arising under this Agreement or

the construction hereof, then the dispute will be determined by arbitration in accordance with the following procedures:

- (a) the Parties to any dispute shall appoint a single mutually acceptable arbitrator. If the Parties cannot agree upon a single arbitrator, then any Party shall be permitted to name an arbitrator, and give notice thereof to the other Party;
- (b) the other Party shall, within 14 days of the receipt of notice, name a second arbitrator; and
- (c) the two arbitrators so named shall, within seven days of the naming of the latter of them, name a third arbitrator.

11.2 If a Party shall fail to name its arbitrator within the allotted time, then the sole arbitrator named may make a determination of the dispute. Except as expressly provided in this Section 11.2, the arbitration will be conducted in accordance with the Commercial Arbitration Act (British Columbia) and the arbitration will be held in Vancouver, British Columbia, Canada. The decision of the arbitrator or the majority of the arbitrators (the “**Arbitration Decision**”) shall be made within 30 days following the naming of the latest of them and, shall be conclusive and binding upon the Parties, and the Parties agree to consent to the entry of a judgement in the registry of the Supreme Court of British Columbia in Vancouver evidencing the terms of the Arbitration Decision. The costs of arbitration shall be borne equally by the parties to the dispute unless otherwise determined by the arbitrator(s) in the award.

ARTICLE 12.
NOTICES

12.1 Any notice, election, consent or other writing required or permitted to be given hereunder will be deemed to be sufficiently given if delivered or if mailed by registered air mail or by email, addressed as follows:

if to the Vendors:

The New Saskatchewan Syndicate
Matthew Mason and Timothy Young
[Address]

Email: [Email address]
[Email address]

with a copy to the Vendors’ counsel at:

Lawson Lundell LLP
16th Floor, Cathedral Place, 925 West Georgia Street
Vancouver, British Columbia, V6C 3L2

Attention: [Name]
Email: [Email address]

if to the Purchaser at:

Atha Energy Corp.
1250 – 1066 Hastings Street W.
Vancouver, British Columbia, V6E 3X1

Attention: Mike Castanho, Interim Chief Executive Officer
Email: mike@axiscapital.ca

with a copy to Purchaser's solicitors at:

Pushor Mitchell LLP
301 - 1665 Ellis Street
Kelowna, British Columbia, V1Y 2B3

Attention: Keith C. Inman
Email: inman@pushormitchell.com

and any such notice given as aforesaid will be deemed to have been given to the parties if delivered, when delivered, or if mailed, on the third business day following the date of mailing, or, if emailed on the next succeeding day following the transmission thereof; provided however, that during the period of any postal interruption in either the country of mailing or the country of delivery, any notice given hereunder by mail will be deemed to have been given only as of the date of actual delivery of the same. Any party may from time to time by notice in writing change its address for the purpose of this Section 12.1.

ARTICLE 13.
INDEMNIFICATION, REMEDIES, SURVIVAL

- 13.1 For the purposes of this ARTICLE 13, the term “Losses” means any and all losses, damages, liabilities, costs and expenses determined to exist by the conclusive and binding Arbitration Decision rendered pursuant to ARTICLE 11 hereof, including, but not limited to, interest, penalties, fines and reasonable lawyers’, accountants’ and other professional fees and expenses, but excluding any indirect, consequential or punitive damages (including damages for lost profits or lost business opportunities) suffered by the Purchaser or the Vendors.
- 13.2 The Purchaser shall indemnify, defend, and hold harmless, to the full extent of the law, Vendors from, against, and in respect of, any and all Losses asserted against, relating to, imposed upon, or incurred by, the Vendors by reason of, resulting from, based upon or arising out of:
- (a) the material breach by the Purchaser of any representation or warranty of the Purchaser contained in this Agreement or any certificate or instrument delivered by the Purchaser pursuant to this Agreement; or

