

AMALGAMATION AGREEMENT

among

TANTALEX RESOURCES CORPORATION

and

INTERNATIONAL COBALT CORP.

Dated as January 18, 2019

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AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT (this "**Agreement**") is dated January 18, 2019,

AMONG:

TANTALEX RESOURCES CORPORATION, a body corporate existing under the laws of the Province of British Columbia with its head office in the City of Toronto, in the Province of Ontario ("**Tantalex**");

AND

INTERNATIONAL COBALT CORP., a body corporate existing under the laws of the Province of British Columbia with its head office in the City of Vancouver, in the Province of British Columbia ("**Cobalt**");

WHEREAS, upon the terms and subject to the conditions set out in this Agreement, the Parties intend to effect a business combination transaction whereby, the Parties will amalgamate and continue as one corporation in accordance with the terms and conditions hereof;

WHEREAS, the board of directors of each of the Parties has unanimously: (a) determined that the Amalgamation (as defined herein) is in their best interests; (b) approved this Agreement and the transactions contemplated hereby; and (c) determined to recommend that their respective shareholders vote in favour of the transactions contemplated by this Agreement;

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

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals and Schedules hereto, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings, respectively:

"Agreement", "this Agreement", "herein", "hereto", and "hereof" and similar expressions refer to this Amalgamation Agreement, as the same may be amended or supplemented from time to time, and where applicable, to the appropriate Schedule hereto;

"Amalco" means the continuing corporation resulting from the Amalgamation;

"Amalco Common Shares" means the common shares of Amalco provided for in the Articles of Amalgamation;

"Amalgamation" means the amalgamation of Tantalex and Cobalt as contemplated by this Agreement;

"Articles of Amalgamation" means the articles of amalgamation of Amalco substantially in the form set out in Schedule "B" hereto;

"BCBCA" means the Business Corporations Act, [SBC 2002] CHAPTER as amended, including the regulations promulgated thereunder;

"Business Day" means any day on which commercial banks are generally open for business in Vancouver, British Columbia other than a Saturday, a Sunday or a day observed as a holiday (1) in Vancouver, British Columbia under the laws of the Province of British Columbia or (1) under the federal laws of Canada;

"Certificate of Amalgamation" means a certificate of amalgamation issued by the Registrar under the BCBCA giving effect to the Amalgamation;

"Closing" has the meaning ascribed to such term in Section 8.3;

"Cobalt" means International Cobalt Corporation;

"Cobalt Financial Statements" means the audited comparative financial statements of Cobalt for the year ended September 30, 2018;

"Cobalt Shareholders" means the holders of Cobalt Shares;

"Cobalt Shares" means the common shares in the capital of Cobalt which are outstanding immediately prior to the Effective Time;

"Corporate Laws" means all applicable corporate laws, including the BCBCA;

"Depository" means Computershare Trust Company of Canada;

"Dissent Rights" means the rights of dissent exercisable by registered Shareholders in respect of the Cobalt Amalgamation Resolution or in respect of the Tantalex Amalgamation Resolution as provided pursuant to the

BCBCA;

"Dissenting Shareholder" means a registered Tantalex Shareholder or Cobalt Shareholder, who, in connection with the Tantalex Amalgamation Resolution or the Cobalt Amalgamation Resolution Amalgamation Resolution at the Tantalex Special Meeting or the Cobalt Special Meeting, if applicable, to approve the Amalgamation, has sent to either Cobalt or Tantalex a written objection and a demand for payment within the timeline and in the manner prescribed by Section 238 or 239 of the BCBCA with respect to such Cobalt Shareholder's Cobalt Shares or Tantalex Shareholder's Tantalex Shares;

"Effective Date" means the date shown on the Certificate of Amalgamation;

"Effective Time" means 12:01 a.m. (Vancouver time) on the Effective Date;

"Encumbrances" means pledges, liens, charges, security interests, leases, titles retention agreements, mortgages, restrictions, developments or similar agreements, easements, rights-of-way, title defects, options, rights of first offer or rights of first refusal, areas of mutual interest, adverse claims or encumbrances of any kind or character whatsoever;

"Environmental Laws" means all Laws relating in full or in part to the protection of the environment, and employee and public health and safety, and includes, without limitation, those Laws relating to the storage, generation, use, handling, manufacture, processing, labeling, advertising, sale, display, transportation, treatment, Release and disposal of hazardous substances;

"Governmental Entity" means any (1) national, 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 (1) subdivision, agent, commission, board or authority of any of the foregoing or (1) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;

"IFRS" means International Financial Reporting Standards;

"Information Circular" has the meaning ascribed to such term in Section 2.7;

"Laws" means a laws, by-laws, statutes, regulations, rules, orders, ordinances, Judgments, decrees and other requirements, terms and conditions of any grant of approval, permission, authority, permit or license of any Governmental Entity or self-regulatory authority and the term "applicable" with respect to such Laws and in the context that refers to one or more Parties, means such Laws as are applicable to such Party or Parties or its or their business, undertaking, property or securities and emanate from a Person having Jurisdiction over the Party or Parties or its or their business, undertaking, property or securities;

"Letter of Transmittal" means the letter of transmittal to be submitted by all Cobalt Shareholders and Tantalex Shareholders in relation to the exchange of certificates representing Cobalt Shares or Tantalex Shares for certificates representing Cobalt Shares or Tantalex Shares in relation to the Amalgamation;

"Material Adverse Change" or **"Material Adverse Effect"** means, when used in connection with a Party hereto, any change, effect, event, occurrence or change in a state of facts that is, or would reasonably be;

"Parties" means Tantalex and Cobalt; and **"Party"** means anyone of them;

"Person" includes any individual, firm, partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, 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;

"Public Record" means all information filed by Tantalex or Cobalt with any Securities Authority in compliance, or intended compliance, with any Securities Laws;

"Tantalex" means Tantalex Resources Corporation;

"Tantalex Financial Statements" means the audited comparative financial statements of Tantalex for the year ended February 28, 2018;

"Tantalex Shareholders" means the holders of Tantalex Shares;

"Tantalex Shares" means the common shares in the capital of Tantalex which are outstanding immediately prior to the Effective Time;

"Registrar" means the Registrar of Corporations or Deputy Registrar of Corporations appointed pursuant to the BCBCA;

"Release" has the meaning prescribed in any Environmental Law and includes, without limitation, any release, spill, leak, pumping, pouring, throwing, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, disposal, spraying, burial, abandonment, incineration, seepage, injection, inoculation, exhaust or placement;

"Representatives" has the meaning ascribed to such term in Section 5.2;

"Tantalex Amalgamation Resolution" means the written or, if applicable, special resolution of the Tantalex Shareholders approving the Amalgamation, as required by applicable Laws;

"Tantalex Election Agreements" means the agreements to be entered into by each of the holders of Tantalex Options with Tantalex in a form satisfactory to Tantalex, acting reasonably, which form shall include an indemnity in favour of Tantalex for any withholding taxes applicable in respect of all payments made to or benefits conferred by Tantalex or the holder of the Tantalex Options for which Tantalex has not withheld the required amount of Taxes, pursuant to which such option holders elect to either; (i) conditionally exercise the holder's Tantalex Options at the applicable exercise prices and deliver to Tantalex the aggregate exercise price therefore prior to the Effective Date; (ii) conditionally exercise the holder's Tantalex Options at the applicable exercise prices and receive a number of Tantalex Shares as is equal to the "in the money" amount for their Tantalex Options; (iii) conditionally terminate the holder's Tantalex Options pending the completion of the Transaction or; (iv) any combination of the above elections (i) and (ii), where after such Tantalex Options shall be terminated;

"Tantalex Options" means the outstanding options to purchase up to Tantalex Shares;

"Tantalex Shares" means the common shares in the capital of Tantalex as presently constituted;

"Tantalex Shareholders" means the holders of common shares in the capital of Tantalex;

"Securities Authorities" means the appropriate securities commissions or similar regulatory authorities in Canada and each of the provinces and territories thereof;

"Securities Laws" means any applicable Canadian provincial securities laws and any other applicable securities law, rule, regulation, policy, notice, order and instrument promulgated thereunder;

"Subsidiary" means a subsidiary as defined in the Securities Act (Alberta);

"Substance" means (i) any matter that (A) is capable of becoming dispersed in the environment, or (B) is capable of becoming transformed in the environment into matter referred to in paragraph (A), (ii) any sound, vibration, heat, radiation or other form of energy, and (iii) any combination of things referred to in subclauses (i) and (ii);

"Tax Act" means the Income Tax Act (Canada) and the regulations there under, as amended ;

"Tax Returns" includes all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether intangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes and;

"Taxes" means, with respect to any entity, 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, franchise taxes, licence taxes, withholding taxes or other withholding obligations, payroll taxes, employment taxes, Canada or Québec Pension Plan premiums, excise, severance, social security premiums, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, property taxes, provincial Crown royalties, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties or other taxes 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 or for which such entity is responsible, and any interest, penalties, additional taxes, additions to tax or other amounts imposed with respect to the foregoing.

1.2 Number and Gender

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include all genders.

1.3 Deemed Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

1.4 No Strict Construction

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party will not be applicable in the interpretation of this Agreement.

1.5 Interpretation Not Affected by Headings

The division of this Agreement into Articles, Sections, Subsections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the construction or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, Subsection, paragraph or Schedule by number or letter or both refer to the specified Article, Section, Subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.6 Date for any Action

In the event that any date by or on which any action is required or permitted to be taken hereunder by any of the Parties is not a Business Day in the place where the action is required or permitted to be taken, such action shall be required to be taken by or on the next succeeding day which is a Business Day.

1.7 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

1.8 Attornment

The Parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of British Columbia for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the Parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against either Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the choosing of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of British Columbia and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

1.9 Accounting Matters

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

1.10 Material

The terms "material" and "materially" shall, when used in this Agreement, be construed, measured or assessed on the basis of whether the matter, either individually or in the aggregate with other matters, would materially affect a Party or would significantly impede the ability to complete the Amalgamation in accordance with this Agreement.

1.11 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge: (i) in the case of Tantalex to: Dave Gagnon, President & CEO; and (ii) in the case of Cobalt to: Tim Johnson, CEO in each case after due inquiry.

1.12 Incorporation of Schedules

The following Schedules are annexed to this Agreement and are hereby incorporated by reference into the Agreement and form part hereof:

Schedule "A"	Form of Shareholders' Resolution
Schedule "B"	Articles of Amalgamation
Schedule "C"	Representations and Warranties of the Parties
Schedule "D"	Form of Resignation and Release

ARTICLE 2 THE AMALGAMATION

2.1 General

Subject to the terms and conditions of this Agreement, each of the Parties hereto agrees to, prior to the Effective Date to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or advisable to complete the transactions contemplated by this Agreement and the Amalgamation.

2.2 Steps to be taken by Tantalex

Tantalex covenants in favour of Cobalt that Tantalex shall:

- (a) as soon as reasonably practicable and in any event on or before February 20, 2019, lawfully convene and hold the Tantalex Special Meeting and seek approval of the Amalgamation;
- (b) except to the extent required by a Governmental Entity having jurisdiction, pursuant to an unsolicited motion approved at the Tantalex Special Meeting (which the management of Tantalex agrees to vote against and to cause any discretionary proxies in favour of management to be voted against) or as specifically contemplated herein, not adjourn, postpone or cancel (or propose for adjournment, postponement or cancellation) the Tantalex Special Meeting without the prior written consent of Cobalt, acting reasonably;
- (c) subject to obtaining the approval of the Tantalex Shareholders to the Amalgamation and the satisfaction or waiver of the other conditions herein contained in favour of Tantalex, Tantalex agrees that it shall, with the co-operation and participation of Cobalt, use its reasonable commercial efforts to make such arrangements with the Registrar as may be necessary or desirable to permit: (i) the filing of the Articles of Amalgamation to be made effective at the Effective Time, and (ii) the obtaining of the Certificate of Amalgamation;
- (d) use commercially reasonable efforts to cause all outstanding Tantalex Options to be exercised, terminated or surrendered for cancellation pursuant to the Tantalex Election Agreements prior to the Effective Time; and
- (e) in the event that there is a failure to obtain, or if Cobalt reasonably anticipates that there will be a failure to obtain, a consent, order or other approval of a Governmental Entity required in connection with the approval of the Amalgamation and upon the request of Cobalt shall use its reasonable commercial efforts to assist it to successfully implement and complete any alternative transaction structure that does not have negative financial consequences for the Parties. In the event that the transaction structure is modified as a result of any event contemplated pursuant to this Subsection 2.2(e) or otherwise, the relevant provisions of this Agreement shall forthwith be deemed modified as necessary in order that it shall apply with full force and effect, *mutatis mutandis*, to reflect the revised transaction structure and the Parties hereto shall, upon the reasonable request of any Party hereto, execute and deliver an agreement in writing giving effect to and evidencing such amendments as may be reasonably required as a result of such modifications.

2.3 Steps to be taken by Cobalt

Cobalt covenants in favour of Tantalex that Cobalt shall:

- (a) as soon as reasonably practicable and in any event on or before February 20, 2019, or any other date the parties may agreed upon in writing, lawfully convene and hold the Cobalt Special Meeting and seek approval of the Amalgamation;
- (b) except to the extent required by a Governmental Entity having jurisdiction, pursuant to an unsolicited motion approved at the Cobalt Special Meeting (which the management of Cobalt agrees to vote against and to cause any discretionary proxies in favour of management to be voted against) or as specifically contemplated herein, not adjourn, postpone or cancel (or propose for adjournment, postponement or cancellation) the Cobalt Special Meeting without the prior written consent of Tantalex, acting reasonably;
- (c) subject to obtaining the approval of the Cobalt Shareholders to the Amalgamation and the

satisfaction or waiver of the other conditions herein contained in favour of Cobalt, Cobalt agrees that it shall, with the co-operation and participation of Tantalex, use its reasonable commercial efforts to make such arrangements with the Registrar as may be necessary or desirable to permit: (i) the filing of the Articles of Amalgamation to be made effective at the Effective Time, and (ii) the obtaining of the Certificate of Amalgamation;

- (d) use commercially reasonable efforts to cause all outstanding Cobalt Options having an exercise price of \$0.01667 to be exercised, terminated or surrendered for cancellation pursuant to the Cobalt Election Agreements prior to the Effective Time; and
- (e) in the event that there is a failure to obtain, or if Tantalex reasonably anticipates that there will be a failure to obtain, a consent, order or other approval of a Governmental Entity required in connection with the approval of the Amalgamation and upon the request of Cobalt shall use its reasonable commercial efforts to assist it to successfully implement and complete any alternative transaction structure that does not have negative financial consequences for the Parties. In the event that the transaction structure is modified as a result of any event contemplated pursuant to this Subsection 2.2(e) or otherwise, the relevant provisions of this Agreement shall forthwith be deemed modified as necessary in order that it shall apply with full force and effect, mutatis mutandis, to reflect the revised transaction structure and the Parties hereto shall, upon the reasonable request of any Party hereto, execute and deliver an agreement in writing giving effect to and evidencing such amendments as may be reasonably required as a result of such modifications.

