

AGENCY AGREEMENT

December 29, 2023

Canada Nickel Company Inc.
130 King Street West, Suite 1900
Toronto, ON
M5X 1E3

Attention: **Mark Selby**
President, Chief Executive Officer and Chairman

Dear Sir:

The undersigned, Scotia Capital Inc., as sole agent and sole bookrunner (the “**Agent**”), understands that Canada Nickel Company Inc. (the “**Company**”) proposes to issue and sell 19,600,000 units of the Company (the “**FT Units**”) at a price of C\$1.77 per FT Unit (the “**FT Unit Price**”) for aggregate gross proceeds to the Company of C\$34,692,000 (the “**Offering**”).

Each FT Unit shall consist of one Common Share (hereinafter defined) (each, a “**FT Unit Share**”), each of which will qualify as a “flow-through share” (as defined in subsection 66(15) of the Tax Act (as hereinafter defined)), and 0.35 of one Common Share purchase warrant (each, a “**FT Warrant**”), each of which will qualify as a “flow-through share” (as defined in subsection 66(15) of the Tax Act). Each whole FT Warrant shall entitle the holder thereof to acquire one Common Share (each, a “**Warrant Share**”) at a price of C\$1.77 per Warrant Share until the date that is 36 months from the Closing Date (as hereinafter defined) (the “**Warrant Expiry Date**”); provided, however, commencing on March 29, 2024, in the event that the trading price of the Common Shares on the TSXV (as hereinafter defined), or such other stock exchange where the majority of the trading volume occurs, exceeds or is equal to C\$2.65 per Common Share for a period of 20 consecutive trading days at any point thereafter but prior to the Warrant Expiry Date, the Company may, at its option, accelerate the Warrant Expiry Date, provided that: (i) the Company provides written notice to the holder(s) of FT Warrants of its intention to accelerate the Warrant Expiry Date; and (ii) the accelerated Warrant Expiry Date falls on or after the 30th trading day after the date of such written notice, unless exercised by the holder(s) of FT Warrants prior to such date.

The Company understands that certain purchasers of FT Units may subsequently donate the securities comprising such FT Units to registered charities, who may sell such securities to purchasers arranged by the Agent, or immediately sell the securities comprising such FT Units to purchasers arranged by the Agent. The FT Units, FT Unit Shares, FT Warrants and Warrants Shares will be collectively referred to as the “**Offered Securities**”.

The Agent understands that the Company will, pursuant to the FT Subscription Agreements (as hereinafter defined) incur (or be deemed to incur) on or before December 31, 2024, Qualifying Expenditures (as hereinafter defined), in an amount not less than the aggregate gross subscription proceeds from the issuance of the FT Units, and the Company will, in a timely and prescribed manner and form, renounce the Qualifying Expenditures (on a *pro rata basis*) to each FT Purchaser (as hereinafter defined) with an effective date of no later than December 31, 2023 in accordance with the Tax Act.

The Offering shall take place in the Offering Jurisdictions (as hereinafter defined) and the Offered Securities will be distributed in the Offering Jurisdictions in the manner contemplated by this Agreement.

In consideration of the services to be rendered by the Agent pursuant to this Agreement (as hereinafter defined) and in connection with all other matters relating to the issue and sale of the FT Units, the Company shall pay to the Agent at the Closing Time (as hereinafter defined) a cash advisory fee (the "**Agent's Fee**") equal to 1.5% of the gross proceeds realized by the Company in respect of the sale of the FT Units.

Based on the foregoing and subject to the terms and conditions set out below, the Agent hereby agrees to act as the Company's exclusive agent, on a "best efforts" basis, to offer the FT Units for sale on the Company's behalf, and the Company hereby agrees to issue and sell to the FT Purchasers at the Closing Time the FT Units at the FT Unit Price all as contemplated in this Agreement.

DEFINITIONS

In this Agreement, in addition to the terms defined above, the following terms shall have the following meanings:

“**affiliate**”, “**associate**”, “**distribution**”, “**material change**”, “**material fact**” and “**misrepresentation**” have the respective meanings ascribed thereto in the *Securities Act* (Ontario);

“**Affiliates**” means the affiliates of the Agent;

“**Agent**” has the meaning ascribed to it on the face page of this Agreement;

“**Agent’s Fee**” has the meaning ascribed to it on the face page of this Agreement;

“**Agreement**” means this agency agreement, as amended, from time to time;

“**April 2022 FTS Offering**” means the offering comprised of the public offering of: (i) 10,440,050 common shares of the Company; (ii) 3,424,658 common shares of the Company which qualified as “flow-through shares” as defined in subsection 66(15) of the Tax Act and the regulations thereunder; and (iii) 1,500,000 common shares of the Company which qualified as “flow-through shares” as defined in subsection 66(15) of the Tax Act and the regulations thereunder, which closed on April 5, 2022.

“**Business Day**” means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Toronto, Ontario;

“**Canadian Exploration Expense**” or “**CEE**” means an expense described in paragraph (f) of the definition of “Canadian exploration expense” in subsection 66.1(6) of the Tax Act or which would be included in paragraph (h) of such definition if the reference therein to “paragraphs (a) to (d) and (f) to (g.4)” were read as “paragraph (f)”, other than amounts which are prescribed to be “Canadian exploration and development overhead expense” for the purposes of paragraph 66(12.6)(b) of the Tax Act, Canadian exploration expenses to the extent of the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act, the cost of acquiring or obtaining the use of seismic data described in paragraph 66(12.6)(b.1) of the Tax Act, or any expenses for prepaid services or rent that do not qualify as outlays and expenses for the period as described in the definition of the term “expense” in subsection 66(15) of the Tax Act;

“**Canadian Securities Laws**” means all applicable securities laws in each of the Offering Jurisdictions and the respective rules, regulations, instruments, blanket orders and blanket rulings made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders and other regulatory instruments of the Securities Regulators in the Offering Jurisdictions, and all applicable rules and policies of the TSXV;

“**Closing**” means the completion of the issue and sale by the Company and the purchase by the FT Purchasers of the FT Units pursuant to this Agreement and the FT Subscription Agreements;

“**Closing Date**” means the day on which Closing shall occur, being December 29, 2023, or such other date(s) as the Company and Agent may agree upon in writing, or as may be changed pursuant to this Agreement;

“**Closing Time**” means 8:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Company and the Agent may determine;

“**Commitment Amount**” means the aggregate gross proceeds from the sale and issue of the FT Units paid by the FT Purchasers on the Closing Date for the subscription of the FT Units;

“**Common Share**” means a common share in the capital of the Company;

“**Company**” has the meaning ascribed to it on the face page of this Agreement;

“**Company’s Auditors**” means MNP LLP, or such other firm of chartered accountants as the Company may have appointed or may from time to time appoint as auditors of the Company;

“**CRA**” means the Canada Revenue Agency;

“**Crawford Property**” means the Company’s property described in the Public Record as the Crawford Nickel Sulphide Project, situated within the Timmins-Cochrane mining camp in Northeastern Ontario, comprised of 74 crown patents and 64 single cell mining claims, and spanning approximately 5,514 hectares of land;

“**Debt Instrument**” means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability, to which the Company or any of its subsidiaries is a party or by which any of their property or assets are bound;

“**Employee Plans**” has the meaning ascribed to it in Section 4(a)(lxii) of this Agreement;

“**Environmental Laws**” has the meaning ascribed to it in Section 4(a)(lix) of this Agreement;

“**February 2023 FTS Offering**” means the offering comprised of: (i) the public offering of 7,462,500 common shares of the Company; (ii) the public offering of 1,748,300 common shares of the Company which qualified as “flow-through shares” as defined in subsection 66(15) of the Tax Act and the regulations thereunder; and (iii) the non-brokered private placement of 13,521,858 common shares of the Company, which closed on March 2, 2023.