- (b) the material breach by the Purchaser of any covenant or agreement of the Purchaser made in this Agreement or any certificate or instrument delivered by the Purchaser pursuant to this Agreement.
- 13.3 Mason and Young shall severally and not jointly and severally indemnify, defend, and hold harmless, to the full extent of the law, the Purchaser from, against, and in respect of, any and all Losses asserted against, relating to, imposed upon, or incurred by, the Purchaser by reason of, resulting from, based upon or arising out of:
- (a) the material breach by the Vendors of any representation or warranty of the Vendors contained in this Agreement or any certificate or instrument delivered by the Vendors pursuant to this Agreement; or
 - (b) the material breach by the Vendors of any covenant or agreement of the Vendors made in this Agreement or any certificate or instrument delivered by the Vendors pursuant to this Agreement.
- 13.4 Notwithstanding any other provision hereof, the Parties acknowledge that the following restrictions will apply to the indemnifications set out in Sections 13.2 and 13.4 hereof (collectively, the “**Indemnities**”):
- (a) the Indemnities will expire 12 months after the Transaction Closing Date, after which time the Indemnities will be null and void and of no further force and effect;
 - (b) a party shall only be entitled to indemnification in respect of any Losses after the aggregate amount of such Losses exceeds \$50,000, at which time the indemnified party shall be entitled to recover the entire amount of such Losses from the first dollar (including the first \$50,000); and
 - (c) a party shall only be required to indemnify, defend, and hold harmless another party up to the aggregate amount of \$2,000,000 (the Vendors for the purposes of this subsection shall be regarded as one party), thereafter the party’s indemnification hereunder will be null and void and of no further force and effect.

ARTICLE 14.
GENERAL TERMS AND CONDITIONS

- 14.1 This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and assigns.
- 14.2 All references to currency herein are references to Canadian dollars unless otherwise specified.
- 14.3 This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, which will be deemed to be the proper law hereof.

- 14.4 Each of the parties hereby covenants and agrees to execute such further and other documents and instruments and to do such further and other things as may be necessary to implement and carry out the intent of this Agreement.
- 14.5 The provisions herein contained constitute the entire agreement between the parties and supersede all previous communications, representations and agreements whether oral or written between the parties with respect to the subject matter hereof.
- 14.6 All rights and remedies of the parties hereunder are cumulative and are in addition to, and will not be deemed to exclude, any other right or remedy allowed by law. All rights and remedies may be exercised concurrently.
- 14.7 Should any part of this Agreement be declared or held invalid for any reason, such validity will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Agreement had been executed without the invalid portion and it is hereby declared the intention of the parties that this Agreement would have been executed without reference to any portion which may, for any reason, be hereafter declared or held invalid.
- 14.8 No condoning, excusing or waiver by any party of any default, breach or non-observance by any other party at any time or times in respect of any covenant, proviso or condition herein contained will operate as a waiver of that party's rights hereunder in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of that party in respect of any such continuing or subsequent default, breach or non-observance, and no waiver will be inferred from or implied by anything done or omitted to be done by the party having those rights.
- 14.9 This Agreement may not be modified or amended except by an instrument in writing signed by all the parties or by their permitted successors or assigns.
- 14.10 All references to any party to this Agreement will be read with such changes in number and gender as the context hereof or reference to the parties may require.
- 14.11 The division of this Agreement into Articles, sections and subsections and the insertion of headings are for convenience only and will not affect the construction or interpretation of this Agreement.
- 14.12 Time will be of the essence in this Agreement.
- 14.13 The Schedules to this Agreement will be construed with and as an integral part of this Agreement to the same extent as if they were set out verbatim herein.
- 14.14 [Payment details]

14.15 This Agreement may be executed in counterparts and by electronic transmission, and each counterpart so executed will be deemed to be an original and all of which counterparts will be deemed to be one instrument.

(Signature page follows)

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

SIGNED, SEALED and DELIVERED by)
TIMOTHY A. YOUNG)
in the presence of:)

Witness)

Timothy A. Young)

SIGNED, SEALED and DELIVERED by)
MATTHEW J. MASON)
in the presence of:)

Witness)

Matthew J. Mason)

ATHA ENERGY CORP.