2.4 Implementation

- (a) *Amalgamation.* Following the receipt of the approval of the Tantalex Amalgamation Resolution by Tantalex Shareholders at the Tantalex Special Meeting and the Cobalt Amalgamation Resolution by the Cobalt shareholders at the Cobalt Special Meeting, Tantalex and Cobalt agree to amalgamate pursuant to the provisions of section 271 of the BCBCA and to continue as one corporation on the terms and subject to the conditions set out herein.
- (b) *Name.* The name of Amalco shall be "International Lithium and Cobalt Corp."
- (c) *Registered Office.* The registered office of Amalco shall be located at suite 810-789 West Pender Street, Vancouver, BC V6C 1H2
- (d) *Authorized Capital.* Amalco shall be authorized to issue an unlimited number of Amalco Common Shares and an unlimited number of preferred shares, which shall have the rights, privileges, restrictions and conditions set forth in the Articles of Amalgamation attached as Schedule "B" hereto.
- (e) *Number of Directors.* The minimum number of directors of Amalco shall be three (3).
- (f) *First Directors and Officers.* The number of first directors of Amalco shall be of five (5), three (3) to be designated by Cobalt and two (2) by Tantalex. The first directors and officers of Amalco shall be the individuals whose names and addresses are set forth below:

Name	Address
Tim Johnson, CEO	2674 Pylades Drive, Ladysmith BC V9G 1E5
Dave Gagnon, President & Director	500-3 Place du commerce, Montreal, QC H3E 1H7
Michel Lebeuf Jr., Corporate Secretary & Director	281 Deslières, #102, St-Bruno-de-Montarville, QC J3V 6P9

Majic Lis, Director	38 Tromley Drive, Etobicocke ON M9B 6G7
Paul Deslauriers, Director	1801 - 30 Holly Street ,Toronto, ON, M4S 3C2
Eugene Beukman, Director	810 – 789 West Pender Street, Vancouver, BC V6C 1H2
Sylvain Giffard, VP Exploration	1550 Rang Montcalm, Saint-Liguori, QC J0K 2X0, Canada
Florence Luong, Chief Financial Officer	810 – 789 West Pender Street, Vancouver, BC V6C 1H2

The first directors shall hold office until the first annual or general meeting of the shareholders of Amalco or until their successors are duly appointed or elected. The subsequent directors shall be elected each year thereafter as provide for in the by-laws of Amalco. The management and operation of the business and affairs of Amalco shall be under the control of the board of directors as it is constituted from time to time.

- (g) *Effect of Certificate of Amalgamation.* On the Effective Date, the Amalgamation of Tantalex, and Cobalt and their continuance as one corporation shall become effective; the property (except amounts receivable or shares of the capital stock owned by any of Tantalex or Cobalt by the others) shall continue to be the property of Amalco; Amalco shall continue to be liable for the obligations of each of Tantalex and Cobalt (except amounts payable to any of them by the others); any existing cause of action, claim or liability to prosecution shall be unaffected; any civil, criminal or administrative action or proceeding pending by or against Tantalex or Cobalt may be continued to be prosecuted by or against Amalco; a conviction against, or filing, order or judgment in favour of or against, either any of Tantalex or Cobalt may be enforced by or against Amalco; and the articles of amalgamation shall be deemed to be the articles of incorporation of Amalco and the certificate of amalgamation shall be deemed to be the Certificate of Incorporation of Amalco.
- (h) *Restrictions on Business.* There shall be no restrictions on the business that Amalco may carry on.
- (i) *Articles of Amalgamation and By-laws.* The Articles of Amalgamation of Amalco shall be in the form set forth in Schedule "B". The by-laws of Amalco shall be the existing by-laws of Tantalex.
- (j) *Effects of the Amalgamation on Shares.* On the Effective Date:
 - (i) all of the Tantalex Shares and Cobalt Shares issued and outstanding (other than Shares held by Dissenting Shareholders) shall be exchanged for Amalco Shares on the basis of one Amalco Share for each Tantalex Share and Cobalt Share;
 - (ii) with respect to each Tantalex Share and Cobalt Share exchanged in accordance with Section 2.5(j)(i):
 - (A) the holders thereof shall cease to be the holder of such Shares and the name of such holder shall be removed from the register of holders of such Shares;
 - (B) the certificates (if any) representing such Shares shall be deemed to have been cancelled as of the Effective Date; and
 - (C) the holders thereof shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise,

required to exchange or transfer such shares in accordance with the terms hereof;

- (iii) the amount added to the stated capital in respect of the Amalco Common Shares issuable by Amalco pursuant to Section 2.5(j)(ii) shall be the aggregate of the paid-up capital (within the meaning of the Tax Act), determined immediately before the Effective Time, of the Tantalex Shares and Cobalt Shares, converted into Amalco Common Shares pursuant to the terms hereof.
- (k) *Dissenting Shareholders.* Tantalex Shares and Cobalt Shares, which are held by Dissenting Shareholders shall not be converted as prescribed by Subsection 2.5(j). However, if a Dissenting Shareholder fails to perfect or effectively withdraws its claim under section 239 of the BCBCA or forfeits its right to make a claim under section 238 of the BCBCA or forfeits rights as a shareholder are otherwise reinstated, such shareholder's shares shall thereupon be deemed to have been converted as of the Effective Date as prescribed by Subsection 2.5(j).

2.5 Certificates

- (a) *Issuance of Certificates Representing Shares.* Upon surrender to the Depositary of a certificate which immediately prior to or upon the Effective Time represented Tantalex Shares or Cobalt Shares in respect of which the holder is entitled to receive Amalco Common Shares in connection with the Amalgamation, together with:
 - (i) a duly completed Letter of Transmittal; and
 - (ii) such other documents and instruments as would have been required to effect the transfer of the securities formerly represented by such certificate under the BCBCA and the by-laws of each of Tantalex and Cobalt as the case may be, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and after the Effective Time the Depositary shall deliver to such holder, a certificate representing that number of Amalco Common Shares which such holder has the right to receive and any certificates representing the Tantalex Shares and Cobalt Shares so surrendered shall forthwith be cancelled. No dividends and distributions will be payable to holders of certificates in respect of any such Shares. In the event of a transfer of ownership of such shares that was not registered in the securities register of Tantalex and Cobalt, a certificate representing the proper number of Amalco Common Shares may be issued to the transferee if the certificate representing such shares is presented to the Depositary as provided above, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid. Until surrendered, as contemplated by this Section 2.5(a), each certificate which immediately prior to or upon the Effective Time represented one or more such share under the Amalgamation, that were exchanged or were deemed to be exchanged for Amalco Common Shares pursuant to Section 2.5(j), shall be deemed at all times after the Effective Time, to represent only the right to receive upon such surrender a certificate representing that number of Amalco Common Shares which such holder has the right to receive.
- (b) *Lost Certificates.* In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Tantalex Share or Cobalt Share that was exchanged pursuant to Section 2.5(j) shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder of such shares claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, one or more certificates representing one or more Amalco Common Shares

pursuant to Section 2.6(a) in each case deliverable in accordance with Section 2.5(j). When authorizing such exchange for any lost, stolen or destroyed certificate, the holder to whom certificates representing Amalco Common Shares are to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to Amalco and its transfer agent in such sum as such agent may reasonably direct or otherwise indemnify Amalco in a manner satisfactory to it against any claim that may be made against it with respect to the certificate alleged to have been lost, stolen or destroyed.

- (c) *Extinguishment of Rights.* Any certificate which immediately prior to the Effective Time represented outstanding Tantalex Shares and Cobalt Shares that are not held by a Dissenting Shareholder who is ultimately entitled to be paid fair value of such Shares held by such Dissenting Shareholder but was exchanged or was deemed to have been exchanged pursuant to Section 2.5(j), that has not been deposited with all other instruments required by Section 2.6(a) on or prior to the earlier of the fifth anniversary of the Effective Date shall cease to represent a claim or interest of any kind or nature as a holder of or any other securities issuable as a result of the Amalgamation. On such date, such shares, and any other securities of Amalco issuable as a result of the Amalgamation (and any dividends or distribution with respect thereto) to which the former holder of the certificate referred to in the preceding sentence was ultimately entitled shall be deemed to have been surrendered for no consideration, together with all entitlements to dividends, distributions and interest in respect thereof held for such former holder. Neither Amalco nor the Depositary shall be liable to any Person in respect of any securities issuable pursuant to the Amalgamation (or dividends and/or distribution) delivered to a public official pursuant to and in compliance with any applicable abandoned property, escheat or similar law.
- (d) *Withholding Rights.* Amalco and the Depositary shall be entitled to deduct and withhold from any dividend or consideration otherwise payable to any holder of Tantalex Shares or Cobalt Shares such amounts as Amalco or the Depositary is required to deduct and withhold with respect to such payment under the *Tax Act*, or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the securities in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. To the extent that the amount so required to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to the holder, Amalco and the Depositary are hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to Amalco or the Depositary, as the case may be, to enable them to comply with such deduction or withholding requirement and Amalco or the Depositary shall notify the holder thereof and remit any unapplied balance of the net proceeds of such sale.
- (e) *Termination of Depositary.* Any Amalco Common Shares that remain undistributed by the Depositary to former holders of Tantalex Shares or Cobalt Shares 24 months after the Effective Date shall be delivered to Amalco, upon demand therefor, and holders of certificates previously representing such shares who have not theretofore complied with Section 2.6(a) shall thereafter look only to Amalco for payment of any claim to Amalco Common Shares or dividends or distributions, if any, in respect thereof.

2.6 Shareholders' Meetings

- (a) Each of Tantalex and Cobalt shall take all action necessary in accordance with Corporate Laws, Securities Laws (including making all necessary applications to Securities Authorities that may be necessary to consummate the transactions contemplated by this Agreement,

including the Amalgamation), other applicable Laws, and any other regulatory authority having jurisdiction to duly call, give notice of, convene and hold the Special Meetings of their shareholders, such meetings to be held no later than February 20, 2019 or any other date the Parties may agreed upon in writing.

2.7 Information Circular

- (a) The Parties shall prepare an Information Circular (setting forth *inter alia* the recommendations of their respective boards of directors set forth in Subsection 2.8(a) and the intention of the officers and directors referred to in Subsection 2.8(b)), and shall, on a timely basis, use their reasonable commercial efforts to co-operate in the preparation of all other documents and filings and the seeking and obtaining of all consents, orders and approvals, including the approval of any Governmental Entity, any regulatory and judicial orders and approvals and other matters reasonably determined by them to be necessary in connection with this Agreement and the Amalgamation and the necessary approvals of their respective Shareholders and they shall ensure that the Information Circular and other documents, filings, consents, orders and approvals contemplated by this Section 2.8 are prepared in material compliance with, made and/or obtained in accordance with Corporate Laws, Securities Laws and all other applicable Laws and shall permit their respective counsel to review and comment upon drafts of all such materials in connection with the Amalgamation and give reasonable consideration to such comments. Subject to Subsection 2.2(a), the Parties shall mail the Information Circular to their Shareholders and to all other Persons required by Law with respect to the Special Meetings, all in accordance with Corporate Laws, Securities Laws, other applicable Laws, and the requirements of any other regulatory authority having jurisdiction.

2.8 Board Recommendations

- (a) Each of the Parties represents that its board of directors has unanimously determined that:
 - (i) the Amalgamation is in its best interests and that of its Shareholders; and
 - (ii) the consideration in respect of the Amalgamation is fair to their respective Shareholders.
- (b) Each of the Parties represents that its officers and directors have advised it that, as at the date hereof, they intend to vote any shares held by them in favour of the Tantalex Amalgamation Resolution and the Cobalt Amalgamation Resolution, as the case may be.
- (c) The Parties agree that notice of such approvals, determinations and resolutions shall be included in the Information Circular.

2.9 Dissenting Shareholders

Each registered Shareholder may exercise Dissent Rights in connection with the Amalgamation pursuant to and in the manner set forth in section 242 of the BCBCA. Each party shall give the others (i) prompt notice of any written notices of exercise of rights of dissent, withdrawals of such notices, and any other instruments served pursuant to the BCBCA and received by them and (ii) the opportunity to participate in all negotiations and proceedings with respect to such Dissent Rights. Without the prior written consent of all the parties hereto, except as required by applicable Law, no payments shall be made with respect to the exercise of any Dissent Rights or offer to settle or settle any Dissent Rights.

2.10 Tax Withholdings

The Parties shall be entitled to deduct and withhold from any consideration otherwise payable to any Shareholder and, for greater certainty, from any amount payable to a Dissenting Shareholder, as the case may

be, under the Amalgamation such amounts as are required or reasonably believed to be required to be deducted and withheld from such consideration in accordance with the Tax Act. Any such amounts will be deducted and withheld from the consideration payable pursuant to the Amalgamation and shall be treated for all purposes as having been paid to the Shareholder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Governmental Entity.

2.11 Escrow

The Parties acknowledge that Shares issued to a "Principal" (as that term is defined in the Canadian Securities Exchange Policies) shall be subject to escrow provisions, which shall be imposed under the policies of the Canadian Securities Exchange and they further acknowledge that these escrowed Amalco Common Shares shall be held in escrow and released, over time, as determined by the Canadian Securities Exchange. The escrowed Amalco Common Shares will be held in escrow pursuant to an escrow agreement prescribed by the policies of the Canadian Securities Exchange.

ARTICLE 3 PUBLICITY

3.1. Publicity

Each of the Parties shall advise, consult and cooperate with each other prior to issuing, or permitting any of its directors, officers, employees or agents to issue any news release or otherwise make public statements to the press with respect to this Agreement, the transactions contemplated hereby or any other material matters and in making any filing with a Governmental Entity with respect thereto, from the date hereof until the Effective Time. No party shall issue any such news release or make any such public statement prior to such consultation, except as may be required by applicable Law including, for greater certainty, in order to fulfill continuous disclosure obligations under Securities Laws or the fiduciary duties of the applicable board of directors and only after using its reasonable commercial efforts to consult each other taking into account the time constraints to which it is subject as a result of such Law or obligation.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 With Respect to Tantalex

(a) Representations and Warranties

Tantalex hereby makes to Cobalt, the representations and warranties set forth in Schedule "C" to this Agreement and acknowledges that Cobalt is relying upon those representations and warranties in connection with entering into this Agreement.