“**Financial Statements**” means the audited consolidated statements for the years ended October 31, 2022 and October 31, 2021, and the condensed consolidated interim statements for the three and nine months ended July 31, 2023 and 2022, in each case together with, as applicable, the notes thereto and the independent auditors’ report thereon;

“**Flow-Through Critical Mineral Mining Expenditure**” means an expense that will qualify, once renounced by the Company, as a “flow-through critical mineral mining expenditure” (as defined in subsection 127(9) of the Tax Act) of the FT Purchaser (or, where the FT Purchaser is a partnership, of the partners of the FT Purchaser to the extent of their respective shares of the

expense so renounced), provided, however, that the definition of “flow-through critical mineral mining expenditure” shall be read without reference to paragraph (f) thereof;

“**Follow-On Transaction**” has the meaning ascribed to it in Section 2 of this Agreement;

“**FT Purchasers**” means purchasers of FT Units who acquire FT Units from the Company under the FT Subscription Agreements;

“**FT Subscription Agreements**” means the subscription and renunciation agreements between the FT Purchasers and the Company, under which the FT Purchasers agree to purchase FT Units upon the terms and conditions contained therein;

“**FT Units**” has the meaning ascribed thereto on the face page of this Agreement;

“**FT Unit Price**” has the meaning ascribed to it on the face page of this Agreement;

“**FT Unit Shares**” has the meaning ascribed thereto on the face page of this Agreement;

“**FT Warrants**” has the meaning ascribed to it on the face page of this Agreement;

“**Government Official**” means any: official, officer, employee or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Entity; salaried political party official, elected member of political office or candidate for political office; or company, business, enterprise or other entity owned or controlled by any person described in the foregoing clauses;

“**Governmental Entity**” means any: multinational, federal, provincial, territorial, 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 having jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; subdivision, agent, commission, board or authority of any of the foregoing; or quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing;

“**including**” means including without limitation;

“**Indemnified Parties**” has the meaning ascribed to in in Section 10(c) of this Agreement;

“**Indemnified Persons**” has the meaning ascribed to in in Section 3(t) of this Agreement;

“**Indemnitor**” has the meaning ascribed to in in Section 10(a) of this Agreement;

“**Laws**” means all applicable laws, statutes, by-laws, rules, regulations, orders, decrees, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements of any Governmental Entities applicable to the Company;

“**Lien**” means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or

other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

“Material Adverse Effect” means any change, effect, event or occurrence, that is materially adverse with respect to the condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), obligations (whether absolute, accrued, conditional or otherwise), business, affairs, capital, ownership, control, management, operations or results of operations of the Company and its subsidiaries (on a consolidated basis);

“Material Agreement” means: any contract, commitment, agreement (written or oral), instrument, lease or other document, including any option agreement or licence agreement, to which the Company is a party or otherwise bound and which is material to the Company or the Subsidiary; and any Debt Instrument which is material to the Company, any agreement, contract or commitment to create, assume or issue any Debt Instrument which is material to the Company, and any other outstanding loans to the Company or the Subsidiary from, or any loans by the Company or the Subsidiary to or a guarantee by the Company or the Subsidiary of the obligations of, any other person which is material to the Company;

“Money Laundering Laws” has the meaning ascribed to it in Section 4(a)(xlili);

“Offered Securities” has the meaning ascribed to it on the face page of this Agreement;

“Offering” has the meaning ascribed to it on the face page of this Agreement;

“Offering Jurisdictions” means each of the provinces and territories of Canada;

“Other Agreements” has the meaning ascribed to it in Section 3(s) of this Agreement;

“Permit” means any material, licence, permit, approval, consent, certificate, registration, filing or other authorization of or issued by any Governmental Entity under applicable laws, including Environmental Laws;

“Permitted Encumbrances” means:

- (a) Liens for taxes, rates, assessments or other governmental charges or levies not yet due, or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by the Company;
- (b) Liens under or pursuant to any judgment or award rendered, or claim filed, against the Company, the time for the appeal or petition for rehearing of which shall not have expired, or which is being contested diligently and in good faith by the appropriate proceedings by the Company or which the Company shall diligently and in good faith be prosecuting an appeal or proceeding for review and in respect of which a stay of execution pending such appeal or proceeding for review shall have been secured;
- (c) licences, easements, rights-of-way, servitudes or other similar rights in land (including, without limitation, licences, easements, rights-of-way, servitudes and other similar rights

in land for railways, sidewalks, public ways, sewers, drains, gas and oil and other pipelines, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) which individually or in the aggregate do not materially impair the use of the affected land for the purpose for which such land is held by the Company, taken as a whole;

- (d) the rights reserved to, or vested in, any Governmental Authorities under the terms of any lease, licence, concession, franchise, grant or Permit acquired by the Company, or under any statutory provision, including to terminate any such lease, licence, concession, franchise, grant or Permit, or to require annual or other payments as a condition to the continuance thereof;
- (e) encumbrances or covenants restricting or prohibiting access to or from lands abutting on controlled access highways or covenants affecting the use to which lands may be put; provided, however, such liens or covenants do not materially impair the use of the lands in the operations of the Company;
- (f) any carrier's, warehouseman's, builder's, mechanic's, garageman's, labourer's or materialman's lien or other similar lien arising in the ordinary course of business or out of the construction or improvement of any land or arising out of the furnishing of materials or supplies, provided that such lien secures monies not at the time due or delinquent or, if due or delinquent, the validity of which is being contested diligently and in good faith by the appropriate proceedings by the Company;
- (g) in respect of any land, any defects or irregularities in the title to such land which are not of a material nature and which, individually or in the aggregate, will not materially impair the use of such land for the purposes for which such land is held by the Company;
- (h) security given by the Company to a public utility or any Governmental Entity when required by such public utility or Governmental Entity in connection with the operations of the Company, all in the ordinary course of its business which individually or in the aggregate do not materially impair its use in the operation of the business of the Company, taken as a whole;
- (i) any operating lease entered into in the ordinary course of business;
- (j) pledges of cash or securities and bankers' liens, rights of set off and other similar liens existing solely with respect to such cash and securities on deposit in one or more accounts maintained by the Company granted in the ordinary course of business securing amounts with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements or securing hedging arrangements;
- (k) landlords' liens or any other rights of distress reserved in or exercisable under any lease of real property for rent and for compliance with the terms of such lease; provided that such lien does not attach generally to all or substantially all of the assets of the Company;
- (l) liens or deposits to secure performance of: bids, tenders, contracts (other than contracts for the payment of money), mining concessions, environmental reclamations; statutory

obligations, surety, and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business; or leases of real property entered into in the ordinary course of business, in each case to which the Company is a party;

- (m) security interests resulting from the deposit of cash or securities or security interests on other assets when the Company is required to provide such deposits or security by a Governmental Authorities or by normal business practice in connection with contracts, licenses, tenders, mining concessions or environmental reclamations or similar matters in the ordinary course of business and for the purpose of carrying on the same, or to secure workers' compensation, surety or appeal bonds or to secure costs of litigation where required by applicable Law;
- (n) rights and interests created by notice by a Governmental Entity with respect to proposed highways and which do not materially impair the operation of the business of the Company;
- (o) any Liens in respect of any contract, commitment, agreement, instrument, lease or other document existing on the date hereof and disclosed to the Agent;
- (p) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any security interest referred to in this definition, so long as any such extension, renewal or replacement of such security interest is limited to all or any part of the same asset that secured the security interest extended, renewed or replaced (plus improvements on such asset) and the indebtedness or obligation secured thereby is not increased; and
- (q) the royalties and net profits interests disclosed in the Public Record;

“person” includes any individual, corporation, limited partnership, general partnership, joint stock company or association, joint venture association, company, trust, bank, trust company, land trust, investment trust, society or other entity, organization, syndicate, whether incorporated or not, trustee, executor or other legal personal representative, and governments and agencies and political subdivisions thereof;

“Personnel” has the meaning ascribed to in in Section 10(a) of this Agreement;

“Prescribed Forms” means the forms prescribed from time to time under subsection 66(12.7) of the Tax Act, and any equivalent provincial or territorial forms, to be filed by the Company within the prescribed time renouncing to the FT Purchasers Qualifying Expenditures incurred pursuant to the FT Subscription Agreements and all parts or copies of such forms required by the CRA, or any applicable provincial or territorial tax authority, to be delivered to the FT Purchaser.