Per: _____
Name: Mike Castanho
Title: Interim Executive Officer

(Signature page to the Share and Purchase Agreement)

SCHEDULE A
THE CARRIED INTERESTS

[Contract descriptions]

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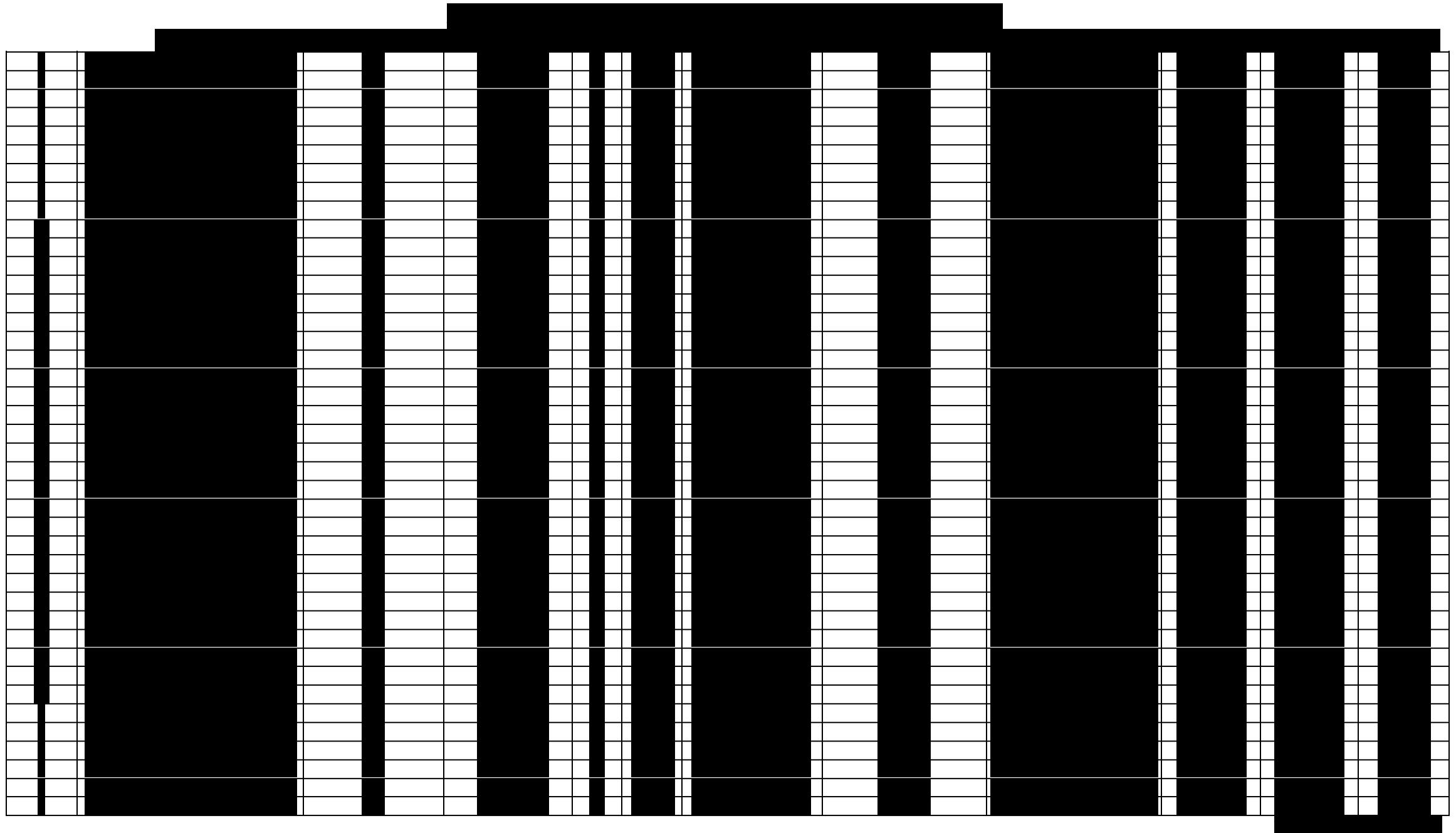
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SCHEDULE B

[Claim registration details]



SCHEDULE C

COMMON SHARES OF THE PURCHASER AUTHORIZED FOR ISSUANCE

As at the Effective Date, the following Common Shares were reserved for issuance:

- 1,937,500 Common Shares reserved for issuance upon the exercise of incentive stock options.
- The Consideration Shares.