(b) Investigation

Any investigation by Cobalt and its advisors shall not mitigate, diminish or affect the representations and warranties of Tantalex made in or pursuant to this Agreement.

(c) Survival of Representations and Warranties

The representations and warranties of Tantalex contained in this Agreement shall not survive the completion of the Amalgamation and shall expire and be terminated and extinguished upon the Amalgamation becoming effective.

4.2 With Respect to Cobalt

(a) Representations and Warranties

Cobalt hereby makes to Tantalex the representations and warranties set forth in Schedule "C" to this Agreement and acknowledges that Tantalex is relying upon those representations and warranties in connection with entering into this Agreement.

(b) *Investigation*

Any investigation by Tantalex and its advisors shall not mitigate, diminish or affect the representations and warranties of Cobalt made in or pursuant to this Agreement.

(c) *Survival of Representations and Warranties*

The representations and warranties of Cobalt contained in this Agreement shall not survive the completion of the Amalgamation and shall expire and be terminated and extinguished upon the Amalgamation becoming effective.

ARTICLE 5 COVENANTS OF THE PARTIES

5.1 Covenants of Tantalex

In addition to the mutual covenants of Parties provided in Section 5.3, Tantalex covenants and agrees that, except as contemplated in this Agreement or unless it obtains the prior written approval or consent of Cobalt, which approval or consent shall not be unreasonably withheld, until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier:

- (a) it shall deliver, at the Closing of the contemplated Amalgamation with Cobalt, a certain amount of mineral resource from its Manono Kitotolo Tailings project (the “**Mineral Resource**”), evidenced by a NI 43-101 compliant technical report (the “**Technical Report**”), which will determine the Participation of Tantalex in Amalco, said participation being therefore subject to the following variation:
 - (i) Should Tantalex fail to deliver a Mineral Resource of a minimum of 15 million tons resource at 0.65% LiO₂, based on an initial work program set out in the Technical Report, fifty percent (50%) of the Amalco Common Shares reserved for issuance under this Agreement in exchange for Tantalex Shares shall be cancelled; and
 - (ii) Should the milestone of 15 million tons resource at 0.65% LiO₂ be achieved from the initial work program set out in Technical Report and confirmed by a NI 43-101 compliant resource calculation, the total Amalco Common Shares reserved for issuance under this Agreement in exchange for Tantalex Shares shall be immediately issued on a pro-rata basis to Tantalex Shareholders.

5.2 Covenants of Cobalt

In addition to the mutual covenants of Parties provided in Section 5.3, Cobalt covenants and agrees that, except as contemplated in this Agreement or unless it obtains the prior written approval or consent of Tantalex, which approval or consent shall not be unreasonably withheld, until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier:

- (a) it shall deliver, at the Closing of the contemplated Amalgamation with Tantalex, a cash position, which shall include the value of certain pre-paid services and contributed into Amalco, of a

minimum amount of eight million dollars (\$8,000,000) (the “**Minimum Cash Position**”) accordingly:

- i. should Cobalt fail to deliver and contribute to Amalco such Minimum Cash Position, ICC’s Participation into Amalco shall be reduced proportionally;
 - ii. Notwithstanding the above, it is further agreed that the following amounts shall be taken into account as pre-paid services in the calculation of the Minimum Cash Position defined hereinabove:
 1. Two million, seven hundred sixty four thousand, eight hundred fifty five dollars (\$2,764,855) of debt that was made available by ICC to Tanalex by way of convertible debentures;
 2. One million, two hundred seventy thousand, one hundred seventy four dollars (\$1,270,174) spent on property exploration and acquisitions (including option payments) for the Blackbird Creek Property, Blackbird South Project, Ramsay Cobalt Project, Foster Marshall Project, Mount Thom Project and Idaho Champion Gold Mines right of first refusal;
 3. Five hundred fifty seven thousand, seven hundred and two dollars (\$557,702) for legal fees; and
 4. Seven hundred ninety eight thousand and thirty eight dollars (\$798,038) on pre-paid consulting services which include investor relations and promotion.
- (b) it shall cause the conversion, as of the Closing of the Amalgamation, of all of its 22,190,794 outstanding common share purchase warrants having an exercise price of \$0.01667 per common share, otherwise such common share purchase warrants will be accounted for as Cobalt Shares in the calculation of Amalco Common Shares to be issued to Cobalt Shareholders pursuant to the contemplated Amalgamation.

5.3 Mutual Covenants of Parties

Each of Tanalex and Cobalt covenant and agree with each other that, except as contemplated in this Agreement or unless any of them obtains the prior written approval or consent of the others, which approval or consent shall not be unreasonably withheld, until the Effective Date or the day upon which this Agreement is terminated, whichever is earlier:

- (a) it shall conduct its business only in, and not take any action except in, the usual and ordinary course of business consistent with past practice and in compliance with applicable Laws and in accordance with existing budgets and, for greater certainty, where it is an operator of any property, it shall operate and maintain such property in a proper and prudent manner in accordance with good industry practice and the agreements governing the ownership and operation of such property;
- (b) it shall not directly or indirectly do or permit to occur any of the following:
 - (i) issue, grant, sell, pledge, lease, dispose of, encumber or agree to issue, grant, sell, pledge, lease, dispose of or encumber:
 - (A) any of its shares or any options, warrants, calls, conversion privileges or rights of any kind to acquire any of its shares; or

- (B) any of its assets, except in the usual and ordinary course of business;
- (ii) amend or propose to amend its respective constituting documents;
- (iii) split, combine or reclassify any of its outstanding shares or other securities, or declare, set aside or pay any dividend, other distribution or return of capital payable in cash, stock, property or otherwise with respect to its shares or other securities;
- (iv) redeem, purchase or offer to purchase any of its shares or other securities unless otherwise required by the terms of such securities;
- (v) reorganize, amalgamate or merge with any other Person;
- (vi) reduce its stated capital;
- (vii) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets, lease or otherwise) any Person or division or make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other Person except in the ordinary course of business;
- (viii) take any action or fail to take action that would accelerate or trigger defaults or repayments in respect of any obligation, contract or regulatory approval;
- (ix) surrender or abandon any of its mineral rights or tangible depreciable property except in the ordinary course of business;
- (x) enter into, amend or terminate any material contract, including any credit agreement or similar document, or waive, release or assign any material rights or claims including any other material rights under any licence or permit;
- (xi) adopt any plan of liquidation or resolutions providing for its liquidation or dissolution;
- (xii) pay, discharge or satisfy any material claims, liabilities or obligations other than the payment, discharge or satisfaction:
 - (A) of liabilities incurred in the usual, ordinary and regular course of business consistent with past practice, reflected or reserved against in their respective Financial Statements;
 - (B) incurred in the usual, ordinary and regular course of business consistent in type and amount with past practice; or
 - (C) incurred in connection with the transactions contemplated in this Agreement.
- (xiii) commence or settle any litigation, proceeding, claim, action, assessment or investigation before any Governmental Entity; or
- (xiv) expend or commit to expend any amounts with respect to any operating expenses other than in the ordinary course of business;
- (c) it shall not:

- (i) enter into or modify any employment, severance or similar agreements, policies or arrangements with, or grant any bonuses, salary increases, stock options, profit sharing, retirement allowances, deferred compensation, incentive compensation, severance or termination pay to, or make any loan to, any of its officers or directors;
 - (ii) in the case of its employees or consultants who are not officers or directors, take any action with respect to the entering into or modifying of any employment, consulting, severance, collective bargaining or similar agreements, policies or arrangements or with respect to the grant of any bonuses, salary increases, stock options, deferred compensation, incentive compensation, severance or termination pay or any other form of compensation or profit sharing or with respect to any increase of benefits payable;
 - (iii) whether through its board of directors or otherwise, accelerate the vesting of any unvested stock options;
 - (iv) adopt, establish, enter into or implement any employee benefit plan, policy, severance or termination agreement providing for any form of benefits or other compensation to any former, present or future director, officer or employee of such party or amend any employee benefit plan, policy, severance or termination agreement; or
 - (v) make any payment to any director, officer, consultant or employee outside of their ordinary and usual compensation for services provided;
- (d) it shall use its reasonable commercial efforts (taking into account insurance market conditions and offerings and industry practices) to cause its current insurance (or reinsurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and reinsurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;
- (e) it shall:
- (i) duly and timely file all Tax Returns required to be filed by it on or after the date hereof and ensure that all such Tax Returns are true, complete and correct in all material respects;
 - (ii) timely pay all Taxes that are due and payable (other than those that are being contested in good faith and in respect of which reserves have been provided in their respective Financial Statements);
 - (iii) not make or rescind any election relating to Taxes;
 - (iv) not make a request for a tax ruling or enter into any agreement with any taxing authorities;
 - (v) not settle or compromise any material claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes; and
 - (vi) not change in any material respect any of its methods of reporting income,

deductions or accounting for income tax purposes except as may be required by applicable Law;

- (f) it shall:
- (i) use its reasonable commercial efforts to preserve intact its business organization and goodwill, to keep available the services of its officers, employees and consultants as a group and to maintain satisfactory relationships with suppliers, agents, distributors, customers and others having business relationships with it;
 - (ii) continue to maintain its properties and assets, to the extent the nature of its interest permits, in a proper and prudent manner, in accordance with, applicable Laws and in material compliance with all applicable directives of Governmental Entities;
 - (iii) pay or cause to be paid all reasonable costs and expenses relating to its assets which become due from the date hereof to the Effective Date;
 - (iv) perform and comply with all material covenants and conditions contained in all contracts, leases, grants, agreements, permits, licences, orders and documents governing its assets or to which its assets are subject;
 - (v) not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement or that would interfere with or be inconsistent with the completion of the transactions contemplated hereby or that would render, or that reasonably may be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to the Effective Date if then made; and
 - (vi) promptly notify the other Parties of any Material Adverse Change, or any material Governmental Entity or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated);
- (g) it shall not settle or compromise any claim brought by any present, former or purported holder of any of its securities in connection with the transactions contemplated by this Agreement or the Amalgamation prior to the Effective Date;
- (h) except as required by applicable Laws, it shall not enter into or modify in any material respect any contract, agreement, commitment or arrangement which new contract or series of related new contracts or modification to an existing contract or series of related existing contracts would be material to it or which would have a Material Adverse Effect on it;
- (i) it shall use its reasonable commercial efforts to satisfy (or cause the satisfaction of) the conditions precedent to its obligations hereunder to the extent the same is within its control and take, or cause to be taken, all other action and do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Amalgamation, including using its reasonable commercial efforts to:
- (i) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (ii) obtain all necessary consents, approvals and authorizations that are required to be obtained by it under any applicable Laws;
 - (iii) effect all necessary registrations and filings and submissions of information

requested by Governmental Entities required to be effected by it in connection with the Amalgamation;

- (iv) oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affecting the ability of the Parties to consummate, the transactions contemplated hereby or by the Amalgamation;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement and the Amalgamation; and
 - (vi) cooperate on a reasonable basis with each of the other Parties connection with the performance by it of its obligations hereunder;
- (j) it will, in all material respects, conduct itself so as to keep the other Parties fully informed as to the material decisions required to be made or material actions required to be taken with respect to the operation of its business, provided that such disclosure is not otherwise prohibited by reason of a confidentiality obligation owed to a third party for which a waiver could not be obtained;
- (k) it 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;
- (i) it shall use its reasonable commercial efforts to conduct its affairs so that all of its representations and warranties contained herein shall be true and correct in all respects (other than those representations and warranties that do not have a materiality qualifier which shall be true and correct in all respects) on and as of the Effective Date as if made thereon (except to the extent that such representations and warranties expressly speak of an earlier date);
- (l) it will, in a timely and expeditious manner:
- (i) prepare, in consultation with the other Parties, and mail the Information Circular in accordance with all applicable Laws, in all jurisdictions where the same is required, complying in all material respects with all applicable Laws on the date of mailing thereof and containing full, true and plain disclosure of all material facts relating to the Amalgamation and itself and not containing any misrepresentation, as defined under such applicable Laws, with respect thereto;
 - (ii) solicit proxies for the approval of the Amalgamation and related matters in accordance with the applicable Laws;
 - (iii) convene the a Special Meeting, and conduct the Special Meeting in accordance with applicable law and its by-laws; and
 - (iv) provide notice to each other of its Special Meeting and allow the other Parties' representatives to attend such Special Meeting;
- (m) it will, except for individual proxies and other non substantive communications, furnish promptly to the to other Parties a copy of each notice, report, report of proxies submitted, schedule or other document or communication delivered, filed or received by it in connection with the Amalgamation, its Special Meeting or any other meeting of its Shareholders, any filings under applicable Laws and any dealings with Governmental Entities in connection with, or in any way affecting, the transactions contemplated herein;

- (n) it will in a timely and expeditious manner, provide to the other Parties all information as may be reasonably requested by them or as required by applicable Laws with respect to it and its business and assets; and
- (o) its legal costs and expenses related to the Amalgamation and the transactions contemplated hereby will not exceed \$200,000.

5.4 Access to Information

Subject to applicable Laws, upon reasonable notice, each of the Parties shall afford the officers, employees, counsel, accountants and other authorized representatives and advisors ("**Representatives**") of the other Parties access, during normal business hours from the date hereof and until the earlier of the Effective Date or the termination of this Agreement, to its properties, books, contracts and records as well as to its management personnel, and, during such period, shall furnish promptly all information concerning its business, properties and personnel as may be reasonably requested. Nothing in the foregoing shall require disclosure of information subject to a written confidentiality agreement with third parties. Where such information is "personal information" (namely, information about an identifiable individual, but excluding business contact information, provided the collection, use or disclosure as the case may be, of the business contact information is for the purposes of contacting an individual in that individual's capacity as an employee or an official of an organization and for no other purpose) each Party agrees that it will, following the Amalgamation, use and disclose such personal information only for those purposes for which such personal information was initially collected from or in respect of the individual to which such personal information relates, unless (a) such individual has been notified of such additional purpose and, where required by Law, the consent of such individual to such additional purpose has been obtained, or (b) such use or disclosure is permitted or authorized by Law, without notice to, or consent from, such individual.

5.5 Expiry of Covenants

The covenants set out in this Agreement shall not survive the completion of the Amalgamation, and shall expire and be terminated without recourse between the Parties.