“Principal Business Corporation” means a “principal-business corporation” as defined in subsection 66(15) of the Tax Act;

“Property” or **“Properties”** means the Company's interests and rights in various claims, mining concessions, permits and leases situated in Canada including, but not limited to, the Crawford Property, as described in the Public Record;

“**Public Record**” means all information regarding the Company that is publicly available through filing on SEDAR+ and includes, but is not limited to, any press release, material change report (excluding any confidential material change report), financial statements, management’s discussion and analysis, annual information form, management information circular, business acquisition report, or other document which has been publicly filed by or on behalf of the Company pursuant to Canadian Securities Laws with the Securities Regulators or otherwise by or on behalf of the Company since November 1, 2020;

“**Qualifying Expenditure**” means an expense which:

- (a) qualifies as CEE;
- (b) qualifies as a Flow-Through Critical Mineral Mining Expenditure;
- (c) qualifies once renounced by the Company as an “eligible Ontario critical mineral exploration expenditure” within the meaning of subsection 103(4.1) of the *Taxation Act, 2007* (Ontario) of the FT Purchaser (or, where the FT Purchaser is a partnership, of the partners of the FT Purchaser to the extent of their respective shares of the expense so renounced); and
- (d) is incurred (or is deemed to be incurred) on or after the Closing Date and on or before the Termination Date,

that will be renounced by the Company pursuant to subsection 66(12.6) of the Tax Act, in conjunction with subsection 66(12.66) of the Tax Act, as necessary, with an effective date not later than December 31, 2023 and in respect of which, but for the renunciation, the Company would be entitled to a deduction from income under Part I of the Tax Act;

“**Securities Regulators**” means, collectively, the securities regulators or other securities regulatory authorities in each of the Offering Jurisdictions;

“**subsidiary**” has the meaning ascribed thereto in the *Securities Act* (Ontario);

“**Subsidiary**” means NetZero Metals Inc. and Central Timmins Nickel Company Inc., each of which is a subsidiary corporation existing under the laws of the Province of Ontario;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time and the regulations thereto, including all proposals to amend the Tax Act and the regulations thereto publicly announced by or on behalf of the Minister of Finance (Canada) to have effect prior to the date of this Agreement;

“**Taxes**” has the meaning ascribed to it in Section 4(a)(xxxiii);

“**Technical Report**” means the technical report entitled “Crawford Nickel Sulphide Project: NI 43-101 Technical Report and Feasibility Study” with an effective date of October 1, 2023 and prepared for the Company by Ausenco Engineering Canada ULC;

“**Termination Date**” means December 31, 2024;

“**Transaction Documents**” means, collectively, this Agreement and the FT Subscription Agreements;

“**Transfer Agent**” means TSX Trust Company, in its capacity as transfer agent and registrar in respect of the Common Shares at its principal office in Toronto, Ontario;

“**TSXV**” means the TSX Venture Exchange;

“**Warrant Certificate**” means the certificate representing the FT Warrants and containing the terms thereof;

“**Warrant Expiry Date**” has the meaning ascribed thereto on the face page of this Agreement; and

“**Warrant Share**” has the meaning ascribed thereto on the face page of this Agreement.

TERMS AND CONDITIONS

1. Compliance with Canadian Securities Laws and Certain Obligations of the Company.

- (a) Upon and subject to the terms and conditions set forth herein, the Agent hereby agrees to act, and upon acceptance hereof, the Company hereby appoints the Agent, as the Company’s exclusive agent, to offer for sale by way of private placement on a “best efforts” basis, without underwriter liability, the FT Units to be issued and sold pursuant to the Offering. The Agent shall arrange for the purchase of the FT Units pursuant to the Offering in the Offering Jurisdictions in accordance with the terms of this Agreement, in such a manner so as not to require registration thereof or filing of a prospectus, registration statement or similar disclosure document or imposing on the Company any additional continuous reporting obligations under any Canadian Securities Laws, all in compliance with such Canadian Securities Laws on a private placement basis.
- (b) Each FT Purchaser will purchase FT Units and the Company will issue and sell the FT Units pursuant to exemptions from the prospectus requirements of Canadian Securities Laws. Each FT Purchaser will enter into a FT Subscription Agreement with the Company.
- (c) The Company agrees to comply with Canadian Securities Laws on a timely basis in connection with the Offering and undertakes to file, or cause to be filed, within the periods stipulated under Canadian Securities Laws, all forms or undertakings required to be filed by the Company in connection with the issue and sale of the FT Units so that the distribution of the FT Units may lawfully occur without the necessity of filing or delivering (as applicable) a prospectus, a registration statement or an offering memorandum in the Offering Jurisdictions, and the Agent undertakes to use its commercially reasonable best efforts to cause FT Purchasers to complete any forms required by applicable Canadian Securities Laws. All fees payable in connection with such filings shall be at the expense of the Company.
- (d) Neither the Company nor the Agent shall: provide to prospective purchasers of the FT Units any document or other material that would constitute an offering memorandum or

future oriented financial information within the meaning of applicable Canadian Securities Laws; or engage in any form of general advertising or any form of general solicitation in connection with the Offering in: printed media of general and regular circulation or any similar medium; radio; television; or electronic media, nor shall it conduct any seminar or meeting concerning the offer and sale of the FT Units whose attendees have been invited by any form of general solicitation or general advertising.

2. Follow-On Transactions.

- (a) The Company understands that following the Closing, some or all of the securities comprising the FT Units may be donated by the FT Purchasers to one or more charities and subsequently may be sold to investors by the charity or charities, or may be sold to a third party (each, a “**Follow-On Transaction**”).
- (b) The Agent acknowledges that the Company has no knowledge of the Follow-On Transactions other than that they may or may not occur and that the Company will have no involvement or participation in any Follow-On Transactions, other than to register any transfer of securities required as a result.
- (c) The Agent does not act, and will not purport to act, as agent or representative of the Company in connection with any Follow-On Transaction and services or activities, if any, performed by the Agent in connection with any Follow-On Transaction are excluded from this Agreement. The consideration payable to the Agent hereunder is for the Agent’s services in respect of the Offering only. The parties further acknowledge that the Company is not entitled, and will not become entitled, to receive any consideration in respect of any Follow-On Transaction that might occur.
- (d) The Company shall not be liable or responsible for any breach of any covenant or representation given in this Agreement if the FT Unit Shares or FT Warrants are “prescribed shares” or “prescribed rights” under section 6202.1 of the regulations to the Tax Act as a result of the Follow-On Transactions.

3. Covenants of the Company. The Company hereby covenants to the Agent that:

- (a) The Company will allow the Agent and its representatives the opportunity to conduct all due diligence which the Agent may reasonably require to be conducted prior to the Closing Date.
- (b) The Company will duly execute and deliver this Agreement and the FT Subscription Agreements at the Closing Time, and comply with and satisfy all terms, conditions and covenants therein contained to be complied with or satisfied by the Company.
- (c) the Company will ensure that the necessary regulatory and third party consents, approvals, permits and authorizations, including under Canadian Securities Laws, and legal requirements in connection with the transactions contemplated by this Agreement are obtained or fulfilled on or prior to the Closing Date and will make all necessary filings (including post-closing filings pursuant to Canadian Securities Laws and the rules and policies of the TSXV), take or cause to be taken all action required to be taken by the

Company and pay all filing fees required to be paid in connection with the transactions contemplated by this Agreement;

- (d) the Company will use commercially reasonable efforts to obtain the conditional approval for listing by the TSXV of the FT Unit Shares and the Warrant Shares, subject only to customary conditions;
- (e) the Company will ensure that the FT Unit Shares upon issuance shall be duly and validly authorized and issued as fully paid and non-assessable Common Shares;
- (f) the Company will ensure that the FT Warrants upon issuance are duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Certificate;
- (g) the Company will ensure, at all times prior to the Warrant Expiry Date, that sufficient Warrant Shares are authorized and allotted for issuance upon due and proper exercise of the FT Warrants, and upon issuance in accordance with the terms of the Warrant Certificate, including payment of the exercise price therefor, the Warrant Shares shall be validly issued as fully paid and non-assessable Common Shares;
- (h) the Company will not issue any additional equity or quasi-equity securities (including, without limitation, any securities convertible into or exchangeable for equity securities of the Company) for a period of 90 days from the Closing Date without the prior written consent of the Agent (such consent not to be unreasonably withheld or delayed) except in conjunction with: the grant or exercise of stock options, restricted share units and other similar issuance pursuant to the share incentive plan of the Company and other share compensation arrangements including incentive bonuses and issuance pursuant to any long-term incentive plans or grants; outstanding warrants or options, including the FT Warrants; obligations in respect of existing mineral property agreements; the issuance of securities in connection with any arm's length property or share acquisitions in the normal course of business; or the issuance of securities in connection with the satisfaction of fees payable to service providers of the Company or the settlement of any outstanding indebtedness of the Company;
- (i) the Company will use commercially reasonable efforts to fulfil or cause to be fulfilled, at or prior to the Closing Time each of the conditions set out in Sections 6;
- (j) the Company will incur or be deemed to incur on or after the Closing Date and on or prior to the Termination Date, Qualifying Expenditures in an amount equal to the Commitment Amount, and will renounce to the FT Purchasers, with an effective date no later than December 31, 2023, in accordance with subsection 66(12.6) of the Tax Act, in conjunction with subsection 66(12.66) of the Tax Act as necessary, and with this Agreement and the FT Subscription Agreements, Qualifying Expenditures in an amount equal to the Commitment Amount;
- (k) the Company will keep proper books, records and accounts of all Qualifying Expenditures and all transactions affecting the Commitment Amount and the Qualifying Expenditures, and upon reasonable notice, will make such books, records and accounts available for

inspection and audit by or on behalf of the Agent or the FT Purchasers, at the Agent's or FT Purchaser's sole expense;