SCHEDULE D

ROYALTY AND PARTICIPATION AGREEMENT

ROYALTY AND PARTICIPATION AGREEMENT

Dated this _____ day of _____, 2022

BETWEEN:

ATHA ENERGY CORP., a company incorporated under the laws of British Columbia

(the “**Owner**”)

AND:

THE NEW SASKATCHEWAN SYNDICATE, an unincorporated joint venture comprising Matthew J. Mason and Timothy A. Young, of [Address] _____

(individually, “Mason” and “Young” respectively, and collectively the “**Royalty Holder**”)

RECITALS:

- A. WHEREAS the Owner and the Royalty Holder entered into a Sale and Purchase Agreement dated September 20, 2022 (the “**Head Agreement**”) pursuant to which, among other things, the Owner: (i) purchased certain mineral properties (the “**Initial Properties**”) from the Royalty Holder, and (ii) the Royalty Holder agreed to acquire certain additional mineral property interests in Saskatchewan and Alberta for the benefit of the Owner (the “**Additional Properties**”, and together with the Initial Properties, the “**Acquired Properties**”);
- B. AND WHEREAS the Acquired Properties are to be subject to a royalty equal to 2% of Net Smelter Returns and a 2% gross overriding royalty for those properties not subject to the 2% of Net Smelter Returns royalty;
- C. AND WHEREAS the Head Agreement also provides for the Royalty Holder to hold a 10% carried interest in each of the acquired properties;
- D. AND WHEREAS pursuant to the Head Agreement, the Owner is now the legal and beneficial holder of a 100% undivided interest in certain mineral claims, located in Alberta and Saskatchewan, as more particularly described in Appendix “A” attached hereto and forming a part hereof (as the same currently exists and as the same may be extended, converted, revised and/or elevated, including, if and when the Owner acquires any future concessions or mineral tenures that are contiguous to the Property (as it currently exists), the “**Property**”);

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the premises and the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties covenant and agree as follows:

[REDACTED]

[Contract definitions and details]

[REDACTED]



ARTICLE 4
REPRESENTATIONS, WARRANTIES AND COVENANTS

- 4.1 The Owner hereby represents and warrants to and in favour of the Royalty Holder and acknowledges and agrees that the Royalty Holder is entering into this Agreement on the basis of such representations and warranties, namely, that the Owner has the corporate power, capacity and authority to execute, deliver and perform this Agreement and the execution, delivery and performance of this Agreement by the Owner has been duly authorized by all required corporate action of the Owner; this Agreement represents a valid and binding obligation of the Owner duly enforceable against the Owner in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or similar laws or by equitable principles generally; and the Property is free and clear of all liens, charges, security interests, claims, mortgages and other encumbrances.
- 4.2 The Royalty Holder represents and warrants to and in favour of the Owner and acknowledges and agrees that the Owner is entering into this Agreement on the basis of such representations and warranties, namely, that it has the power, capacity and authority to execute, deliver and perform this Agreement and the execution, delivery and performance of this Agreement by it has been duly authorized by all required action and this Agreement represents a valid and binding obligation of the Royalty Holder duly enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or similar laws or by equitable principles generally.

ARTICLE 5
INDEMNITIES

- 5.1 The Owner does hereby agree to defend, indemnify, reimburse and hold harmless the Royalty Holder, its officers, directors, employees, agents, affiliates and its successors and assigns (collectively, the “**Royalty Holder Indemnified Parties**”), and each of them, from and against any and all Losses that the Royalty Holder Indemnified Parties may sustain, suffer or incur as a result of:
- (a) a breach of this Agreement by the Owner;
 - (b) operations conducted on or in respect of the Property by or on behalf of the Owner or any of its Affiliates that result from or relate to the mining, handling, transportation, smelting or refining of the Products, including without limitation

Losses, in any way arising from or connected with any non-compliance with environmental laws or any contaminants or hazardous substances on, in or under the Property or the soil, sediment, water or groundwater forming part thereof, whether in the past, present or future, or any contaminants or hazardous substances on any other lands or areas having originated or migrated from the Property or the soil, sediment, water or groundwater forming part thereof; and

- (c) any and all legal fees and disbursements that the Royalty Holder may be required to pay from time to time for or in connection with a dispute among the Royalty Holder and the Owner as to whether certain costs, charges, deductions and expenses are “Allowable Deductions” for the purposes of this Agreement (but only if, either by settlement by mutual agreement between the Royalty Holder and the Owner, or by a dispute resolution mechanism, including without limitation, court proceeding or arbitration, it shall finally be determined or decided that the Owner overstated the Allowable Deductions in any material respect).