ARTICLE 6 CONDITIONS PRECEDENT TO OBLIGATIONS

6.1 Conditions Precedent to the Obligations of each of Tantalex and Cobalt

The obligation of each of Tantalex and Cobalt to consummate and effect the transactions contemplated hereby shall be subject to the satisfaction or waiver on or before the date specified or, if none is specified, on or before the Effective Date of the following conditions:

- (a) *Amalgamation.* The Amalgamation shall have been approved by the Shareholders in accordance with applicable Laws and on or prior to February 20, 2019 or any other date the Parties may agreed upon in writing;
- (b) *Covenants Fulfilled.* None of the Parties shall have breached, or failed to comply with, in any respect, any of its covenants or other obligations under this Agreement;
- (c) *Representations True.* All representations and warranties of the Parties contained in this Agreement shall be true and correct in all respects (other than those representations and warranties that do not have a materiality qualifier which shall be true and correct in all respects) as of the date of this Agreement and as of the Effective Date as if made on and as of such date (except to the extent that such representations and warranties expressly speak as of an earlier date);

- (d) *Certificate.* Each of the Parties, shall have delivered to the others a certificate, dated the Effective Date and signed by its President, to the effect set forth in Subsections 6.1(b) and (c) above;
- (e) *Regulatory Approvals.* All necessary governmental and regulatory approvals, orders, rulings, exemptions and consents shall have been obtained on terms and conditions satisfactory to each of the Parties, acting reasonably, including approval of the Canadian Securities Exchange;
- (f) *No Legal Prohibition.* There shall not exist any prohibition at law against any of the Parties, from proceeding with or completing the Amalgamation;
- (g) *No Legal Action.* No act, action, suit or proceeding shall have been threatened or taken before or by any Governmental Entity or by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law, and no Law shall have been proposed, enacted, promulgated or applied:
 - (i) which has the effect or may have the effect of cease trading, enjoining, prohibiting or imposing material limitations or conditions on the Amalgamation; or
 - (ii) which would have a Material Adverse Effect on the ability of the Parties to complete the Amalgamation;
- (h) *Material Adverse Change.* From the date hereof, none of the Parties shall have taken or proposed to take any action, or publicly disclosed that it intends to take any action, that would constitute a Material Adverse Change in respect of its affairs;
- (i) *No Impairment.* No material right, franchise or licence of any of the Parties shall have been or may be impaired (which impairment has not been cured or waived) or otherwise adversely affected, whether as a result of the entering into of this Agreement or otherwise, which might preclude any of them from proceeding with or completing the Amalgamation, and no covenant, term or condition of any instrument or agreement of the Parties shall exist which could be materially adverse to their respective business or that would preclude any of them from proceeding with the Amalgamation;
- (i) *Releases of Directors and Officers.* Each of Luisa Moreno, Sylvain Giffard, Daniel Bruno and Eduardo Morales shall have provided a release and resignation, at the Effective Date, each in the form substantially as set forth in Appendix "F" and satisfactory to the Parties, acting reasonably;
- (k) *Dissent Rights.* Holders of no more than ten percent (10%) of the shares of any of the Parties shall have validly exercised, and not withdrawn, Dissent Rights.
- (1) *Third Party Approvals.* The Parties will have received all required third party approvals for the Amalgamation, including without limitation, the approval of any applicable lenders or financial institutions.
- (m) *No Material Proceedings.* There will be no legal proceeding or regulatory actions or proceedings against any of the Parties at the Closing date which may, if determined against the interest of such Party, have a material adverse effect on Amalco.

The foregoing conditions precedent may be waived, in whole or in part, by any Party in writing at any time in its sole discretion without prejudice to any other rights it may have. If any of the said conditions shall not be satisfied or waived in writing on or before the date required for their performance and provided such non-compliance did not arise from the acts or omissions of the Party raising them, then any of the other Parties

may terminate this Agreement by written notice to in addition to the other rights or remedies it may have at law or in equity.

6.2 Satisfaction of Conditions

The conditions set out in this Article 6 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, Articles of Amalgamation are filed under the BCBCA to give effect to the Amalgamation.

ARTICLE 7 TERMINATION, AMENDMENT AND WAIVER

7.1 Termination

Subject to Section 7.2, this Agreement may be terminated at any time prior to the Effective Time, whether before or after approval of the Amalgamation by the Shareholders of the Parties, by the mutual agreement of Tantaalex and Cobalt or by written notice promptly given by one Party to the others based on the following:

- (a) if all of the conditions for Closing the Amalgamation for the benefit of such Party shall not have been satisfied or waived on or before 5:00 p.m., on February 20, 2019, other than as a result of a breach of this Agreement by the terminating Party; or
- (b) if prior to the Effective Time, holders of more than ten percent (10%) of the issued and outstanding Shares of any Party have validly exercised and not withdrawn Dissent Rights; and
- (c) if any Party is in breach of any of its covenants made in this Agreement which breach individually or in the aggregate causes or would reasonably be expected to have a Material Adverse Effect on the affairs, operations or business of such Party or materially impedes the completion of the Amalgamation and the transactions contemplated herein, and such Party fails to cure or cause the cure of such breach within five (5) Business Days after receipt of written notice thereof from any other Party (except that no cure period shall be provided for a breach which by its nature cannot be cured); or (B) a Party is in breach of any of its representations or warranties made in this Agreement (i) that are qualified by a reference to Material Adverse Effect or (ii) that are not qualified by a reference to a Material Adverse Effect and the breach thereof has or would reasonably be expected to have, a Material Adverse Effect (and, for this purpose, any reference to "material" or other concepts of materiality in such representations and warranties shall be ignored), or such breach materially impedes the completion of the Amalgamation, and such Party, as applicable, fails to cure or cause the cure of such breach within five (5) Business Days after receipt of written notice thereof (except that no cure period shall be provided for a breach which by its nature cannot be cured).

7.2 Effect of Termination

In the event of the termination of this Agreement as provided in Section 7.1, this Agreement shall forthwith have no further force or effect and there shall be no obligation or further liability on the part of any Party hereto except as set forth in Section 9.5, which provisions shall survive the termination of this Agreement. Nothing in this Section 7.2 shall relieve any Party from liability for any breach by it of this Agreement that occurred prior to the date of termination.

7.3 Amendment

This Agreement may be amended by mutual agreement between the Parties on or before the Effective Date. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the Parties.

7.4 Waiver

The Parties, may: (i) extend the time for the performance of any of the obligations or other acts of the other; (ii) waive compliance with any of the agreements of the other or the fulfillment of any conditions to its own obligations contained herein; or (iii) waive inaccuracies in any of the representations or warranties of the other contained herein or in any document delivered by the other; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party, and, unless otherwise provided in the written waiver, will be limited to the specific breach, covenant or condition waived.

ARTICLE 8 CLOSING

8.1 Closing Date

Subject to the requirements of the Canadian Securities Exchange, the date of Closing shall be the date selected by the Parties, or such other date as mutually agreed to, and on such date the Closing shall occur in accordance with Sections 8.2 and 8.3.

8.2 Effect of Closing

On the date of Closing, as promptly as practicable after the satisfaction or, to the extent permitted hereunder, the waiver of the conditions set forth in Article 6, the Parties shall cause the Amalgamation to be consummated by the filing of the Articles of Amalgamation and any other necessary documents prepared in accordance with the provisions of this Agreement and the BCBCA with the Registrar in accordance with the BCBCA, and at the Effective Time on the Effective Date, the Amalgamation shall occur.

8.3 Place of Closing

Subject to the termination of this Agreement as provided in Article 7, the closing of the transactions contemplated by this Agreement as detailed in Section 8.2 (the "**Closing**") will take place at the offices of Dunton Rainville LLP, 800 Square Victoria, 43rd Floor, Montreal, QC, H4Z 1H1, on the Effective Date.

8.4 Other Closing Matters

In addition to the other matters required to be delivered under the terms and conditions of this Agreement, each of Tantalex and Cobalt shall deliver, at the Closing, such customary certificates, resolutions and other closing documents as may be required by the other Parties hereto, acting reasonably.

ARTICLE 9 GENERAL PROVISIONS

9.1 Notices

Any notice, request, consent, waiver, direction or other communication required or permitted to be given under this Agreement shall be in writing and may be given by delivering the same or sending the same by facsimile transmission addressed to the Party to which the notice is to be given at its address for service herein. Any such notice, request, consent, waiver, direction or other communication shall, if delivered, be deemed to have been given and received on the day on which it was delivered to the address provided herein (if that day is a Business Day, and if it is not, then on the next succeeding Business Day), and if sent by facsimile transmission shall be deemed to have been given and received at the time of receipt unless actually received after 4:00 p.m. at the point of delivery, in which case it shall be deemed to have been given and received on the next Business Day.

(a)	If to Tantalex:333	Bay Street, Suite 630 Toronto, ON M5H 2R2, Canada
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Attention: Dave Gagnon, President & CEO
dg@tantalex.ca

with a copy to:

Dunton Rainville LLP
800 Victoria Square, 43rd Floor,
Montreal, QC H4Z 1H1
Attention: Michel Lebeuf / Vincent Garibaldi
mlebeuf@duntonrainville.com/
vgaribaldi@duntonrainville.com

(b)

If to Cobalt:

789 West Pender Street
Suite 810
Vancouver, BC
V6C 1H2
Attention: Tim Johnson, CEO

(a)

with a copy to:

Eugene Beukman
789 West Pender Street
Suite 810
Vancouver, BC
V6C 1H2
ebeukman@pendergroup.ca

or such other address as the Parties may, from time to time, advise the other Parties hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such facsimile transmission is received.

9.2 Time of Essence

Time shall be of the essence in this Agreement.

9.3 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and cancels and supersedes all prior agreements and understandings between the Parties with respect to the subject matter hereof.

9.4 Assignment

Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the Parties without the prior written consent of the other Parties.

9.5 Expenses

The Parties agree that all fees, costs and expenses incurred in connection with the Amalgamation by Amalco, including legal fees, regulatory filing fees, all fees and disbursements by advisors, printing and mailing costs, and all other costs and expenses relating to the Amalgamation shall be paid and should the Amalgamation not materialize, by the Party incurring such expenses.

9.6 Binding Effect

This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective successors and permitted assigns.

9.7 Further Assurances

Each Party hereto shall, from time to time, and at all times hereafter, at the request of the other Parties hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

9.8 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, the remaining terms and provisions of this Agreement shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the fullest extent possible.

[SIGNATURE PAGE FOLLOWS]

9.9 Counterpart Execution

This Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original instrument, and all such counterparts together shall constitute one agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

TANTALEX RESOURCES CORPORATION

“Michel Lebeuf”

Per: Michel Lebeuf
Title: Corporate Secretary

INTERNATIONAL COBALT CORPORATION

“Tim Johnson”

Per: Tim Johnson
Title: CEO

SCHEDULE “A”: Form of Shareholders' Resolution

Amalgamation Resolution

The Board of Directors of ICC and TTX have concluded that the Amalgamation is in the best interests of TTX and ICC and their shareholders and unanimously recommends that the shareholders of ICC and TTX vote in favour of ratifying and approving the Amalgamation.

The Amalgamation must be approved by special resolution in order to become effective. To pass, a special resolution requires the affirmative vote of not less than 66 2/3% of the votes cast by shareholders present in person or by proxy at the Meeting.

Accordingly, at the Meeting, shareholders will be asked to consider and, if thought advisable, to pass, with or without variation, a special resolution approving the Amalgamation (the “**Amalgamation Resolution**”) of TTX and ICC as follows:

“RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. TTX amalgamate with ICC, under the provisions of the *Business Corporations Act* (British Columbia) (the “**Amalgamation**”);
2. the amalgamation agreement dated January 18, 2019 between the TTX and ICC be and is hereby consented to, adopted and approved;
3. any one director or officer of TTX be and is hereby authorized and directed for and on behalf of TTX to execute and deliver, under corporate seal of TTX or otherwise, all such documents, certificates, forms and instruments and to do all such acts and things as in his opinion may be necessary or desirable to give full effect to the Amalgamation;
4. any one director or officer of ICC be and is hereby authorized and directed for and on behalf of ICC to execute and deliver, under corporate seal of TTX or otherwise, all such documents, certificates, forms and instruments and to do all such acts and things as in his opinion may be necessary or desirable to give full effect to the Amalgamation; and
5. notwithstanding any approval of the shareholders of ICC or TTX as provided herein, the Board of Directors of ICC and TTX may, in their sole discretion, revoke this special resolution and abandon the Amalgamation before it is acted upon without further approval of the shareholders.”

Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the approval of the Amalgamation, the persons named in the enclosed Proxy will vote FOR the Amalgamation Resolution.

SCHEDULE "B": ARTICLES OF AMALGAMATION

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1. INTERPRETATION

1.1 Definitions. In these Articles, unless the context otherwise requires:

- (1) "business day" means any day other than a day which is a Saturday, Sunday or a statutory holiday within the Province of British Columbia;
- (2) "board of directors", "directors" and "board" mean the directors or sole director of the Company for the time being;
- (3) "*Business Corporations Act*" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "legal personal representative" means the personal or other legal representative of a shareholder and includes executors, administrators, trustees in bankruptcy and duly constituted representatives in lunacy;
- (5) "month" means a calendar month;
- (6) "registered address" means the address recorded in any register maintained by the Company pursuant to the provisions of the *Business Corporations Act*; and
- (7) "seal" means the seal of the Company, if any.

1.2 Business Corporations Act and Interpretation Act Definitions Applicable. The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act* (British Columbia), with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* (British Columbia) relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

1.3 Documents in Writing. Expressions referring to writing include references to printing, lithographing, typewriting, photography, and other modes of representing or reproducing words in a visible form.

1.4 Inclusive Meanings. Words importing the singular include the plural, and vice versa. Words importing a male person include a female person. Words importing persons shall include corporations and unincorporated entities.

1.5 Imperative. "Will" is to be construed as imperative.

2. SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure. The authorized share structure of the Company consists of the number of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate. Each share certificate issued by the Company will be in such form as the directors approve and will comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgment. Each shareholder is entitled, without charge, to one share certificate representing the share or shares of each class or series of shares registered in the shareholder's name or a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate; provided that in respect of a share or shares held jointly by several persons, the Company is not bound to issue more than one share certificate and delivery of a share certificate for a share to the first named of several joint shareholders or to that shareholder's duly authorized agents will be sufficient delivery to all.