- (l) the Company shall deliver to the FT Purchasers, on or before March 1, 2024, the Prescribed Forms, fully completed and executed, renouncing to the FT Purchasers Qualifying Expenditures in an amount equal to the Commitment Amount with an effective date of no later than December 31, 2023, such delivery constituting authorization to the FT Purchasers to file such forms with the relevant taxation authorities;
- (m) the Company will file with the CRA and any applicable provincial or territorial tax authority, within the time prescribed by subsection 66(12.68) of the Tax Act and any other applicable provincial or territorial legislation, the forms prescribed for purposes of such legislation together with copies of the FT Subscription Agreements and any "selling instrument" contemplated by such legislation and shall forthwith following such filing provide to the FT Purchasers a copy of such form certified by an officer of the Company;
- (n) if the Company receives, or becomes entitled to receive, any assistance which is described in the definition of "assistance" in subsection 66(15) of the Tax Act and the receipt of or entitlement to receive such assistance has or will have the effect of reducing the amount of Qualifying Expenditures validly renounced to the FT Purchasers under the FT Subscription Agreements to less than the Commitment Amount, the Company shall incur (or be deemed to incur) additional Qualifying Expenditures in an amount equal to such assistance so that it will be able to renounce Qualifying Expenditures in an amount not less than the Commitment Amount to the FT Purchasers with an effective date no later than December 31, 2023 in accordance with the terms of this Agreement and the FT Subscription Agreements;
- (o) the Company will use an amount equal to the Commitment Amount to incur (or be deemed to incur) Qualifying Expenditures on the Properties in Ontario;
- (p) the Company will maintain its status as a Principal Business Corporation until such time as all of the Qualifying Expenditures required to be renounced under the FT Subscription Agreements have been incurred or have been deemed to be incurred and validly renounced pursuant to the Tax Act;
- (q) the Company shall incur and renounce Qualifying Expenditures pursuant to the FT Subscription Agreements and all other agreements with other persons providing for the issue of FT Units on the Closing Date entered into by the Company (collectively, the "**Other Agreements**") before incurring and renouncing CEE pursuant to any other agreement which the Company may subsequently enter into after the Closing Date with any person with respect to the issue of shares or rights which are "flow-through shares" as defined in subsection 66(15) of the Tax Act. If the Company is required under the Tax Act or otherwise to reduce Qualifying Expenditures previously renounced to the purchasers of FT Units and unless the purchasers of FT Units otherwise agree or would not be negatively affected, the reduction shall be made pro rata by the subscription amount paid for FT Units only after it has first reduced to the extent possible all CEE renounced to persons (other than the purchasers of FT Units) under any agreements relating to shares or rights which

are “flow-through shares” as defined in subsection 66(15) of the Tax Act entered into after the Closing Date. For greater certainty, nothing in this Agreement shall limit in any way the Company’s ability or obligation to incur and renounce CEE pursuant to the February 2023 FTS Offering or the April 2022 FTS Offering;

- (r) the Company will not enter, without the prior written consent of the Agent and the FT Purchasers (which consent may be withheld in the sole discretion of the Agent) into any other agreement which would prevent or restrict its ability to renounce Qualifying Expenditures to the FT Purchasers equal to the Commitment Amount;
- (s) if the Company does not renounce to the FT Purchasers effective on or before December 31, 2023, Qualifying Expenditures equal to the Commitment Amount, the Company shall indemnify and hold harmless the FT Purchasers and each of the partners thereof if the FT Purchaser is a partnership or a limited partnership (for the purposes of this paragraph each an “**Indemnified Person**”) as to, and pay to the Indemnified Person on or before the 20th Business Day following the date the amount is determined, but in any event no later than July 1, 2024, an amount equal to the amount of any tax (within the meaning of subparagraph (c) of the definition of “excluded obligation” at subsection 6202.1(5) of the regulations to the Tax Act) payable under the Tax Act (and under the corresponding provincial or territorial legislation) by any Indemnified Person as a consequence of such failure. In the event that the amount renounced by the Company to the FT Purchaser is reduced pursuant to subsection 66(12.73) of the Tax Act or under corresponding provincial or territorial legislation, the Company shall indemnify and hold harmless each Indemnified Person as to, and pay to the Indemnified Person on or before the 20th Business Day following the date the amount is assessed by the CRA pursuant to a notice of assessment or reassessment and communicated in writing to the Company (including a copy of the notice of assessment or reassessment issued by the CRA describing such reduction), an amount equal to the amount of any tax (within the meaning of subparagraph (c) of the definition of “excluded obligation” at subsection 6202.1(5) of the regulations to the Tax Act) payable under the Tax Act (and under the corresponding provincial or territorial legislation) by the Indemnified Person as a consequence of such reduction. This indemnity is in addition to and not in derogation of any other recourse, rights or remedies that the FT Purchasers may have against the Company. For certainty, the foregoing indemnity shall have no force or effect and the FT Purchaser shall not have any recourse or rights of action to the extent that such indemnity would otherwise cause the FT Unit Shares and/or the FT Warrants to be “prescribed shares” or “prescribed rights” within the meaning of section 6202.1 of the regulations to the Tax Act. To the extent that any party entitled to be indemnified hereunder is not a signatory of a FT Subscription Agreement, the FT Purchaser shall obtain and hold the rights and benefits of the FT Subscription Agreement in trust for, and on behalf of, such Person (provided that such Person is a Disclosed Principal (as defined in the FT Subscription Agreement) for whom the FT Purchaser is acting) and such Person shall be entitled to enforce the provisions of this section notwithstanding that such Person is not a signatory of the FT Subscription Agreement.
- (t) the Company will comply with the Company’s other covenants and representations contained in the FT Subscription Agreements;

- (u) the Company will notify the Agent immediately upon receipt by the Ontario Ministry of Northern Development, Mines, Natural Resources and Forestry of any deficiencies in filings related to the Properties, including filings related to assessment work and payments related thereto and take such actions as may be required to cure any and all deficiencies to prevent the claims from lapsing, including a payment or cash deposit in lieu of work expenditures, within the applicable time period; and
- (v) Prior to the Closing, the Company shall promptly notify the Agent (and, if requested by the Agent, confirm such notification in writing) of any material change (in either case, whether actual, anticipated, contemplated or threatened, financial or otherwise) or any event or development involving a prospective material change or a change in a material fact or any other material change in the business, affairs, operations, assets (including information or data relating to the estimated value or book value of assets), liabilities (contingent or otherwise), capital, ownership, control or management of the Company which would constitute a material change to the Company. Prior to the Closing, the Company shall promptly, and in any event, within any applicable time limitation, comply with all applicable filings and other requirements under applicable Securities Laws as a result of such change. Prior to the Closing, the Company shall in good faith discuss with the Agent any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Agent pursuant to this Section 3(v).

Representations and Warranties of the Company. The Company hereby represents, warrants and covenants to the Agent and acknowledges that the Agent is relying upon such representations, warranties and covenants in connection with the Offering, that:

General Matters

- (i) *Good Standing of the Company.* The Company: (A) has been duly incorporated and is up-to-date in all material corporate filings and in good standing under the *Business Corporations Act* (Ontario); (B) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets; and (C) has all requisite corporate power and capacity to create, issue and sell, as applicable, the Offered Securities and to enter into and carry out its obligations under the Transaction Documents.
- (ii) *Subsidiaries.* The Company does not have any subsidiaries within the meaning of the *Securities Act* (Ontario) other than the Subsidiary. The Company directly holds all of the issued and outstanding shares of the Subsidiary, and all such shares are legally and beneficially owned by the Company, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever. All of such outstanding shares of the Subsidiary have been duly authorized and validly issued and are outstanding as fully paid and non-assessable shares (or the equivalent legal concept in another jurisdiction) and, other than the Company, no person has any right, agreement or option for the purchase from the Company of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Subsidiary, or any other security convertible

into or exchangeable for any such shares. The Subsidiary is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all requisite corporate power and capacity to own, lease and operate, as applicable, its properties and assets and conduct its business as currently conducted.