ARTICLE 6

TRANSFER RIGHTS

- 6.1 The Owner may Transfer, in whole or in part: (i) the Property; or (ii) its rights and obligations under this Agreement; (it being understood that a Transfer may only be subject to a Transfer together with the Owner’s rights and obligations, as the case may be, under this Agreement), so long as the following conditions are satisfied:
- (a) the Owner provides the Royalty Holder with at least 30 days prior written notice of the intent to Transfer of the Owner;
 - (b) any purchaser, merged company, transferee or assignee, as a condition to completion of the Transfer, agrees in writing in favour of the Royalty Holder, to be bound by the terms of this Agreement, including without limitation, this section, pursuant to an instrument in writing that is satisfactory to the Royalty Holder, acting reasonably, and the Royalty Holder does not suffer a Material Adverse Effect in relation to the transactions set forth in this Agreement; and
 - (c) any transferee of the Owner that is a mortgagee, chargeholder or encumbrancer obtains an agreement in writing in favour of the Royalty Holder from any subsequent purchaser or transferee of such mortgagee, chargeholder or encumbrancer that such subsequent mortgagee, chargeholder or encumbrancer will be bound by the terms of this Agreement (with respect to the latter, if applicable), and the Royalty Holder does not suffer a Material Adverse Effect in relation to the transactions set forth in this Agreement.

For clarity: (i) any such Transfer by the Owner shall not relieve the Owner from any of its liabilities or obligations hereunder if the transferee or assignee is an Affiliate of the Owner; and (ii) each Affiliate of the Owner that has a direct or indirect interest in the Property (a “**Related Guarantor**”) shall be obligated to first execute and deliver to the Royalty Holder an instrument (in form and substance acceptable to the Royalty Holder,

acting reasonably) pursuant to which the Related Guarantor agrees to be bound by the terms hereof in its capacity as guarantor and by all of the liabilities and obligations of the transferor guarantor hereunder in the same manner and to the same extent as through the Related Guarantor was an original party hereto.

6.2

[Assignment conditions]

A large black rectangular redaction box covers the text of section 6.2, obscuring the assignment conditions.

6.3

The Owner may, at its sole discretion, enter into a joint venture agreement with respect to the Property so long as prior to the execution of any joint venture agreement, both the Owner and the proposed joint venture partner agree in favour of the Royalty Holder to be bound by the terms of this Agreement, including without limitation, this section, pursuant to an instrument in writing that is satisfactory to the Royalty Holder, acting reasonably, and the Royalty Holder does not suffer a Material Adverse Effect in relation to the transactions set forth in the proposed joint venture agreement.

6.4

The Owner covenants to and in favour of the Royalty Holder that the terms of any project financing arranged with respect to the Property shall not allow for the lenders to prohibit or interfere with any Royalty payments due to the Royalty Holder hereunder or allow for cash sweeps or payments of excess cash flow to the lenders in priority to any Royalty payments due to the Royalty Holder hereunder. In connection with any such project financing the Owner shall obtain at the closing of such project financing a certificate executed by an authorized officer of each lending institution or any other third party to the project financing, acknowledging the validity and existence of this Agreement and the Royalty obligations under this Agreement and agreeing that it will not object to or attempt to prohibit payment of any of the payments of the Royalty hereunder.