2.4 Delivery by Mail. Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement. If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit, order the share certificate or acknowledgment, as the case may be, to be cancelled and issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment. If a share certificate or a non-transferable written acknowledgment of a shareholder's right to obtain a share certificate is lost, stolen or destroyed, a replacement share certificate or acknowledgment, as the case may be, must be issued to the person entitled to that share certificate or acknowledgment, as the case may be, if the directors receive proof satisfactory to them that the share certificate or acknowledgment is lost, stolen or destroyed and any indemnity the directors consider adequate.

2.7 Splitting Share Certificates. If a shareholder surrenders a share certificate representing more than one share and registered in the name of the shareholder to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.8 Certificate Fee. There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.7, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.9 Recognition of Trusts. Except as required by law or statute or these Articles, the Company may treat a person whose name is entered in the central securities register as the absolute owner of any share and no person will be recognized by the Company as holding any share upon any trust, and the Company will not be bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as by law or statute or these Articles provided or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

2.10 Execution of Certificates. Every share certificate shall be signed manually by at least one officer or director of the Company, or by or on behalf of a registrar, branch registrar, transfer agent or branch transfer agent of the Company and any additional signature may be printed, lithographed, engraved or otherwise mechanically reproduced in accordance with these Articles.

3. ISSUE OF SHARES

3.1 Directors Authorized. Subject to the *Business Corporations Act* and the rights of the holders of issued shares of the Company, the Company may issue, allot, grant options on, sell or otherwise dispose of the unissued

shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors in their absolute discretion may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Share Purchase Warrants and Rights. Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

3.3 Commissions and Discounts. Subject to the *Business Corporations Act*, the directors may pay a commission or allow a discount to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares, debentures, share rights, warrants or debenture stock in the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any such shares, debentures, share rights, warrants or debenture stock, provided that if the Company is not a specially limited company, the rate of the commission and discount shall not in the aggregate exceed 25 percent of the amount of the subscription price of such shares, debentures, share rights, warrants or debenture stock and if the Company is a specially limited company, the rate of the commission and discount shall not in the aggregate exceed 98 percent of the amount of the subscription price of such shares, debentures, share rights, warrants or debenture stock.

3.4 Brokerage. The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.5 Couditious of Issue. Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when consideration is provided to the Company for the issue of the share in the form of one or more of past services actually performed for the Company, property and money. The value for the purposes of this Article 3.5 of the property or services received by the Company shall be the value determined by the directors by resolution to be in all circumstances of the transaction, the fair market value thereof and shall equal or exceed the issue price set for the share under Article 3.1.

4. SHARE REGISTERS

4.1 Central Securities Register. As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Branch Securities Registries. Subject to the *Business Corporations Act*, the Company may keep or cause to be kept one or more branch securities registries at such place or places as may be determined by the directors.

4.3 Closing Register. The Company must not at any time close its central securities register.

5. SHARE TRANSFERS

5.1 Authority to Transfer. Subject to any restrictions set forth in these Articles, a shareholder may transfer any of his shares by instrument in writing executed by or on behalf of such shareholder and delivered to the registered office of the Company or the office of the transfer agent of the Company.

5.2 Registering Transfers. Where an instrument of transfer together with the share certificate or certificates or non-transferrable written acknowledgment, as applicable, and such other evidence of title as the directors may

require is delivered to the Company, the directors will, subject to any restrictions set forth in these Articles, cause the name of the transferee to be entered into the central securities register. All instruments of transfer where the transfer is registered shall be retained by the Company or its transfer agent and any instrument of transfer where the transfer is not registered, shall be returned to the person depositing the same together with the share certificate or non-transferrable acknowledgment which accompanied the same when tendered for registration.

5.3 Form of Instrument of Transfer. The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the directors from time to time.

5.4 Transferor Remains Shareholder. Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.5 Signing of Instrument of Transfer. If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer in the name of the person named as transferee in that instrument of transfer, or, if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.6 Enquiry as to Title Not Required. Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.7 Transfer Fee. There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

6. TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death. In case of the death of a shareholder, the legal personal representative, or if the shareholder was a joint holder, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative, the directors may require proof of appointment by a court of competent jurisdiction, a grant of letters probate, letters of administration or such other evidence or documents as the directors consider appropriate.

6.2 Rights of Legal Personal Representative. The legal personal representative has the same rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles and to receive dividends, provided the documents required by the *Business Corporations Act* and the directors have been deposited with the Company but he will not be entitled in respect of such shares to vote or exercise any other rights conferred by share ownership in respect of shareholders' meetings until his name appears in the central securities register.

6.3 Registration of Transmitted Shares. A person who is entitled to a share because of the death or bankruptcy of a shareholder, upon producing the evidence required by the directors and the *Business Corporations Act*, may be registered as the owner of the share or may transfer the share, but the directors will in

either case have the same rights under Article 27.3 as they have in the case of a share transfer before death or bankruptcy. A person who is entitled to a share because of an order of a court of competent jurisdiction or because of a statute, upon producing such evidence as the directors may require, may be registered as the holder of the share.

7. PURCHASE AND REDEMPTION OF SHARES BY COMPANY

7.1 Company Authorized to Purchase and Redeem Shares. Subject to Article 7.2, the special rights and restrictions attached to the shares of any class or series and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase, redeem or otherwise acquire any of its shares at the price and upon the terms specified in such resolution.

7.2 Prohibition When Insolvent. The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that the Company is insolvent or making the payment or providing the consideration would render the Company insolvent.

7.3 Purchase or Redemption of Some Shares. If the Company proposes to purchase or redeem some but not all of the shares of any class or series, the directors may, in their absolute discretion, subject to the rights and restrictions attached to the class or series of shares, decide the number of and the manner in which the shares to be purchased or redeemed will be selected and any such purchase or redemption need not be made rateably among every shareholder who holds shares of the class or series to be purchased or redeemed.

7.4 Sale and Voting of Purchased or Redeemed Shares. If the Company retains a share purchased, redeemed or otherwise acquired by it, the Company may sell, gift, issue or otherwise dispose of the share, but, while such share is held by the Company, the Company is not entitled to vote the share at a meeting of its shareholders, must not pay a dividend in respect of the share and must not make any other distribution in respect of the share.

8. BORROWING AND LENDING POWERS

8.1 The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms and with such rights or privileges as they consider appropriate at or before the time of issue;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, pledge, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.
- (5) lend to any party any amount of money on any terms.

8.2 Register of Debentures. The Company may keep one or more branch registers of its debenture holders inside or outside the Province of British Columbia as the directors may determine.

8.3 Execution of Debt Obligations. Every bond, debenture or other debt obligation of the Company shall be signed manually by at least one director or officer of the Company or by or on behalf of a trustee, registrar, branch registrar, transfer agent or branch transfer agent for the bond, debenture or other debt obligation appointed by the Company or under any instrument under which the bond, debenture or other debt obligation is issued and any additional signatures may be printed or otherwise mechanically reproduced thereon and, in such event, a bond, debenture or other debt obligation so signed is as valid as if signed manually notwithstanding that any person whose signature is so printed or mechanically reproduced shall have ceased to hold the office that he is stated on such bond, debenture or other debt obligation to hold at the date of the issue thereof.

9. ALTERATIONS

9.1 Alteration of Authorized Share Structure. Subject to Article 9.2 and the *Business Corporations Act*, the Company may by special resolution:

- (1) create one or more classes of shares with par value or without par value or, if none of the shares of a class of shares are allotted or issued, eliminate that class of shares;
- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class of shares or establish a maximum number of shares that the Company is authorized to issue out of any class of shares for which no maximum is established;
- (3) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;
- (4) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (5) alter the identifying name of any of its shares; or
- (6) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*.

All new shares will be subject to the same provisions with reference to transfer, transmissions and otherwise as the existing shares of the Company.

9.2 Special Rights and Restrictions. Subject to the *Business Corporations Act* the Company may by directors resolution:

- i. create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class of shares, whether or not any or all of those shares have been issued or vary or delete any special rights or restrictions attached to the shares of any class of shares, whether or not any or all of those shares have been issued. No special right or restriction attached to any issued shares shall be prejudiced or interfered with unless all shareholders holding shares of each class whose special right or restriction is so prejudiced or interfered with consent thereto in writing, or unless a resolution consenting thereto is passed at a separate class meeting of the holders of the shares of each such class the majority required to pass a special resolution, or such greater majority as may be specified by the special rights attached to the class of shares of the issued shares of such class.
- ii. Sub divide or consolidate all or any of its unissued, or fully paid issued, shares;

9.3 Change of Name. The Company may by directors resolution authorize an alteration of its Notice of Articles to change its name or adopt or change any translation of that name.

9.4 Alterations to Articles. If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

9.5 Class Meetings. Unless these Articles otherwise provide, the provisions of these Articles relating to general meetings shall apply, with the necessary changes and so far as they are applicable to a class meeting of shareholders holding a particular class of shares, but the quorum at a class meeting shall be one person holding or representing by proxy a simple majority of the shares affected.

10. MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings. Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors. In default of the meeting being held, the meeting may be convened by any one or more shareholders in accordance with the *Business Corporations Act*.

10.2 Resolution Instead of Annual General Meeting. Notwithstanding Article 10.1, if all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders. The directors may, whenever they think fit, call a meeting of shareholders.

10.4 Convening Meetings. A general meeting, if requisitioned in accordance with the *Business Corporations Act*, may be convened by the directors or, if not convened by the directors, may be convened by the requisitionists as provided in the *Business Corporations Act*.

10.5 Location of Meetings. A general meeting of the Company must be held in British Columbia or may be held at a location outside of British Columbia if approved by an ordinary resolution.

10.6 Notice for Meetings of Shareholders. The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide. Such notice must be given not more than two months before the meeting and, if and for so long as the Company is a public company, at least 21 days before the meeting and, otherwise, at least 10 days.

10.7 Record Date for Notice. The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than 21 days if and for so long as the Company is a public

company and, otherwise, 10 days. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.8 Record Date for Voting. The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.9 Failure to Give Notice and Waiver of Notice. The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

10.10 Notice of Special Business at Meetings of Shareholders. If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must state the general nature of the special business and if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

10.11 Meetings by Telephone or Other Communications Medium. A shareholder or proxy holder may participate in a meeting of shareholders in person or by telephone if all shareholders and proxy holders participating in the meeting, are able to communicate with each other. A shareholder or proxy holder may participate in a meeting of shareholders by a communication medium other than by telephone if all shareholders and proxy holders participating in the meeting are able to communicate with each other and all shareholders and proxy holders who wish to participate in the meeting agree to such manner of participation. A shareholder or proxy holder who participates in a meeting in a manner contemplated by this Article 10.11 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner and the meeting is deemed to be held at the location specified in the notice of meeting.

11. PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business. At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting; and
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (t) the appointment of an auditor;

- (g) the setting of the remuneration of an auditor;
- (h) business arising out of a report of the directors requiring the passing of a special resolution;
- (i) annual approval of Company stock option plan; and
- U) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority. The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum. Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is one shareholder who is present in person, or is represented by proxy.

11.4 One Shareholder May Constitute Quorum. If there is only one shareholder entitled to vote at a meeting of shareholders the quorum is one person who is, or who represents by proxy, that shareholder, and that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Other Persons May Attend. The directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company and any other persons invited by the directors are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum. No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum. If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present then, in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and, in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting. If, at the meeting to which the meeting referred to in Article 11.7 was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair. The chair of the board, if any, or if the chair of the board is absent or unwilling to act as chair of the meeting, the president of the Company, if any, or in his absence a vice-president of the Company, if any, will preside as chairman at every meeting of shareholders.

11.10 Selection of Alternate Chair. If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting. The chairman need not be a shareholder.

11.11 Adjournments. The chair of a meeting of shareholders may, with the consent of the meeting, and will, if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting. It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll. Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result. The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded. No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote. In case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll. If a poll is duly demanded at a meeting of shareholders it will be taken at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs and in the manner, at the time and at the place that the chair of the meeting directs. The result of the poll is effective from the time of the meeting at which the poll is demanded. The demand for the poll may be withdrawn by the person who demanded it and, notwithstanding the foregoing, a poll demanded at a meeting of shareholders on a question of adjournment or the election of the chair of the meeting will be taken immediately at the meeting without adjournment.

11.18 Chair Must Resolve Dispute. In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.19 Casting of Votes. On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.20 Demand for Poll Not to Prevent Continuance of Meeting. The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of a meeting for the transaction of any business other than the question on which a poll has been demanded.

11.21 Retention of Ballots and Proxies. The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

12. VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares. Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3 on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote and, on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity. A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders. If there are joint shareholders registered in respect of any share, any one of the joint shareholders may vote at any meeting, either personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it or, if more than one of the joint shareholders is present at any meeting, personally or by proxy, and more than one of them votes in respect of that share, then the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted to the exclusion of the votes of the other joint holders.

12.4 Legal Personal Representatives as Joint Shareholders. Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders.

12.5 Representation by Committee. A shareholder for whom a committee has been duly appointed may vote, whether on a show of hands or on a poll, by his committee. A committee may appoint a proxy holder.

12.6 Representative of a Corporate Shareholder. If a corporation, that is not a subsidiary of the Company, is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company provided that the instrument appointing a representative is received at the registered office of the Company or at any other place specified in the notice calling the meeting for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or is provided at the meeting to the chair of the meeting or to a person designated by the chair of the meeting. Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages. If a representative is appointed under this Article 12.6, the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder and the representative, if present at the meeting, is to be counted for the purpose of fanning a quorum and is deemed to be a shareholder present in person at the meeting.

12.7 Proxy Provisions Do Not Apply to All Companies. Articles 12.8 to 12.15 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

12.8 Appointment of Proxy Holders. Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders of the Company may, by proxy, appoint one or more (but not more than five) proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy. A proxy will be in writing under the hand of the appointor and, if the appointor is a corporation, under the hand of an officer or attorney duly authorized for that purpose. A proxy holder is not required to be a shareholder.

12.9 Alternate Proxy Holders. A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.10 Deposit of Proxy. A proxy and any power of attorney or other authority under which it is signed or a notarially certified copy of the power of attorney for a meeting of shareholders must be received at the place specified in the notice calling the meeting for the receipt of proxies, or, if no place is specified, at the registered office of the Company, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote. A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used or by the chair of the meeting, before the vote is taken.

12.12 Form of Proxy. A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors:

[name of company at the relevant time]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints *[name]* or, failing that person, *[name]*, as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on *[month, day, year]* and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the shareholder): _____

Signed *[month, day, year]*

[Signature of shareholder]

[Name of shareholder-printed]

12.13 Revocation of Proxy. Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting at which the proxy is to be used or provided, at the meeting, to the chair of the meeting.