- (iii) *Carrying on Business.* Except where non-compliance does not have and would not reasonably be expected to have a Material Adverse Effect, the Company and the Subsidiary is, in all material respects, conducting its business in compliance with all applicable laws, rules and regulations (including all applicable federal, provincial, municipal, and local environmental anti-pollution and licensing laws, regulations and other lawful requirements of any governmental or regulatory body, including but not limited to relevant exploration, concessions and permits) of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its properties or assets or carries on business to enable its business to be carried on as now conducted and its properties and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of material non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of material non-compliance with any such laws, regulations, requirements, licences, registrations or qualifications.
- (iv) *No Proceedings for Dissolution.* No acts or proceedings have been taken, instituted or, are pending or, to the knowledge of the Company, are threatened for the dissolution, liquidation or winding-up of the Company or the Subsidiary.
- (v) *Freedom to Compete.* Neither the Company nor the Subsidiary is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Company or the Subsidiary to compete in any line of business, transfer or move any of its assets or operations or which would have a Material Adverse Effect.
- (vi) *Share Capital of the Company.* The authorized capital of the Company consists of an unlimited number of Common Shares of which, as of the close of business on December 28, 2023, 143,435,025 Common Shares were outstanding as fully paid and non-assessable shares in the capital of the Company.
- (vii) *Absence of Rights.* Except as disclosed in the Public Record and to the Agent, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Company and the Offered Securities, upon issuance, will not be issued in violation of or subject to any pre-emptive rights, participation rights or other contractual rights to purchase securities issued by the Company.

- (viii) *Common Shares are Listed.* The issued and outstanding Common Shares are listed and posted for trading on the TSXV and no order ceasing or suspending trading in the Common Shares or any other securities of the Company or prohibiting the sale or issuance of the Offered Securities has been issued and to the knowledge of the Company, no proceedings for such purpose have been threatened or are pending.
- (ix) *Stock Exchange Compliance.* The Company has not taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSXV and the Company is in compliance with the rules and policies of the TSXV in all material respects. The Company will make application for the FT Unit Shares and the Warrant Shares to be conditionally approved for listing and trading on the TSXV, subject only to customary post-Closing conditions required to be satisfied within the applicable time frame pursuant to the rules and policies of the TSXV.
- (x) *Reporting Issuer Status.* The Company is a “reporting issuer” under the Canadian Securities Laws of each of the provinces of Alberta, Ontario and British Columbia, not included in a list of defaulting reporting issuers maintained by the Securities Regulators in the reporting jurisdictions, and in particular, without limiting the foregoing, the Company has at all times complied with its obligations to make timely disclosure of all material changes and material facts relating to it and there is no material change or material fact relating to the Company which has occurred and with respect to which the requisite news release has not been disseminated or material change report, as applicable, has not been filed with the Securities Regulators in the reporting jurisdictions.
- (xi) *No Voting Control.* The Company is not a party to, nor is the Company aware of, any shareholders’ agreements, pooling agreements, voting agreements or voting trusts or other similar agreements with respect to the ownership or voting of any of the securities of the Company or, other than as disclosed in the Public Record, the Subsidiary or with respect to the nomination or appointment of any directors or officers of the Company or, other than as disclosed in the Public Record, the Subsidiary, or pursuant to which any person may have any right or claim in connection with any existing or past equity interest in the Company or the Subsidiary. The Company has not adopted a shareholders’ rights plan or any similar plan or agreement.
- (xii) *Transfer Agent.* The Transfer Agent at its principal office in Toronto, Ontario has been duly appointed as the registrar and transfer agent in respect of the Common Shares.
- (xiii) *Valid and Binding Documents.* Each of the execution and delivery of each of the Transaction Documents and the performance of the transactions contemplated hereby and thereby have been authorized by all necessary corporate action of the Company and upon the execution and delivery thereof shall constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, provided that enforcement thereof may be

limited by bankruptcy, insolvency and other laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable.

- (xiv) *All Consents and Approvals.* All consents, approvals, permits, authorizations or filings as may be required under Canadian Securities Laws necessary for: (A) the execution and delivery of this Agreement, (B) the creation, issuance, sale and delivery, as applicable, of the Offered Securities, and (C) the consummation of the transactions contemplated hereby and thereby, have been made or obtained, as applicable, other than the application for the FT Unit Shares and the Warrant Shares to be conditionally approved for listing and trading on the TSXV and post-Closing filings required to be submitted within the applicable time frame pursuant to applicable Canadian Securities Laws.
- (xv) *Validly Issued FT Unit Shares.* The FT Unit Shares have been duly and validly authorized for issuance and sale and when issued and delivered by the Company pursuant to this Agreement, against payment of the consideration set forth herein, the FT Unit Shares will be validly issued as fully paid and non-assessable Common Shares.
- (xvi) *Validly Issued FT Warrants.* The FT Warrants have been duly and validly created, authorized and issued and have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Certificate.
- (xvii) *Validly Issued Warrant Shares.* A sufficient number of Warrant Shares have been authorized and allotted for issuance such that, upon issuance in accordance with the terms of the Warrant Certificate, including payment of the exercise price therefor, the Warrant Shares shall be validly issued as fully paid and non-assessable Common Shares.
- (xviii) *Material Agreements and Debt Instruments.* All of the Material Agreements of the Company and the Subsidiary have been disclosed in the Public Record and each is valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof. The Company and the Subsidiary has performed all obligations (including payment obligations) in a timely manner under, and are in compliance with, all terms and conditions contained in each Material Agreement in all material respects. The Company and the Subsidiary are not in violation, breach or default nor has either received any notification from any party claiming that the Company or the Subsidiary are in violation, breach or default under any Material Agreement, and no other party, to the knowledge of the Company, is in breach, violation or default of any term under any Material Agreement. The Company does not expect any Material Agreements to which the Company or the Subsidiary are a party or otherwise bound or the relationship with the counterparties thereto to be terminated or materially adversely modified, amended or varied or adversely enforced against the Company or the Subsidiary, as applicable, other than

in the ordinary course of business. The carrying out of the business of the Company and the Subsidiary as currently conducted and as proposed to be conducted does not result in a material violation or breach of or default under any Material Agreement or Debt Instrument.

- (xix) *Previous Corporate Transactions.* Except as which may not reasonably be expected to have a Material Adverse Effect, all previous corporate transactions completed by the Company or the Subsidiary, including the acquisition of the securities, business or assets of any other person, the acquisition of options to acquire the securities, business or assets of any other person, and the issuance of securities, were completed in compliance with all applicable corporate and securities laws and all related transaction agreements and all necessary corporate, regulatory and third party approvals, consents, authorizations, registrations, and filings required in connection therewith were obtained or made, as applicable, and complied with.
- (xx) *Absence of Breach or Default.* The Company and the Subsidiary is not in breach or default of, and the execution and delivery of the Transaction Documents and the performance by the Company of its obligations hereunder or thereunder, the creation, issue and sale, as applicable, of the Offered Securities and the consummation of the transactions contemplated hereby and thereby do not and will not conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under, whether after notice or lapse of time or both: (A) any statute, rule or regulation applicable to the Company or the Subsidiary, including the Canadian Securities Laws; (B) the constating documents or resolutions of the directors (including of committees thereof) or shareholders of the Company and the Subsidiary; (C) any Material Agreement; or (D) any judgment, decree or order binding the Company, the Subsidiary or the properties or assets of the Company or the Subsidiary, which default, violation or breach might reasonably be expected to result in a Material Adverse Effect.
- (xxi) *No Actions or Proceedings.* To the Company's knowledge, there are no material actions, proceedings or investigations (whether or not purportedly by or on behalf of the Company or the Subsidiary) currently outstanding, threatened or pending, against or affecting the Company or the Subsidiary or any of their directors or officers at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any Governmental Entity which in any way has or would reasonably be expected to have a Material Adverse Effect and, to the Company's knowledge, there is no basis therefor which, in each case, if determined adversely to the Company, would individually or in the aggregate have a Material Adverse Effect. To the Company's knowledge, there are no judgments, orders or awards against the Company or the Subsidiary which are unsatisfied, nor are there any consent decrees or injunctions to which the Company, the Subsidiary or their properties or assets are subject.
- (xxii) *Financial Statements.* The Financial Statements contain no misrepresentations, present fairly the financial position and condition of the Company (on a consolidated basis), as at the dates thereof and for the periods indicated and reflect

all assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Company (on a consolidated basis) and the results of their operations and the changes in their financial position for the periods then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Company (on a consolidated basis) and have been prepared in accordance with International Financial Reporting Standards, applied on a consistent basis throughout the periods involved.

(xxiii) *No Material Changes.* Since November 1, 2020, except as disclosed in the Public Record:

- (A) there has not been any material change in the assets, properties, affairs, prospects, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company or the Subsidiary, as applicable;
- (B) there has not been any material change in the capital stock or long-term debt of the Company or the Subsidiary, as applicable; and
- (C) the Company and the Subsidiary, as applicable, has carried on its business in the ordinary course.

(xxiv) *No Off-Balance Sheet Arrangements.* There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or liabilities of the Company or the Subsidiary.