ARTICLE 7

DISPUTE RESOLUTION

7.1

In the event of a dispute in relation to this Agreement, including without limitation, the existence, validity, performance, breach or termination hereof or any matter arising hereunder, including whether any matter is subject to arbitration, the Parties agree to negotiate diligently and in good faith in an attempt to resolve such dispute. Failing resolution satisfactory to either Party, within ten days of the time frame specified herein or if no time frame is specified within ten days of the delivery of notice by either Party of the said dispute, which shall be after the dispute remains open for a period of 90 days, either Party may request that the dispute be resolved by binding arbitration, conducted in English, in Vancouver, British Columbia, pursuant to the domestic commercial arbitration rules of the British Columbia International Commercial Arbitration Centre (the “**BCICAC**”). The appointing authority shall be the BCICAC and the case shall be

administered by the BCICAC in accordance with its Domestic Commercial Arbitration Rules of Procedure, subject to the following:

- (a) to demand arbitration either Party (the “**Demanding Party**”) shall give written notice (the “**Dispute Notice**”) to the other Party (the “**Responding Party**”), which Dispute Notice shall toll the running of any applicable limitations of actions by law or under this Agreement. The Dispute Notice shall specify the nature of the allegation and the issues in dispute, the amount or value involved (if applicable) and the remedy requested. Within 15 Business Days of receipt of the Dispute Notice, the Responding Party shall answer the demand in writing, responding to the allegations and issues that are disputed;
- (b) the Demanding Party and the Responding Party shall mutually agree upon one single qualified arbitrator within seven Business Days of the Responding Party’s answer, failing which either the Demanding Party or the Responding Party may request the BCICAC to appoint one qualified arbitrator within five Business Days of the Responding Party’s answer. The arbitrator shall be a disinterested person qualified by experience to hear and determine the issues to be arbitrated;
- (c) no later than 15 Business Days after hearing the representations and evidence of the Parties, the arbitrator shall make its determination in writing in English and shall deliver one copy to each of the Parties. The written decision of the arbitrator shall be final and binding upon the Parties in respect of all matters relating to the arbitration, the procedure, the conduct of the Parties during the proceedings and the final determination of the issues in the arbitration. There shall be no appeal from the determination of the arbitrator to any court. The decision rendered by the arbitrator may be entered into any court for enforcement purposes;
- (d) the arbitrator may determine all questions of law and jurisdiction (including questions as to whether or not a dispute is arbitratable) and all matters of procedure relating to the arbitration;
- (e) the arbitrator shall have the right to grant legal and equitable relief and to award costs (including reasonable legal fees and the costs of arbitration) and interest. The costs of any arbitration shall be borne by the Parties in the manner specified by the arbitrator in its determination, if applicable. The arbitrator may make an interim order, including injunctive relief and other provisional, protective or conservatory measures, as well as orders seeking assistance from a court in taking or compelling evidence or preserving and producing documents regarding the subject matter of the dispute;
- (f) all papers, notices or process pertaining to an arbitration hereunder may be served on a Party as provided in this Agreement; and
- (g) the Parties agree to treat as Confidential Information, in accordance with the provisions of section 10.2, the following: the existence of the arbitral proceedings; written notices, pleadings and correspondence in relation to the

arbitration; reports, summaries, witness statements and other documents prepared in respect of the arbitration; documents exchanged for the purposes of the arbitration; and the contents of any award or ruling made in respect of the arbitration. Notwithstanding the foregoing part of this section, a Party may disclose such Confidential Information in judicial proceedings to enforce, nullify, modify or correct an award or ruling and as permitted under section 10.2.

ARTICLE 8
OPERATION OF THE PROPERTY

- 8.1 The Owner will have complete discretion concerning the nature, timing and extent of all exploration, development, mining and other operations conducted on or for the benefit of the Property and may suspend operations and production on the Property at any time it considers prudent or appropriate to do so. The Owner will owe the Royalty Holder no duty to explore, develop or mine the Property, or to do so at any rate or in any manner other than that which the Owner may determine in its sole and unfettered discretion.
- 8.2 Commingling of Products from the Property with other ores, doré, concentrates, metals, minerals or mineral by-products produced elsewhere is not permitted without the consent of the Royalty Holder, such consent not to be unreasonably withheld, delayed or conditioned.