12.14 Revocation of Proxy Must Be Signed. An instrument referred to in Article 12.13 must be signed, where the shareholder for whom the proxy holder is appointed is an individual, by the shareholder or his or her legal personal representative or trustee in bankruptcy or, where the shareholder for whom the proxy holder is appointed is a corporation, by the corporation or by a representative appointed for the corporation under Article 12.6.

12.15 Production of Evidence of Authority to Vote. The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

13. DIRECTORS

13.1 First Directors; Number of Directors. The first directors of the Company are the persons designated as directors of the Company in the first Notice of Articles filed for the Company under the *Business Corporations Act* and, at the time of filing, the number of directors, excluding additional directors appointed under Article 14.8, is set at the number of first directors. Thereafter, the number of directors, excluding additional directors, will be not less than one (or, if the Company is a public Company, three) and not more than 20. Within this range, unless the number of directors is set by ordinary resolution or set under Article 14.4, the number may be determined by the directors.

13.2 Change in Number of Directors. If the number of directors is set by ordinary resolution, the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number and if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy. An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors. A director is not required to hold a share in the capital of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors. The directors are entitled to such remuneration for acting as directors, if any, as the directors may from time to time determine or if the directors so decide, as shareholders may determine by ordinary resolution. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors. The Company must reimburse each director for the reasonable expenses that he or she may properly incur in and about the business of the Company.

13.7 Special Remuneration for Directors. If any director performs any extra professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of the directors, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director. Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

14. ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting. At every annual general meeting and in every resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or the appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and

- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director. No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors. Where the Company fails to hold an annual general meeting and all of the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2 on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act* or where the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors, then each director then in office continues to hold office until his or her successor is elected or appointed or he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles, whichever is earlier. Each continuing director is deemed to have been elected or appointed as a director on the last day on which the annual general meeting would have been held pursuant to these Articles.

14.4 Places of Retiring Directors Not Filled. If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies. Any casual vacancy occurring in the board of directors may be filled for the unexpired term by the remaining directors.

14.6 Remaining Directors' Power to Act. The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of summoning a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies. If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors. Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office or, in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8. Any additional director so appointed ceases to hold office immediately before the next annual general meeting or resolution in lieu thereof, but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director. A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders. The Company may remove any director before the expiration of his or her term of office and appoint a replacement director in respect thereof by resolution. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors. The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence or if the director ceases to be qualified to act as a director of a company or the majority of directors do not believe a directors is acting in the best interests of the Company, and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

15. ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director. Any director (an "appointor") may by notice in writing received by the Company appoint any person, whether a shareholder or a director or not, (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2 Notice of Meetings. Every alternate director so appointed is entitled to attend and vote as a director at any meeting of directors or of a committee of directors at which his or her appointor is not present and, if the appointor so directs in the notice of appointment delivered under Article 15.1, notice of meetings of directors and of committees of the directors, as applicable, will be sent to the alternate director and not to the appointor.

15.3 Alternate for More Than One Director Attending Meetings. A person may be appointed as an alternate director by more than one director and in such case, the alternate director will be counted in determining the quorum for a meeting of directors or a meeting of a committee of directors once for each of his or her appointors, as applicable, and, in the case of an appointee who is also a director or a member of that committee, once more in that capacity. Subject to the relevant appointor having so directed in the notice of appointment, an alternate director will have a separate vote at a meeting of directors or a meeting of committee of directors for each of his or her appointors, as applicable, and, in the case of an appointee who is also a director or a member of that committee, an additional vote in that capacity.

15.4 Consent Resolutions. Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 Alternate Director Not an Agent. Every alternate director is deemed not to be the agent of his or her appointor.

15.6 Revocation of Appointment of Alternate Director. An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 Ceasing to be an Alternate Director. The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) his or her appointor revokes the appointment of the alternate director in accordance with Article 15.6;
- (3) the alternate director dies;
- (4) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (5) the alternate director ceases to be qualified to act as a director; or
- (6) the alternate director is convicted of an indictable offence and the other directors shall have resolved to remove him.

15.8 Remuneration and Expenses of Alternate Director. The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointer as the appointer may from time to time direct.

16. POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management. The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers to do so expediently.

16.2 Appointment of Attorney of Company. The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may be made in favour of any of the directors or any of the shareholders of the Company or in favour of any corporation, firm or joint venture and any such appointment may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

17. DISCLOSURE OF INTEREST OF DIRECTORS

17.1 Obligation to Account for Profits. A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest. A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all of the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum. A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval will be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property. A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company. A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.6 No Disqualification. No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and, subject to compliance with the provisions of the *Business Corporations Act*, no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer. Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations. A director or officer may be or become a director, officer or employee of, or otherwise interested in, any corporation or firm in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer shall not be accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other corporation or firm.

18 PROCEEDINGS OF DIRECTORS

18.1 Meetings of Directors. The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 Voting at Meetings. Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings. The chair of the board, if any, or, in his absence, the president, if any, if the president is a director, or, if neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting or is willing to chair the meeting or each of the chair of the board and the president, if any and if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting, then any other director chosen by the directors shall preside as chairman at a meeting of directors.

18.4 Meetings by Telephone or Other Communications Medium. A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other. A director may participate in a meeting of the directors or of any committee of the directors by a communications medium other than telephone if all directors participating in the meeting, whether in person or by telephone or other communications medium, are able to communicate with each other and if all directors who wish to participate in the meeting agree to such manner of participation. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner. Where each director or his alternate is in communication with each other director or his alternate in the manner contemplated by this

Article 18.4, a resolution concurred to by all directors or alternate directors in the course of such transmission shall be deemed to be a resolution of the board duly passed by the requisite majority.

185 Calling of Meetings. A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

186 Notice of Meetings. Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

187 When Notice Not Required. It is not necessary to give notice of a meeting of the directors to a director or an alternate director if the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed or the director or alternate director, as the case may be, has waived notice of the meeting in accordance with Article 18.9.

188 Meeting Valid Despite Failure to Give Notice. The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

189 Waiver of Notice of Meetings. Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director and, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

1810 Quorum. The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

1811 Validity of Acts Where Appointment Defective. Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

1812 Consent Resolutions in Writing. A resolution of the directors or of any committee of the directors consented to in writing by all of the directors entitled to vote on it, whether by signed document, fax, email or any other method of transmitting legibly recorded messages, is as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors duly called and held. Such resolution may be in two or more counterparts which together are deemed to constitute one resolution in writing. A resolution passed in that manner is effective on the date stated in the resolution or on the latest date stated on any counterpart. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is deemed to be a proceeding at a meeting of directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

19. EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee. The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, which committee shall

have and may exercise during the intervals between meetings of the board of directors, all of the powers of the board except the power to fill vacancies in the board, the power to remove a director, the power to change the membership of, or fill vacancies in, any committee of the directors, and such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees. The directors may, by resolution appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate and delegate to any such committee any of the directors' powers, except the power to fill vacancies in the board, the power to remove a director, the power to change the membership of, or fill vacancies in, any committee of the directors and the power to appoint or remove officers appointed by the directors; and, in each case, subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees. Any committee appointed under Article 19.1 or 19.2, in the exercise of the powers delegated to it, must conform to any rules that may from time to time be imposed on it by the directors, keep regular minutes of every act or thing done in exercise of those powers and cause such minutes to be recorded in books kept for that purpose and report the same to the board at such times as the board may from time to time require. Subject to any rules imposed on it by the directors, any committee may make rules for the conduct of its business and may appoint such assistants as it may deem necessary. A majority of the members of a committee shall constitute a quorum of such committee.

19.4 Powers of Board. The board shall have the power at any time, to revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding and to terminate the appointment of, or change the membership of, the committee including to fill vacancies in the committee.

19.5 Committee Meetings. Subject to Article 19.3 and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, a committee appointed under Article 19.1 or 19.2 may meet and adjourn as it thinks proper and a majority of the members of the committee will constitute a quorum of the committee. The committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting. Questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting does not have a second or casting vote.

20. OFFICERS

20.1 Directors May Appoint Officers. The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers. The directors may determine the functions and duties of each officer and entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit. The directors may, at any time and from time to time, revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications. No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as the managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment. All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fees, wages, commission, participation in profits or any other means or all of these modes) that the directors think fit and are subject to termination at the

pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

20.5 Interested Officers. Every officer of the Company who holds any office or possesses any property whereby, whether directly or indirectly, duties or interests might be created in conflict with his duties or interests as an officer of the Company shall, in writing, disclose to the directors the fact and the nature, character and extent of the conflict.

21. INDEMNIFICATION OF DIRECTORS AND OFFICERS AND PAYMENT OF EXPENSES

21.1 Definitions. In this Article 21:

"associated corporation" has the meaning set out in the *Business Corporations Act*;

"eligible party" means an individual who is or was a director or officer of the Company or of another corporation at a time when the corporation is or was an affiliate of the Company or at the request of the Company, or, who, at the request of the Company, is or was, or holds or held a position equivalent to that of a director or officer of a partnership, trust, joint venture or other unincorporated entity, and includes, except in a reference to an act done by an eligible party, the heirs and personal or other legal representatives of that individual;

"eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;

"eligible proceeding" means any legal proceeding or investigative action, whether current, threatened, pending or completed in which an eligible party or any of the heirs and personal or other legal representatives of the eligible party, by reason of the eligible party being or having been a director or officer of, or holding or having held a position equivalent to that of a director or officer of, the Company or an associated corporation is or may be joined as a party, or is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding; and

"expenses" has the meaning set out in the *Business Corporations Act*.

21.2 Liability of Directors. Subject to the *Business Corporations Act*, a director or other officer of the Company is not liable for:

- (a) any act, receipt, neglect, or default of any other director or officer;
- (b) joining in any act for conformity;
- (c) loss or damage arising from bankruptcy, insolvency or tortious acts of any person with whom any monies, securities or effects are deposited;
- (d) loss or damage arising or happening to the Company through the insufficiency or deficiency of any security in or upon which assets of the Company may be invested;
- (e) any loss occasioned by any error or oversight on his part; or
- (f) any loss, damage or misfortune whatsoever happening in the execution of the duties of his office or in relation thereto,

unless it happens through his own dishonesty.

21.3 Mandatory Indemnification of Directors and Former Directors. Subject to Article 21.7 and the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.3.

21.4 Authority to Indemnify Other Persons. Subject to Article 21.7 and the *Business Corporations Act*, the Company may indemnify an eligible party against all eligible penalties to which the eligible party is or may be liable and may also, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by an eligible party in respect of that proceeding.

21.5 Mandatory Payment of Expenses. Subject to Article 21.7, the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by an eligible party in respect of that proceeding if the eligible party has not been reimbursed for those expenses, and is wholly successful, on the merits or otherwise, in the outcome of the proceeding or is substantially successful on the merits in the outcome of the proceeding.

21.6 Authority to Advance Expenses. Subject to Article 21.7, the Company may pay, as they are incurred in advance of the final disposition of an eligible proceeding, the expenses actually and reasonably incurred by an eligible party in respect of that proceeding, provided that the Company must not make such payments unless the Company first receives from the eligible party a written undertaking that, if it is ultimately determined that the payment of expenses is prohibited by Article 21.7, the eligible party will repay the amounts advanced.

21.7 Indemnification Prohibited. The Company must not indemnify an eligible party under Articles 21.3 or 21.4 or pay the expenses of an eligible party under Articles 21.3, 21.5 or 21.6 if any of the following circumstances apply:

- (1) if the indemnity or payment is made under an earlier agreement to indemnify or pay expenses and, at the time that the agreement to indemnify or pay expenses was made, the Company was prohibited from giving the indemnity or paying the expenses by its memorandum or articles;
- (2) if the indemnity or payment is made otherwise than under an earlier agreement to indemnify or pay expenses and, at the time that the indemnity or payment is made, the Company is prohibited from giving the indemnity or paying the expenses by its memorandum or articles;
- (3) if, in relation to the subject matter of the eligible proceeding, the eligible party did not act honestly and in good faith with a view to the best interests of the Company or the associated corporation, as the case may be; or
- (4) in the case of an eligible proceeding other than a civil proceeding, if the eligible party did not have reasonable grounds for believing that the eligible party's conduct in respect of which the proceeding was brought was lawful.

The result of any action, suit or proceeding does not create a presumption that the person did not act honestly and in good faith with a view to the best interests of the Company, or that the person did not have reasonable grounds to believe that his conduct was lawful. The Company will apply to a court of competent jurisdiction for all court approvals which may be required to make this Article effective and enforceable.

21.8 Insurance. The Company may purchase and maintain insurance for the benefit of an eligible party or the heirs and personal or other legal representatives of the eligible party against any liability that may be incurred by

reason of the eligible party being or having been a director or officer of, or holding or having held a position equivalent to that of a director or officer of, the Company or an associated corporation.

22. DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights. The provisions of this Article 22 are subject to the special rights, if any, as to dividends attached to any shares.

22.2 Declaration of Dividends. Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable and pay the same out of any funds of the Company available for that purpose. The directors may, before declaring a dividend, set aside out of the profits of the Company such moneys as they think proper as a reserve or reserves which will be applicable for meeting contingencies or equalizing dividends, or for any other purpose to which the profits of the Company may be properly applied, and the moneys may, pending this application, either be employed in the business of the Company or be invested as the directors think fit.

22.3 No Notice Required. The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date. The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend. The transfer of shares does not, as against the Company, transfer the right to any dividend declared thereon before the registration of the transfer.

22.5 Manner of Paying Dividend. A resolution declaring a dividend may direct payment of the dividend wholly or partly by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

22.6 Settlement of Difficulties. If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may issue fractional certificates, may set the value for distribution of specific assets, may determine that cash payments in substitution for all or any part of the specific assets to which any shareholders are entitled may be made to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable. Any dividend may be made payable on such date as is fixed by the directors.

22.8 Dividends to be Paid in Accordance with Number of Shares. All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 Receipt by Joint Shareholders. If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10 Dividend Bears No Interest. No dividend bears interest against the Company.

22.11 Fractional Dividends. If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

22.12 Payment of Dividends. Any dividend or other distribution payable in cash in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the address of the shareholder, or in the case of joint shareholders, to the address of the joint shareholder who is first named on the

central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority. The directors may deduct from any dividend payable to a shareholder all sums of money presently owing by that shareholder to the Company.

22.13 Capitalization of Surplus. Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the surplus or any part of the surplus.