(xxv) *Internal Accounting Controls.* The Company and the Subsidiary maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (A) material transactions are executed in accordance with management's general or specific authorizations; (B) material transactions are recorded as necessary to permit preparation of financial statements in conformity with International Financial Reporting Standards and to maintain asset accountability; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(xxvi) *Accounting Policies.* There has been no material change in accounting policies or practices of the Company or the Subsidiary since November 1, 2020 other than as disclosed in the Financial Statements.

(xxvii) *Purchases and Sales.* Since November 1, 2020 other than as disclosed in the Public Records, neither the Company nor the Subsidiary has approved, entered into any agreement in respect of, or has any knowledge of:

- (A) the purchase of any material property or any interest therein, or the sale, transfer or other disposition of any material property or any interest therein

currently owned, directly or indirectly, by the Company or the Subsidiary whether by asset sale, transfer of shares, or otherwise;

- (B) the change of control (by sale or transfer of voting or equity securities or sale of all or substantially all of the assets of the Company or the Subsidiary or otherwise) of the Company or the Subsidiary; or
- (C) a proposed or planned disposition of any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares or of the outstanding shares of the Subsidiary.

(xxviii) *No Loans or Non-Arm's Length Transactions.* Neither the Company nor the Subsidiary has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with the Company or the Subsidiary.

(xxix) *Dividends.* There is not, in the constating documents or in any Debt Instrument, Material Agreement, or other instrument or document to which the Company or the Subsidiary is a party, any restriction upon or impediment to, the declaration of dividends by the directors of the Company or the Subsidiary, as applicable, or the payment of dividends by the Company or the Subsidiary to its respective shareholders.

(xxx) *Independent Auditors.* The Company's Auditors are independent public accountants as required by the Canadian Securities Laws of the Offering Jurisdictions and there has not been any "reportable event" (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) with respect to the present or any former auditor of the Company.

(xxxi) *Insurance.* The assets of the Company and the Subsidiary and their respective businesses and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, and such coverage is in full force and effect, and neither the Company nor the Subsidiary has failed to promptly give any notice or present any material claim thereunder.

(xxxii) *Taxes.* Except as which may not reasonably be expected to have a Material Adverse Effect, all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Company and the Subsidiary have been paid. All tax returns, declarations, remittances and filings required to be filed by the Company or the Subsidiary have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would

make any of them misleading. To the knowledge of the Company, no examination of any tax return of the Company or the Subsidiary is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes.

(xxxiii) *Issuance of FT Shares.* Except as a result of any Follow-On Transaction or any agreement, arrangement, undertaking or understanding to which the Company is not a party and of which it has no knowledge, upon issue and payment therefor, the FT Unit Shares and FT Warrants will be “flow-through shares” as defined in subsection 66(15) of the Tax Act (and “Ontario focused flow-through shares” as defined in subsection 103(7) of the *Taxation Act, 2007* (Ontario)) and will not be “prescribed shares” or “prescribed rights” within the meaning of section 6202.1 of the regulations to the Tax Act.

(xxxiv) *Principal Business Corporation.* The Company is and will continue to be a Principal Business Corporation and a “mining exploration company” as defined in subsection 103(7) of the *Taxation Act, 2007* (Ontario) until such time as all of the Qualifying Expenditures required to be renounced under this Agreement and the FT Subscription Agreements have been incurred or have been deemed to be incurred and validly renounced pursuant to the Tax Act.

(xxxv) *Commitment Amount and Renunciation.* The Company will use the Commitment Amount to incur or be deemed to incur Qualifying Expenditures on or after the Closing Date and on or before the Termination Date and will renounce to the FT Purchasers, with an effective date no later than December 31, 2023, pursuant to subsection 66(12.6) of the Tax Act in conjunction with subsection 66(12.66) of the Tax Act where applicable, Qualifying Expenditures in an amount equal to the Commitment Amount. The Company has no reason to believe that it will be unable to incur or be deemed to incur, on or after the Closing Date and on or before the Termination Date or that it will be unable to renounce to the FT Purchasers effective on or before December 31, 2023, Qualifying Expenditures in an aggregate amount equal to the Commitment Amount and the Company has no reason to expect any reduction of such amount by virtue of subsection 66(12.73) of the Tax Act.

(xxxvi) *Qualifying Expenditures.* The expenses to be renounced by the Company to the FT Purchasers:

- (A) will constitute Qualifying Expenditures on the effective date of the renunciation;
- (B) will not include expenses that are “Canadian exploration and development overhead expenses” (as defined in the regulations to the Tax Act for purposes of paragraph 66(12.6)(b) of the Tax Act) of the Company, assistance as described in paragraph 66(12.6)(a) of the Tax Act, amounts which constitute specified expenses for seismic data described in paragraph 66(12.6)(b.1) of the Tax Act or any expenses for prepaid services or rent

that do not qualify as outlays and expenses for the period as described in the definition of “expense” in subsection 66(15) of the Tax Act;

- (C) will not include any amount that has previously been renounced by the Company to the FT Purchasers or to any other person; and
 - (D) will not include an expense that was renounced under subsection 66(12.6) of the Tax Act to the Company (or a partnership of which the Company is a member) by a person not related to the Company (within the meaning of the Tax Act).
- (xxxvii) *Certification.* The Company has obtained a certificate in accordance with paragraph (e) of the definition of “flow-through critical mineral mining expenditure” in subsection 127(9) of the Tax Act, in prescribed form, by a “qualified professional engineer or professional geoscientist”, as such term is defined in subsection 127(9) of the Tax Act, that the Qualifying Expenditures to be renounced to the FT Purchasers will be incurred pursuant to an exploration plan that primarily targets “critical minerals” (as defined in subsection 127(9) of the Tax Act).
- (xxxviii) *No Reduction.* Unless required pursuant to the Tax Act, the Company shall not reduce the amount renounced to the FT Purchasers pursuant to subsection 66(12.6) of the Tax Act (in conjunction with subsection 66(12.66) of the Tax Act as necessary).
- (xxxix) *No Impairment.* The Company shall not be subject to the provisions of subsection 66(12.67) of the Tax Act in a manner which impairs its ability to renounce Qualifying Expenditures to the applicable FT Purchasers in an amount equal to the Commitment Amount and shall promptly notify the FT Purchasers in the event that it becomes aware of or is informed of an issue in relation to its ability to claim such Qualifying Expenditures.
- (xl) *No Restriction.* The Company has not entered into any agreements or made any covenants with any parties that would restrict the Company from entering into the FT Subscription Agreements and agreeing to incur and renounce CEE, nor that would require the prior renunciation to any other person of CEE prior to the renunciation of the aggregate Commitment Amount in favour of the FT Purchasers, other than the February 2023 FTS Offering and the April 2022 FTS Offering.
- (xli) *Amalgamation.* If the Company amalgamates with any one or more companies, any shares issued to or held by an FT Purchaser as a replacement for the FT Unit Shares as a result of such amalgamation will qualify, by virtue of subsection 87(4.4) of the Tax Act or otherwise, as “flow-through shares” and in particular will not be “prescribed shares” as defined in section 6202.1 of the regulations to the Tax Act, but for any agreement to which the Company is not a party and of which it has no knowledge.

- (xlii) *Compliance with Laws, Filings and Fees.* The Company has or will have complied with all relevant statutory and regulatory requirements required to be complied with prior to the Closing Time in connection with the Offering. All filings and fees required to be made and paid by the Company in connection with the Offering pursuant to Canadian Securities Laws and general corporate law have been or will be paid. Neither the Company nor the Subsidiary is aware of any legislation or regulation, or proposed legislation or regulation published by a legislative or governmental body, which it anticipates will have a Material Adverse Effect.
- (xliii) *Anti-Bribery Laws.* Neither the Company nor the Subsidiary nor, to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of the foregoing, has: (A) violated any anti-bribery or anti-corruption laws applicable to the Company or the Subsidiary, including but not limited to the United States Foreign Corrupt Practices Act of 1977, as amended, and the *Corruption of Foreign Public Officials Act* (Canada), or (B) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest value: (X) to any Government Official, whether directly or through any other person, for the purpose of influencing any act or decision of a Government Official in his or her official capacity; inducing a Government Official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a Government Official to influence or affect any act or decision of any Governmental Entity; or assisting any representative of the Company or the Subsidiary in obtaining or retaining business for or with, or directing business to, any person; or (Y) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Company nor any the Subsidiary nor, to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of the foregoing, has: conducted or initiated any review, audit, or internal investigation that concluded the Company or the Subsidiary, or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing; or made a voluntary, directed, or involuntary disclosure to any Governmental Entity responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws.
- (xliv) *Anti-Money Laundering.* The operations of the Company and the Subsidiary are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Entity (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court or Governmental Entity or any

arbitrator involving the Company or the Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