ARTICLE 9
CARRIED INTEREST

- 9.1 [Contract definitions and details]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



ARTICLE 10
MISCELLANEOUS

- 10.1 This Agreement and the rights and obligations of the Parties hereunder are strictly limited to the Property. Each Party will have the free and unrestricted right to enter into, conduct and benefit from any and all business ventures of any kind whatsoever, whether or not competitive with the activities undertaken pursuant hereto, without disclosing such activities to the other Party or inviting or allowing the other Party to participate therein including activities involving mineral claims or mineral leases adjoining the Property.
- 10.2 All information, data, reports, records, analyses, economic and technical studies and test results relating to the Property and the activities of the Owner or any other party thereon and the terms and conditions of this Agreement, all of which will hereinafter be referred to as “Confidential Information,” will be treated by the Royalty Holder as confidential and will not be disclosed to any person not a party to this Agreement, except in the following circumstances:
- (a) the Royalty Holder may disclose Confidential Information to its auditors, legal counsel, institutional lenders, financiers, strategic partners, brokers, underwriters and investment bankers, provided that such non-party users are advised of the confidential nature of the Confidential Information, undertake to maintain the confidentiality thereof and are strictly limited in their use of the Confidential Information to those purposes necessary for such non-party users to perform the services for which they were retained by the Royalty Holder;
 - (b) the Royalty Holder may disclose Confidential Information to prospective purchasers of the Royalty Holder’s right to receive the Royalty or other rights under this Agreement, provided that each such prospective purchaser first agrees in writing to hold such information in confidence in accordance with this section and to use it exclusively for the purpose of evaluating its interest in purchasing such Royalty or other rights;
 - (c) the Royalty Holder may disclose Confidential Information where that disclosure is necessary to comply with its disclosure obligations and requirements under any securities law, rules or regulations or stock exchange listing agreements, policies or requirements or in relation to proposed credit arrangements, and the Owner agrees to provide to the Royalty Holder all such information as the Royalty Holder, acting reasonably, determines is necessary or desirable to fulfill the Royalty Holder’s disclosure obligations and requirements under applicable securities laws; or

(d) with the approval of the Owner.

Any Confidential Information that becomes part of the public domain by no act or omission in breach of this section will cease to be confidential information for the purposes of this section.

- 10.3 This Agreement is not intended to, and will not be deemed to, create any partnership relation between the Parties including without limitation, a joint venture, mining partnership or commercial partnership. The obligations and liabilities of the Parties will be several and not joint, and none of the Parties will have or purport to have any authority to act for or to assume any obligations or responsibility on behalf of the other Party. Nothing herein contained will be deemed to constitute a Party, the partner, agent, joint venturer or legal representative of the other Party.
- 10.4 No waiver of or with respect to any term or condition of this Agreement shall be effective unless it is in writing and signed by the waiving Party, and then such waiver shall be effective only in the specific instance and for the purpose for which given. No course of dealing between the Parties, nor any failure to exercise, nor any delay in exercising, on the part of any one Party hereunder, any right, power, or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any specific waiver of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- 10.5 Time shall be of the essence in the performance of any and all of the obligations of the Parties hereunder, including without limitation, the payment of monies.
- 10.6 Each Party will, at the request of another Party and at the requesting Party's expense, execute all such documents and take all such actions as may be reasonably required to effect the purposes and intent of this Agreement.
- 10.7 In the event a court of competent jurisdiction determines that any provision of this Agreement violates the statutory or common law Rule Against Perpetuities, then such provision shall automatically be revised and reformed as necessary to comply with the Rule Against Perpetuities and this Agreement shall not be terminated solely as a result of a violation of the Rule Against Perpetuities.
- 10.8 This Agreement, including the Schedule hereto, constitutes the entire agreement of the Parties with respect to the subject matter hereof, all previous agreements and promises in respect thereto being hereby expressly rescinded and replaced hereby. No modification or alteration of this Agreement will be effective unless in writing executed subsequent to the date hereof by the Parties. No prior written or contemporaneous oral promises, representations or agreements are binding upon the Parties. There are no implied covenants contained herein.
- 10.9 Any notice, demand, consent or other communication (“**Notice**”) given or made under the Agreement:
- (a) must be in writing and signed by a person duly authorised by the sender;

- (b) must be delivered to the intended recipient by hand, by overnight courier or by email to the address or email address below or the address or email address last notified by the intended recipient to the sender:

The New Saskatchewan Syndicate

[Address] [Redacted]

Attention:

[Names] [Redacted]

Email:

[Email address] [Redacted]

[Email address] [Redacted]

with a copy to the Vendors' counsel at:

Lawson Lundell LLP

1600 Cathedral Place, 925 West Georgia Street

Vancouver, British Columbia, V6C 3L2X8

Attention:

[Name] [Redacted]

Email:

[Email address] [Redacted]

if to the Purchaser at:

Atha Energy Corp.