23. DOCUMENTS, RECORDS AND REPORTS

23.1 Records Office Records. The Company will keep such records at its records office as are required by the *Business Corporations Act* to be so kept and no shareholder or former shareholder may inspect any of such records unless expressly authorized by the *Business Corporations Act*. Any inspection authorized pursuant to this Article 23.1 will be at the place and time and on the terms and conditions set by the directors for any such inspection.

23.2 Recording of Financial Affairs. The directors must cause to be kept books of account, accounting records and such other records as are necessary to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act* and the provisions of other statutes applicable to the Company including with respect to the appointment of and qualifications of auditors for the Company. The books and records will be kept at such place or places as the directors may think fit and will be open to inspection by the directors.

23.3 Inspection of Accounting Records. No shareholder or former shareholder will be entitled to inspect any accounting records of the Company unless expressly authorized by the *Business Corporations Act*. Any inspection authorized pursuant to this Article 23.3 will be at the place and time and on the terms and conditions set by the directors for any such inspection.

23.4 Remuneration of Auditors. The auditors of the Company, if any, are entitled to such remuneration for acting as auditors as the directors may from time to time determine or, if the directors so decide, as the shareholders may determine by ordinary resolution.

24. NOTICES

24.1 Method of Giving Notice. Unless the *Business Corporations Act* or these Articles provides otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by prepaid post or facsimile to him at his registered address or, if no such address is set out in any register of the Company, at his mailing address, or by email to the email address provided by the intended recipient for the sending of that record or records of that type, if any.

24.2 Deemed Receipt of Mailing. A record that is mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the business day following the date of mailing. A notice delivered personally is effective the day of delivery. A notice sent by facsimile or email is effective on the date the sender receives his facsimile or electronic answer back confirming receipt by the recipient's medium.

24.3 Certificate of Sending. A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that behalf for the Company stating that a notice, statement, report or other record

was addressed as required by Article 24.1, prepaid and mailed or otherwise sent as permitted by Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders. A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing the notice to the joint shareholder first named in the central securities register in respect of the share.

24.5 Notice to Trustees. A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by mailing the record, addressed to them by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description and mail to the address supplied to the Company for that purpose by the persons claiming to be so entitled or, if no such address has been supplied, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

25. SEAL

25.1 Who May Attest Seal. The directors may provide a seal for the Company. Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, may be affixed to any instrument by, and any instrument may be executed on behalf of the Company in the presence of, the following persons:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors,

and the said persons in whose presence the seal is so affixed to an instrument shall sign such instrument.

25.2 Sealing Copies. For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any one director or officer.

25.3 Mechanical Reproduction of Seal. The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more un-mounted dies reproducing the seal and the chair of the board or any senior officer together with the secretary, treasurer, secretary-treasurer, an assistant secretary, an assistant treasurer or an assistant secretary-treasurer may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

25.4 Seal in Other Jurisdiction. The Company may have for use in any other province, state, territory or country an official seal which shall have on its face the name of the province, state, territory or country where it is to be used and all of the powers conferred by the *Business Corporations Act* with respect thereto may be exercised by the directors or by a duly authorized agent of the Company.

26. LIENS

26.1 , The Company has a lien on every share registered in the name of a shareholder for all moneys owing by him to the Company, but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this Part. The Company's lien on a share extends to all dividends payable thereon.

27. PROHIBITIONS

27.1 Definitions. In this Article 27:

"designated security" means a voting security of the Company, a security of the Company that is not a debt security and that carries a residual right to participate in the earnings of the Company or, on the liquidation or winding up of the Company, in its assets or a security of the Company convertible, directly or indirectly, into either of foregoing securities;

"security" has the meaning assigned in the *Securities Act* (British Columbia); and

"voting security" means a security of the Company that is not a debt security and carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

27.2 Application. Articles 27.3 and 27.4 do not apply to the Company if and for so long as it is a public company or a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.

27.3 Consent Required for Transfer of Shares or Designated Securities. No share or designated security may be offered for sale to the public and no shares shall be sold, transferred or otherwise disposed of without the consent of the directors expressed by a resolution of the board and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition. The consent of the board required by this Article 27.3 may be in respect of a specific proposed trade or trades or trading generally, whether or not over a specified period of time or by specific persons or with such other restrictions or requirements as the directors may determine.

27.4 Restriction on Number of Shareholders. The number of persons who beneficially own shares of the Company shall be limited to 50.

28. SPECIAL RIGHTS AND RESTRICTIONS ATTACHED TO SHARES

28.1 Common. The special rights and restrictions attached to the Common Shares Without Par Value (the "Common Shares") are as follows:

- (a) The holders of the Common Shares shall be entitled to receive notice of, to attend and to vote at any general meetings of the shareholders of the Company.
- (b) Notwithstanding any other provision of these Articles except Article 28.4, and subject to payment of dividends declared but unpaid on the Preferred Shares, dividends may be declared and paid, in the discretion of the directors, at any time upon the Common Shares to the exclusion of all or any other class or classes of shares, or may be declared and paid upon all or any other class or classes of shares, to the exclusion of the Common Shares.
- (c) In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or in the event of the redemption, purchase or acquisition of any shares, the reduction of capital or any other return of capital, the holders of the Common Shares shall be entitled to

receive, before any distribution of any part of the assets of the Company to the holders of any other shares except the Preferred Shares, an amount equal to the paid-up capital thereon and any dividends declared thereon and unpaid, and if any of the assets of the Company thereafter remain available for distribution, the holders of the Common Shares shall be entitled to such assets.

28.2 Preferred Shares. The Preferred Shares Without Par Value (the "Preferred Shares") may be issued from time to time in one or more series and shall as a class have attached thereto the following special rights and restrictions:

- (a) The directors, by resolution duly passed before the issuance of Preferred Shares of the series to which the resolution relates, may, subject to the *Business Corporations Act*, do any one or more of the following:
 - (i) determine the maximum number of shares of any of those series of Preferred Shares that the Company is authorized to issue, determine that there is no maximum number or alter any such determination previously made, and may authorize the alteration of the Notice of Articles accordingly;
 - (ii) alter these Articles, and authorize the alteration of the Notice of Articles, to create an identifying name by which the shares of any of those series of Preferred Shares may be identified or to alter any identifying name previously created; and
 - (iii) alter these Articles and authorize the alteration of the Notice of Articles to attach special rights or restrictions to the shares of any of those series of Preferred Shares or to alter any such special rights or restrictions including, without limitation: (A) the rate, amount or method of calculation of dividends and whether the same are subject to adjustments; (B) whether such dividends are cumulative, partly cumulative or non-cumulative; (C) the dates, manner and currency of payments of dividends and the date from which they accrue or become payable; (D) if redeemable or purchasable (whether at the option of the Company or holder or otherwise), the redemption or purchase prices and currencies thereof and terms and conditions of redemption or purchase, with or without provision for sinking or similar funds; (E) the voting rights, if any; (F) any conversion, exchange or reclassification rights; and (G) any other terms not inconsistent with these provisions.
- (b) The holders of Preferred Shares as a class shall, in preference to the holders of the Common Shares, be entitled to receive dividends. The holders of the Preferred Shares of any series shall also be entitled to such other preference, not inconsistent with these provisions, over the holders of the Common Shares and the shares of any other class ranking junior to the Preferred Shares as may be fixed in accordance with paragraph (a) of this Article 28.2.
- (c) Unless specifically subordinated in priority by the special rights and restrictions attached to any particular series of Preferred Shares, the holders of the Preferred Shares as a class shall be entitled, on the distribution of the assets of the Company on the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or on any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, to receive in priority before any distribution shall be made to holders of the Common Shares or any other shares of the Company ranking junior to the Preferred Shares with respect to repayment of capital, the amount paid up with respect to each Preferred Share held by each of them respectively, together with the premium (if any) payable respectively on redemption of each such series of Preferred Shares and all accrued and unpaid dividends (if any) which for such purpose shall be calculated as if such dividends were accruing on a day-to-day basis up to the date of such distribution. After payment to the holders of Preferred Shares of the amounts so payable to them, such holders shall not be entitled to share in any further distribution of the property or assets of

the Company except as specifically provided in the special rights and restrictions attached to any particular series.

- (d) No Preferred Shares or shares of a class ranking prior to or on a parity with the Common Shares with respect to the payment of dividends or the distribution of assets in the event of liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, may be issued if the Company is in arrears in the payment of dividends on any outstanding series of Preferred Shares without the approval of the holders of the Preferred Shares given by a resolution passed by a majority of the holders of the Preferred Shares.
- (e) Except as hereinafter referred to or as required by law or in accordance with any voting rights which may from time to time be attached to any series of Preferred Shares, the holders of Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the shareholders of the Company; provided that the holders of Preferred Shares as a class shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Company or the sale of its undertaking or a substantial part thereof, or as required by the *Business Corporations Act*.
- (f) The rights, privileges, restrictions and conditions attaching to the Preferred Shares as a class may be added to, removed or changed but only with the approval of the holders of the Preferred Shares given in accordance with the requirements of the *Business Corporations Act*.
- (g) Where Preferred Shares are issued in more than one series with identical preferred, deferred or other special rights, privileges, restrictions, conditions and designations attached thereto, all such series of Preferred Shares shall rank *pari passu* and participate equally and proportionately without discrimination or preference as if all such series of Preferred Shares had been issued simultaneously and all such series of Preferred Shares may be designated as one series.

28.3 Alterations where Shares Issued. If alterations, determinations or authorizations contemplated by Article 28.2(a) are to be made in relation to a series of shares of which there are issued shares, those alterations, determinations and authorizations must be made by ordinary resolution.

28.4 Restriction on Dividends. Notwithstanding anything else contained in these Articles, no dividends will be paid on any class of shares nor will shares be redeemed if such act would result in the Company having insufficient net assets to redeem the Preferred Shares, if applicable.

SCHEDULE "C"

REPRESENTATIONS AND WARRANTIES

As of the date hereof, each of the Parties hereby represents and warrants to the others as follows and acknowledges that such other Parties are relying upon these representations and warranties in connection with the entering into of this Agreement:

1. Organization and Qualification

It is a corporation duly organized and validly existing under the laws of the Province of British Columbia or Ontario, as the case may be, and has the requisite corporate power and authority to own or lease its property and assets and to carry on its business as it is now being conducted. It is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a Material Adverse Effect on it. Copies of its constating documents, together with all amendments to date, are accurate and complete as of the date hereof and have not been amended or superseded.

2. Authority Relative to this Agreement

It has the requisite corporate authority to enter into this Agreement and to perform and carry out its obligations hereunder. The execution and delivery of this Agreement and the completion of the transactions contemplated hereby have been duly authorized by its board of directors, and no other corporate proceedings on its part are necessary to authorize this Agreement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of such entity enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally and to general principles of equity.

3. No Violations

- (a) Neither the execution and delivery of this Agreement by each of the Parties, the completion of the transactions contemplated hereby nor the fulfillment and compliance by it with any of the terms and provisions hereof will: (i) violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in a creation of any lien, security interest, charge or encumbrance upon any of its properties or assets under, any of the terms, conditions or provisions of (x) its constating documents, or (y) any material note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which it is a party or to which it, or its properties or assets, may be subject or by which it is bound; or (ii) subject to compliance with the legislation referred to in Section 3(b), violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to it (except, in the case of each of clauses (i) and (ii) above, for such violations, conflicts, breaches, defaults, terminations which, or any consents, approvals or notices which if not given or received, would not have any Material Adverse Effect on its business, operations or financial condition or on its ability to consummate the transactions contemplated hereby); or (iii) cause a suspension or revocation of any authorization for the consent, approval or license currently in effect which would have a Material Adverse Effect on it.
- (b) Except as contemplated by this Agreement and other than in connection with or in compliance with the provisions of Corporate Laws and Securities Laws: (i) there is no legal impediment to its consummation of the transactions contemplated by this Agreement; and

- (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Entity is necessary by it in connection with the consummation of the transactions contemplated by this Agreement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have a Material Adverse Effect on its ability to consummate the transactions contemplated hereby.
- (c) Except as set forth in the Information Circular, there is no non-competition, area of mutual interest, right of first refusal, right of first offer, change of control, exclusivity or other similar agreement, commitment or understanding in place, whether written or oral, to which it, or, to its knowledge, any director, officer, employee or consultant or any affiliate of such Persons is a party or is otherwise bound that would now or hereafter, in any way limit the business its operations (i) in a particular manner or to a particular locality or geographic region; or (ii) for a limited period of time.
- (d) The execution, delivery and performance of this Agreement does not and will not result in its restriction from engaging in its business or from competing with any Person or in any geographical area and do not and will not result in a Material Adverse Effect on its business or trigger or cause to arise any rights of any Person under any contract or arrangement to restrict any of the foregoing from engaging in the business currently carried on by it.

4. Capitalization

4.a) Tantalex

The authorized share capital of Tantalex consists of an unlimited number of common shares without par value, of which 194,866,623 Shares. As of the date hereof, 63,943,177 Shares are issuable pursuant to the exercise of outstanding Warrants. As of the date hereof, 15,200,000 Shares are issuable pursuant to the exercise of outstanding Options and 4,321,688 Shares are issuable pursuant to authorized but unissued Options. As of the date hereof, an aggregate amount of \$3,450,000 principal amount debentures due 2019 bearing interest at 12% are outstanding and convertible into Shares at the then current Discount Market Price, as defined in the CSE policies, on the maturity date. Except as set forth above, there are no options, warrants or other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Tantalex of any of its securities or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of Tantalex, nor are there any outstanding stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or other attribute of Tantalex. All outstanding Shares have been duly authorized and validly issued, are fully paid and non-assessable and all Shares issuable upon exercise of outstanding Warrants in accordance with their respective terms will be duly authorized and validly issued, fully paid and non-assessable and will not be subject to any pre-emptive rights.

4.b) Cobalt

The authorized share capital of Cobalt consists of an unlimited number of common shares without par value, of which 187,003,772 Shares. As of the date hereof, 62,515,794 Shares are issuable pursuant to the exercise of outstanding Warrants. As of the date hereof, 17,999,997 Shares are issuable pursuant to the exercise of outstanding Options. Except as set forth above, there are no options, warrants or other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Cobalt of any of its securities or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any shares of Cobalt, nor are there any outstanding stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or other attribute of Cobalt. All outstanding Shares have been duly authorized and validly issued, are fully paid and non-assessable and all Shares issuable upon exercise of outstanding Warrants in accordance with their

respective terms will be duly authorized and validly issued, fully paid and non-assessable and will not be subject to any pre-emptive rights.