- (xlv) *Directors and Officers.* Except as disclosed in the Public Record, to the knowledge of the Company, none of the directors or officers of the Company or the Subsidiary: (A) are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange, or (B) in the last 10 years have been subject to an order preventing, ceasing or suspending trading in any securities of the Company or other public company.
- (xlvi) *Related Parties.* Except as disclosed in the Public Record, none of the directors, officers, employees, consultants or advisors of the Company or the Subsidiary, any known holder of more than 10% of any class of shares of the Company, or any known associate or affiliate of any of the foregoing persons, has had any material interest, direct or indirect, in any previous transaction or any proposed transaction with the Company which, as the case may be, materially affected, is material to or will materially affect the Company. All previous material transactions of the Company were completed on an arm's length basis and on commercially reasonable terms.
- (xlvii) *Fees and Commissions.* Other than the Agent pursuant to this Agreement or as disclosed to the Agent, there is no person acting or purporting to act at the request of the Company who is entitled to any brokerage, finder, agency or other fiscal advisory or similar fee in connection with the Offering or transactions contemplated herein.
- (xlviii) *Entitlement to Proceeds.* Other than the Company, there is no person that is or will be entitled to the proceeds of the Offering, including under the terms of any Debt Instrument, Material Agreement, or other instrument or document (written or unwritten).
- (xlix) *Minute Books and Records.* The minute books and records of the Company and the Subsidiary contain copies of all constating documents, including all amendments thereto, and all proceedings of securityholders and directors (and committees thereof) and are complete in all material respects.
- (l) *Continuous Disclosure.* The Company is in compliance in all material respects with its continuous disclosure obligations under the Canadian Securities Laws of the Offering Jurisdictions and, without limiting the generality of the foregoing, there has not occurred an adverse material change and no material fact has arisen, financial or otherwise, in the assets, properties, affairs, liabilities, obligations (contingent or otherwise), business, condition (financial or otherwise), results of operations or capital of the Company or the Subsidiary which has not been publicly disclosed and the information and statements in the Public Record were true and correct as of the respective dates of such information and statements and at the time

such documents were filed on SEDAR+, do not contain any misrepresentations and no material facts have been omitted therefrom which would make such information and statements misleading, and the Company has not filed any confidential material change reports which remain confidential as at the date hereof. The Company is not aware of any circumstances presently existing under which liability is or would reasonably be expected to be incurred under Part XXIII.1 – *Civil Liability for Secondary Market Disclosure of the Securities Act* (Ontario) and analogous provisions under the securities laws of the provinces of British Columbia and Alberta.

- (li) *Forward-Looking Information.* With respect to forward-looking information contained in the Company's Public Record, the Company had a reasonable basis for the forward-looking information at the time the disclosure was made.
- (lii) *Information.* All information relating to the Company and the Subsidiary and their businesses, properties and liabilities and provided to the Agent is, as of the date of such information, true and correct in all material respects. The Company has not withheld from the Agent any material facts relating to the Company or the Offering.

Mining and Environmental Matters

- (liii) *Properties and Assets.* The Company is the legal and beneficial owner of, and has title to, or a proprietary interest or right to acquire title to, all of the material properties or assets thereof as described in the Public Record, except for Permitted Encumbrances, such properties and assets are free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and except for Permitted Encumbrances, no other property rights (including surface or access rights) are necessary for the conduct of the business of the Company and the Subsidiary as currently conducted; to the Company's knowledge the Company is not aware of any claim or basis for any claim that might or could adversely affect the right of the Company or the Subsidiary to use, transfer, access or otherwise exploit such property rights; and, except as disclosed in the Public Record or Permitted Encumbrances, neither the Company nor the Subsidiary has any responsibility or obligation to pay any material commission, royalty, licence fee or similar payment to any person with respect to the property rights thereof.
- (liv) *Material Property and Mining Rights.* The Company and the Subsidiary hold, or have the right to acquire, freehold title, mineral or mining leases, concessions or claims or other conventional property, proprietary or contractual interests or rights, including access and surface rights, recognized in the jurisdiction in which the Properties are located in respect of the specified minerals located in the Properties in which the Company and the Subsidiary have an interest under valid, subsisting and enforceable title documents or other recognized and enforceable agreements or instruments, sufficient to permit the Company and the Subsidiary to access the Properties and explore and exploit the minerals relating thereto as it is currently conducted, except where the failure to have such rights or interests would not have a Material Adverse Effect; all such properties, leases, concessions or claims in

which the Company and the Subsidiary have any interests or rights have been validly located and recorded in accordance with all applicable laws and are valid, subsisting and in good standing, except where lack of such validity, subsistence or good standing would not reasonably be expected to have a Material Adverse Effect.

- (lv) *Valid Title Documents.* Any and all of the agreements and other documents and instruments pursuant to which the Company and the Subsidiary hold their material properties and assets (including any option agreement or any interest in, or right to earn an interest in, any properties and assets) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof, the Company and the Subsidiary are not in default of any of the material provisions of any such agreements, documents or instruments, nor has any such default been alleged. Except as disclosed in the Public Record, neither the properties or assets (nor any option agreement or any interest in, or right to earn an interest in, properties or assets) of the Company or the Subsidiary are subject to any right of first refusal or purchase or acquisition rights of a third party.
- (lvi) *Possession of Permits and Authorizations.* The Company and the Subsidiary have obtained, or filed to obtain, all Permits necessary to carry on the business of the Company and the Subsidiary as it is currently conducted except where failure to have such Permit would not reasonably be expected to have a Material Adverse Effect. The Company and the Subsidiary are in compliance with the terms and conditions of all such Permits except where such non-compliance would not reasonably be expected to have a Material Adverse Effect. All of such Permits issued to date are valid, subsisting, in good standing and in full force and effect and the Company and the Subsidiary have not received any notice of proceedings relating to the revocation or modification of any such Permits or any notice advising of the refusal to grant or as to the adverse modification of any Permit that has been applied for or is in process of being granted and the Company and the Subsidiary anticipate receiving any such Permit that has been applied for or is in the process of being granted in the ordinary course of business.
- (lvii) *No Expropriation.* No part of the properties, mining rights or Permits of the Company or the Subsidiary have been taken, revoked, condemned or expropriated by any Governmental Entity nor has any written notice or proceedings in respect thereof been given or commenced, or to the knowledge of the Company, been threatened or is pending, nor does the Company or the Subsidiary have any knowledge of the intent or proposal to give such notice or commence any such proceedings.
- (lviii) *No Indigenous Claims.* Except as disclosed in the Public Record or those matters which would not, individually or in the aggregate, have a Material Adverse Effect, there are no material claims or actions with respect to indigenous rights currently outstanding, or to the knowledge of the Company, threatened or pending, with respect to the properties of the Company or the Subsidiary. Except as disclosed in the Public Record or those matters which would not, individually or in the aggregate, have a Material Adverse Effect, there are no land entitlement claims

having been asserted or any legal actions relating to indigenous issues having been instituted with respect to the properties of the Company or the Subsidiary, and no dispute in respect of the properties of the Company or the Subsidiary with any local or indigenous group exists or, to the knowledge of the Company, is threatened or imminent.

- (lix) *Environmental Matters.* Except as disclosed in the Public Record or those matters which would not, individually or in the aggregate, have a Material Adverse Effect:
- (A) to the Company's knowledge, there has not been a material breach of any applicable federal, provincial, state, municipal and local laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign, including laws, ordinances, regulations or orders, relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substances (the "**Environmental Laws**");
 - (B) the Company and the Subsidiary is in material compliance with all Environmental Laws and all operations on the properties of the Company and the Subsidiary, carried on by or on behalf of the Company and the Subsidiary, have been conducted in all respects in accordance with good exploration, mining and engineering practices;
 - (C) neither the Company nor the Subsidiary has used, except in material compliance with all Environmental Laws and Permits, any properties or facilities which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any hazardous substance;
 - (D) neither the Company nor the Subsidiary, nor to the knowledge of the Company, any predecessor companies thereof, have received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Laws, and neither the Company nor the Subsidiary have settled any allegation of non-compliance short of prosecution and there are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Company and the Subsidiary, and the Company and the Subsidiary have not received notice of any of the same;
 - (E) there have been no past unresolved claims, complaints, notices or requests for information received by the Company or the Subsidiary with respect to any alleged material violation of any Environmental Laws, and to the knowledge of the Company, none that are threatened or pending and no conditions exist at, on or under any properties now or previously owned,

operated or leased by the Company or the Subsidiary which, with the passage of time, or the giving of notice or both, would give rise to liability under any law, statute, order, regulation, ordinance or decree that, individually or in the aggregate, has or would have a Material Adverse Effect;