1250 – 1066 Hastings Street W.

Vancouver, British Columbia, V6E 3X1

Attention:

Mike Castanho, Interim Chief Executive Officer

Email:

mike@axiscapital.ca

with a copy to Purchaser's solicitors at:

Pushor Mitchell LLP

301 - 1665 Ellis Street

Kelowna, British Columbia, V1Y 2B3

Attention:

Keith C. Inman

Email:

inman@pushormitchell.com

- (c) will be deemed to be duly given or made when delivered;

but if the result is that a Notice would be deemed to be given or made on a day which is not a Business Day in the place to which the Notice is sent or is later than 4:00 pm (local time at the place of delivery), it will be deemed to have been duly given or made at the commencement of business on the next Business Day in that place.

- 10.10 This Agreement may be executed in multiple counterparts, each of which will constitute an original, but all of which together will constitute one and the same instrument.
- 10.11 Unless instructed in writing by the Royalty Holder to the contrary, all payments to the Royalty Holder shall be made to Mason and Young, each as to 50%.
- 10.12 This Agreement will enure to the benefit of and be binding on the Parties and their respective successors and permitted assigns.

SIGNATURE BLOCKS APPEAR ON NEXT PAGE

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

SIGNED, SEALED and DELIVERED by)
TIMOTHY A. YOUNG)
in the presence of:)
)
)
)
_____)
Witness)

_____) Timothy A. Young

SIGNED, SEALED and DELIVERED by)
MATTHEW J. MASON)
in the presence of:)
)
)
)
_____)
Witness)

_____) Matthew J. Mason

ATHA ENERGY CORP.

Per: _____
Name: Mike Castanho
Title: Interim Executive Officer

APPENDIX "A" TO SCHEDULE "D"

(To be completed at the time of execution of the Royalty and Participation Agreement)

SCHEDULE E

PERMITTED ENCUMBRANCES

General Permitted Encumbrances

1. Any Encumbrances registered or filed with a Governmental Agency.
2. Encumbrances for taxes, royalties of any Governmental Agency, assessments and similar charges that are not yet due or are being contested in good faith.
3. Undetermined or inchoate liens, charges and privileges (including mechanics', construction, carriers', workers', repairers', storers' or similar liens) which, individually or in the aggregate, are not material, arising or incurred in the ordinary course of business.
4. Minor title defects or irregularities or servitudes, easements, restrictions, encroachments, covenants, rights of way and other similar rights or restrictions in real property or mineral property, or any interest therein, whether registered or unregistered, which individually or in the aggregate would not prevent the continued use and exploration of the NSS Properties as presently conducted.
5. The provisions of applicable Laws, including by-laws, regulations, airport zoning regulations, ordinances and similar instruments relating to development and zoning.
6. Statutory liens, adverse claims or Encumbrances of any nature whatsoever claimed or held by any Governmental Agency that have not at the time been filed or registered against the title to the NSS Properties or served pursuant to applicable Law.
7. Statutory liens incurred or deposits made in the ordinary course of the business in connection with worker's compensation, unemployment insurance and similar legislation, but only to the extent that each such statutory lien or deposit relates to amounts not yet due.
8. Statutory exceptions to title and any reservations, exceptions, limitations, provisos and conditions pertaining to mineral property as provided by applicable Law.
9. Any minor encroachments by any structure located on the NSS Properties onto any adjoining property and any minor encroachments by any structure located on adjoining property onto the NSS Properties.
10. Rights associated with any actual or potential competing interest in, or uses for, all or any part of the NSS Properties granted by any Governmental Agency including the occurrence of traplines, environmentally sensitive areas, unique or at risk species, parks proposals, reserves established by Law or otherwise, governmental land use plans or policies, forestry tenures, claims leases or other concessions issued under applicable Law

over which any of the NSS Properties are overlapping, petroleum and natural gas tenures or other land tenures.

11. Any claims to rights, title or other interest in and to any land underlying the NSS Properties asserted by any local indigenous groups.

Specified Permitted Encumbrances

12. [References to third party agreements.]