5. No Material Adverse Change

Since the date of the its Financial Statements:

- (a) there has been no Material Adverse Change (or any condition, event or development involving a prospective change that could be materially adverse) in the business, affairs, operations, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise;
- (b) it has conducted its business only in the ordinary and normal course; and
- (c) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to it has been incurred other than in the ordinary and normal course of business.

6. Title

Although it does not warrant title:

- (a) It has no reason to believe that it does not have the right, subject to applicable laws and to applicable title documents, to produce and sell its mineral rights, licenses, permits or concessions (for the purposes of this clause, the foregoing are referred to as the "**Interests**") and represents and warrants that the Interests are free and clear of adverse claims created by, through or under it, except those arising in the ordinary course of business, and, to the best of its knowledge after due inquiry, it holds the Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements; and
- (b) It is not aware of any defects, failures or impairments in its title to its Interests, whether or not an action, suit, proceedings or inquiry is pending or threatened and whether or not discovered by any third party, which in aggregate could have a material adverse effect on it.

7. NI 43-101

It has made available to each of the Parties its latest NI 43-101 *Standard of Disclosure for Mineral Projects* technical report and the information contained in such report, to its knowledge, does not contain any material misrepresentation.

8. No Undisclosed Material Liabilities, Guarantees

Except for liabilities and obligations: (i) incurred in the ordinary course of business; (ii) incurred pursuant to the terms of this Agreement; or (iii) as disclosed in the Information Circular, it has not incurred any liabilities of any nature, whether accrued, contingent or otherwise (or which would be required by IFRS to be reflected on its balance sheet) that have constituted or would be reasonably likely to constitute a Material Adverse Change. It is not a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation.

9. Lending Facilities

It is not a party to any banking or lending agreements.

10. Brokerage Fees

It has retained a financial advisor, namely AC Group Inc. (the “**Financial Advisor**”), and has agreed to paid such Financial Advisor on account of this Agreement, and the transaction contemplated hereby or any transaction presently ongoing or contemplated, being agreed that the remuneration of said Financial Advisor will be based on the percentage of the dollar value of the contemplated transaction.

11. Conduct of Business

Except as disclosed in the Information Circular or the its Financial Statements, since inception, it has not: (i) amended its constating documents; (ii) made any change in its accounting principles and practices as previously applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings and profits and losses are ascertained; and declared, paid or set aside for payment any dividend or distribution of any kind in respect of any of its outstanding securities nor made any repayments of capital to shareholders. Since inception, it has conducted its business in all material respects in the ordinary course of business consistent with normal industry practice, has not disposed of any assets or property out of the ordinary course of business, and has not taken any action that would be in violation of its ordinary and historical business practices, other than violations which would not have any Material Adverse Effect on it or would materially affect its ability to consummate the transactions contemplated hereby.

12. Subsidiaries

Save and except as set forth in Schedule C-1 hereto, it has no subsidiaries.

13. Reports and Financial Statements

Its Financial Statements have been prepared in accordance with IFRS on a consistent basis with prior periods (except: (i) as otherwise indicated in such financial statements and the notes thereto or, in the case of audited statements, in its related report independent accountants; or (ii) in the case of unaudited interim financial statements, to the extent they may not include footnotes or may be condensed or summary statements) and fairly present, in accordance with IFRS, its financial position and condition at the dates thereof and, its results of operations and changes in financial position and reflect all its material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments).

14. Litigation

Except as disclosed in writing, there are no actions, suits, proceedings or investigations pending, or to its knowledge, contemplated or threatened against or affecting it, at law or in equity, before or by any Governmental Entity of any kind, nor to its knowledge are there any existing facts or conditions which may reasonably be expected to be a proper basis for any actions, suits, proceedings or investigations, which in any case would prevent or hinder the consummation of the transactions contemplated by this Agreement or which can reasonably be expected to have a Material Adverse Effect on it. It is not subject to any outstanding order, writ, injunction or decree that has had or is reasonably likely to have a Material Adverse Effect or prevent or materially delay consummation of the transactions contemplated by this Agreement or the Amalgamation.

15. Books and Records

Its minute books are and will be at Closing correct and contain the minutes of all meetings and all resolutions of the directors and shareholders thereof. Its books of account and other records, whether of a financial or accounting nature or otherwise, have been maintained in accordance with

prudent business practices and are complete and accurate in all material respects.

16. Data and Information

To its knowledge, the data and information in its respect and its assets, liabilities, business, operations and capital provided to the other Parties was and is accurate and correct in all material respects as at the respective dates thereof and did not and do not now omit any data or information necessary to make any data or information provided not misleading in any material respects as at the respective dates thereof.

17. Environmental

- (a) It is not aware of, nor to its knowledge has it received:
 - (i) any order or directive which relates to environmental matters that would have a Material Adverse Effect on it and which requires any material work, repairs, construction, or capital expenditures; or
 - (ii) any demand or notice with respect to the material breach of any Environmental Law or business undertakings, including, without limitation, any regulations respecting the use, storage, treatment, transportation, or disposition of environmental contaminants.
- (b) To its knowledge, all material environmental and health and safety permits, licenses, approvals, consents, certificates and other authorizations of any kind or nature ("**Environmental Permits**") necessary for the ownership, operation, development, maintenance, or use of any of its assets have been obtained and maintained in effect.
- (c) To its knowledge, its assets and the ownership, operation, development, maintenance and use thereof are in material compliance with all applicable Environmental Laws.
- (d) No investigations or complaints by any Governmental Entity with respect to any environmental matter pertaining to or affecting the business or its assets are currently outstanding or threatened to its knowledge.
- (e) All known spills or similar incidents pertaining to or affecting the business or its assets have been reported to the appropriate Governmental Entity to the extent required by Environmental Laws.
- (f) To its knowledge, its assets are free of all material environmental contamination, including any patent or latent environmental contamination of the atmosphere, air, soil, subsoil, groundwater or surface waters within or adjacent to its business or the assets.
- (g) It is not aware of any Releases which have not been rectified, on any of the properties or assets owned or leased by it or in which it has an interest or over which it has control; but it does not warrant that there have been no releases or contamination of the atmosphere, air, soil, subsoil, groundwater or surface waters within or adjacent to its business or assets and expressly disclaims any such representation or warranty.

18. Compliance

It has complied with and is in compliance with all applicable Laws, its constating documents and all material contracts, agreements and instruments to which it is a party, except where such non-compliance would not, considered individually or in the aggregate, result in a Material Adverse

Change in relation to it, or materially affect its ability to consummate the transactions contemplated hereby, and is in compliance in all material respects with all Corporate Laws. There is no legal impediment to its consummation of the transactions contemplated by this Agreement. Other than as contemplated by this Agreement, no filing or registration with, or authorization, consent or approval of, any Governmental Entity is necessary in connection with the consummation of the transactions, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have any Material Adverse Effect on its ability to consummate the transactions contemplated hereby.

19. Restrictions on Business Activities

Except as set forth in the Information Circular there is no agreement, judgment, injunction, order, decree, understanding or other restriction with any Person binding upon it which has or could have the effect of materially restricting, prohibiting or impairing:

- (a) any current or currently proposed business practices;
- (b) it from carrying on its business with any customer or within any geographic region;
- (c) any acquisition of property; or
- (d) its conduct of business as currently conducted or as currently proposed to be conducted.

20. Permits and Licenses

It has not received notice of any material violation of or investigation relating to any Law with respect to its assets, business or operations and it holds all permits, licenses and other authorizations which are required under Laws to be held by it relating to its assets, business or operations. Its assets operated and maintained by it are in compliance with all terms and conditions of such Laws, permits, licenses and authorizations in all material respects.

21. Material Agreements

Ali agreements, permits, licenses, approvals, certificates and other rights and authorizations material to the conduct of its business have been provided to the other Parties and each such permit, license, approval, certificate and other right and authorization is valid and subsisting and it is not in default under any such agreements, permits, licenses, approvals, certificates and other rights and authorizations.

22. Employment Agreements

Particulars of its employment obligations are set forth in the Information Circular and there are no written agreements between it and any of its respective employees, officers, directors and consultants. it is not a party to any other written or verbal employment or consulting agreement which provides for payment to any officer, employee or consultant whatsoever by it on a change of control or severance of employment or a consulting arrangement, and it agrees not to amend the terms and conditions of any of the foregoing.

23. Employee Benefit Plans

It does not have any employee benefit, pension and/or bonus plans. It is not a party to any written contract of employment or collective bargaining agreement and there are no currently existing employment benefit plans, arrangements or agreements, vacation entitlements, health and group insurance plans and customary government plans such as Canada Pension Plan, Employment Insurance and Workers Compensation, to which it is a party or by which it is bound.

24. Tax Matters

- (a) All Tax Returns required to be filed by or on its behalf have been duly filed on a timely basis and such Tax Returns are true, complete and correct in all material respects. All Taxes shown to be payable on the Tax Returns or on subsequent assessments with respect thereto have been paid in full on a timely basis, and no other Taxes are payable by it with respect to items or periods covered by such Tax Returns.
- (b) It has paid or provided adequate accruals in their financial statements for the period ended respectively November 30, 2018 for Tantalex and September 30, 2018 for Cobalt for Taxes in conformity with IFRS.
- (c) No material deficiencies exist or have been asserted with respect to Taxes or Tax Returns; it is not a party to any material action or proceeding for assessment or collection of Taxes, nor has such event been asserted or to its knowledge threatened against it or any of its assets; no waiver or extension of any statute of limitations is in effect with respect to Taxes or its Tax Returns; and its Tax Returns have not been audited by a government or taxing authority within the last three years, nor is any such audit in process or to its knowledge pending or threatened.
- (d) It has not made or agreed to make any tax election or designations, entered into any tax agreements, filed any tax consents or waivers, or entered into any agreements with any federal, provincial, state, local, municipal or other tax authority with respect to itself or its assets.
- (e) It has provided adequate accruals in its financial statements for the period ended respectively November 30, 2018 for Tantalex and September 30, 2018 for Cobalt for all pension or other employee benefit obligations arising under or relating to each of the pension or retirement income plans or other employee benefit plans or agreements or policies maintained by or binding on it.
- (f) As at respectively November 30, 2018 for Tantalex and September 30, 2018 for Cobalt 2018, it had available for deduction against future taxable income, tax pools as set forth in its financial statements for the period then ended.

25. Insurance

Policies of insurance in force as of the date hereof naming it as an insured adequately cover all risks reasonably and prudently foreseeable in the operation and conduct of its business. All such policies of insurance shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated hereby.

26. Property

To its knowledge, all leases, licenses, permits and other rights to exploit mineral resources pursuant to which it (whether as lessee or lessor) is a party are in good standing, valid and effective and there is not, under such leases, any existing or prospective default or event of default or event which, with notice or lapse of time or both, would constitute a default by it which, individually or in aggregate, would have a Material Adverse Effect on it and in respect to which it has not taken adequate steps to prevent such default from occurring.

27. Disclosure

It has disclosed in the Information Circular any information regarding any event, circumstance or action

taken or failed to be taken which could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or materially and adversely affects its ability to consummate the transactions contemplated hereby.

28. Shareholder Rights Plan

It does not have a shareholder rights plan or other form of plan, agreement, contract or instrument that will trigger any rights to acquire Shares or other securities or rights, entitlements, privileges in favour of any Person upon the entering into of this Agreement or in connection with the Amalgamation.

29. Reporting Issuer Status

29.a) Tantalex

Tantalex is a "reporting issuer" in the Provinces of British Columbia, Alberta, and Ontario.

29.b) Cobalt

Cobalt is a "reporting issuer" in the Provinces of British Columbia, Alberta, and Ontario.

30. Transfer Agent

30.a) Tantalex

Computershare Trust Canada, at its offices in Vancouver is the duly appointed registrar and transfer agent of Tantalex.

30.b) Cobalt

National Issuer Services Ltd., at its offices in Vancouver is the duly appointed registrar and transfer agent of Cobalt.

31. Trading of Shares

No Securities Authority or stock exchange in Canada, either the Canadian Securities Exchange or the TSX Venture Exchange, or in the United States has issued any order which is currently outstanding preventing or suspending trading in any securities of any of the Parties, no such proceeding is, to the knowledge of the Parties, pending, contemplated or threatened.

Schedule "D" Form of Resignation and Release

RESIGNATION

Dated: •, 2019

TO: TANTALEX RESOURCES CORPORATION.

I, the undersigned, hereby submit my resignation as • of Tantalex Resources Corporation (the “**Corporation**”), this resignation being effective immediately.

In connection with such resignation, I hereby release, remise, quit, claims and forever discharge the Corporation, and all of its principals, shareholders, partners, officers, directors, employees, affiliated entities, representatives and agents and their respective heirs, legal representatives, successors and assigns, as the case may be (all such persons and entities being called the “**Releasees**”) from any and all manner of actions, causes of action, applications, suits, debts, dues, sums of money, claims and demands, accounts, bonds, covenants, contracts, obligations, duties, breaches of contract, breaches of duty and all other claims and rights, whether at law or in equity or otherwise, (collectively, the “**Claims**”), whether or not known or anticipated, which the undersigned ever had, now has or may in the future have against each other howsoever arising in respect of any fact, matter or circumstance arising on or prior to the date hereof, in connection with or relating in any manner whatsoever to the undersigned in his capacity as a • of the Corporation.

The undersigned hereby represents warrants and covenants that he or it, as the case may be, has not assigned and will not assign to any other person or entity any of the Claims which he/she/it is releasing herein.

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RESIGNATION

Dated •, 2019

TO: INTERNATIONAL COBALT CORP.

I, the undersigned, hereby submit my resignation as • of International Cobalt Corp. (the “**Corporation**”), this resignation being effective immediately.

In connection with such resignation, I hereby release, remise, quit, claims and forever discharge the Corporation, and all of its principals, shareholders, partners, officers, directors, employees, affiliated entities, representatives and agents and their respective heirs, legal representatives, successors and assigns, as the case may be (all such persons and entities being called the “**Releasees**”) from any and all manner of actions, causes of action, applications, suits, debts, dues, sums of money, claims and demands, accounts, bonds, covenants, contracts, obligations, duties, breaches of contract, breaches of duty and all other claims and rights, whether at law or in equity or otherwise, (collectively, the “**Claims**”), whether or not known or anticipated, which the undersigned ever had, now has or may in the future have against each other howsoever arising in respect of any fact, matter or circumstance arising on or prior to the date hereof, in connection with or relating in any manner whatsoever to the undersigned in his capacity as a • of the Corporation.

The undersigned hereby represents warrants and covenants that he or it, as the case may be, has not assigned and will not assign to any other person or entity any of the Claims which he/she/it is releasing herein.

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