- (F) except as ordinarily or customarily required by applicable Permit, neither the Company nor the Subsidiary have received any notice wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any law including any Environmental Laws and neither the Company nor the Subsidiary has received any request for information in connection with any federal, state, provincial, municipal or local inquiries as to disposal sites; and
 - (G) there are no environmental audits, evaluations, assessments, studies or tests relating to the Company or the Subsidiary or any properties or assets owned or leased by them, except for ongoing assessments conducted by or on behalf of the Company and the Subsidiary in the ordinary course of business.
- (lx) *Scientific and Technical Information.* The Company is in compliance with the provisions of NI 43-101 in all material respects and has filed all technical reports in respect of its Properties (and Properties in respect of which it has a right to earn an interest) required thereby. The Technical Report remains current as at the date hereof. The Technical Report complies in all material respects with the requirements of NI 43-101 and there is no new scientific or technical information concerning the Properties since the date thereof that would require a new technical report in respect of any of the Properties to be issued under NI 43-101. The Company and the Subsidiary made available to the authors of the Technical Report, prior to the issuance thereof, for the purpose of preparing such report, all information requested by them and none of such information contained any misrepresentation at the time such information was provided. The information set forth in the Public Record relating to scientific and technical information, including any estimates of the mineral resources of the Properties, has been prepared in accordance with NI 43-101 and in compliance with the other Canadian Securities Laws of the Offering Jurisdictions.

Employment Matters

- (lxi) *Employment Laws.* The Company and the Subsidiary are in material compliance with all federal, national, regional, state, provincial and local laws and regulations respecting employment and employment practices, terms and conditions of employment, workers' compensation, occupational health and safety and pay equity and wages. To the Company's knowledge, the Company and the Subsidiary are not subject to any claims, complaints, outstanding decisions, orders or settlements or pending claims, complaints, decisions, orders or settlements under

any human rights legislation, employment standards legislation, workers' compensation legislation, occupational health and safety legislation or similar legislation nor has any event occurred which may give rise to any of the foregoing.

- (lxii) *Employee Plans*. Each plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Company or the Subsidiary for the benefit of any current or former director, officer, employee or consultant of the Company or the Subsidiary (the “**Employee Plans**”) has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects.
 - (lxiii) *Labour Matters*. There is not currently any labour disruption, dispute, slowdown, stoppage, complaint or grievance outstanding, or to the knowledge of the Company, threatened or pending, against the Company or the Subsidiary which is adversely affecting or could adversely affect, in a material manner, the carrying on of the business of the Company or the Subsidiary and no union representation question exists respecting the employees of the Company or the Subsidiary and no collective bargaining agreement is in place or being negotiated by the Company or the Subsidiary. The Company has sufficient personnel with the requisite skills to effectively conduct its business as currently conducted and as proposed to be conducted.
- (b) **Representations and Warranties of the Agent**. The Agent hereby represents and warrants to the Company and acknowledges that the Company is relying upon such representations and warranties in connection with the Offering, that:
- (i) in respect of the offer and sale of the Offered Securities, it will comply with all Canadian Securities Laws in which it offers the Offered Securities and it has not and will not solicit offers to purchase or sell the Offered Securities so as to require the filing of a prospectus, registration statement or offering memorandum with respect thereto;
 - (ii) it is, and will remain, until the completion of the Offering, appropriately registered under Canadian Securities Laws so as to permit it to lawfully fulfill its obligations hereunder;
 - (iii) it is a valid and subsisting corporation or entity under the laws of the jurisdiction in which it was incorporated, amalgamated or formed;
 - (iv) it has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein; and

- (v) it has not provided any marketing materials to any potential investors in connection with the Offering.

5. Closing Deliveries. The issuance and sale of the FT Units shall be completed at the Closing Time at the offices of Bennett Jones LLP, Toronto, Ontario or at such other place as the Agent and the Company may agree upon. At the Closing Time, the Company shall, subject to the terms and conditions of this Agreement, duly and validly deliver to the Agent by way of electronic deposit or certificates in definitive form, registered as directed by the Agent, the FT Unit Shares and FT Warrants in the City of Toronto, against payment at the direction of the Company of the aggregate FT Unit Price for the FT Units in lawful money of Canada. The Agent may discharge its payment obligations under this Section 5 by the transfer of funds by electronic wire transfer from the Agent to the Company's designated bank account, which shall be a bank account in Canada, equal to the aggregate FT Unit Price for the FT Units. The Company shall pay the Agent's Fee to the Agent by electronic wire transfer to the Agent's designated bank account in the manner agreed to as between the Company and the Agent.

6. Conditions of Closing. The Agent's obligation to complete the Closing pursuant to this Agreement (including the obligation to arrange for the purchase and sale of the FT Units at the Closing Time) shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:

- (a) the Agent shall have received at the Closing Time a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company, or such other officers of the Company as the Agent may agree, without personal liability, certifying for and on behalf of the Company that:
 - (i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company (including the Common Shares) has been issued by any Governmental Entity and is continuing in effect and no proceedings for that purpose have been instituted or are pending or are contemplated or threatened by any Governmental Entity;
 - (ii) to the knowledge of such officers, after due enquiry, there has been no Material Adverse Effect (actual or proposed, whether financial or otherwise) in the condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), obligations (whether absolute, accrued, conditional or otherwise), business, affairs, capital, ownership, control, management, operations, results of operations or prospects of the Company and its subsidiaries, on a consolidated basis, since the date hereof;
 - (iii) the Company has duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and
 - (iv) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the

transactions contemplated by this Agreement, except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they were true and correct as of that date;

- (b) the Agent shall have received at the Closing Time a certificate, dated as of the Closing Date, signed by appropriate officers of the Company addressed to the Agent with respect to the articles and by-laws of the Company, all resolutions of the Company's board of directors and, as applicable, shareholders relating to the Transaction Documents and the transactions contemplated hereby and thereby, the incumbency and specimen signatures of signing officers of the Company and such other matters as the Agent may reasonably request;
- (c) the Company shall have made and/or obtained all necessary filings, approvals, permits, consents and authorizations to or from, as the case may be, the board of directors and shareholders of the Company, the Securities Regulators, the TSXV, and any other applicable person required to be made or obtained by the Company in connection with the transactions contemplated by this Agreement, on terms which are acceptable to the Agent, acting reasonably;
- (d) the FT Unit Shares and the Warrant Shares shall have been conditionally approved for listing and posting for trading on the TSXV, subject only to satisfaction by the Company of certain standard post-closing conditions imposed by the TSXV;
- (e) the Agent shall have received favourable legal opinions addressed to the Agent, dated the Closing Date, from Bennett Jones LLP, counsel to the Company, and where appropriate local counsel to the Company (it being understood that such counsel may rely to the extent appropriate in the circumstances: as to matters of fact, on certificates of the Company executed on its behalf by a senior officer of the Company and on certificates of the transfer agent and registrar of the Company; and on certificates of the Company's Auditors or a public official) with respect to the following matters:
 - (i) as to the subsistence of the Company under the laws of the Province of Ontario and as to the corporate power and capacity of the Company to enter into and carry out its obligations under the Transaction Documents and to issue and sell the Offered Securities;
 - (ii) as to the authorized and issued capital of the Company;
 - (iii) the Company has all requisite corporate power and capacity under the laws of its jurisdiction of existence to carry on its business as presently carried on and to own, lease and operate its properties and assets;
 - (iv) the execution and delivery of the Transaction Documents, the performance by the Company of its obligations thereunder, the sale and issuance of the Offered Securities, do not and will not conflict with or result in any breach of the articles or by-laws of the Company, any resolutions of the shareholders or directors (including committees of the board of directors) of the Company, any applicable corporate laws or any Canadian Securities Laws;

- (v) the Transaction Documents have been duly authorized and executed and delivered by the Company, and constitute valid and legally binding obligations of the Company enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, liquidation, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and the qualification that the enforceability of rights of indemnity and contribution may be limited by applicable law;
- (vi) the FT Unit Shares have been duly and validly issued as fully paid and non-assessable Common Shares in the capital of the Company;
- (vii) the FT Warrants have been duly and validly created and issued and the Warrant Shares have been allotted and authorized for issuance and, upon the due exercise of the FT Warrants in accordance with the provisions of the Warrant Certificate, including payment of the exercise price therefor, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares;
- (viii) the FT Unit Shares and the Warrant Shares have been conditionally approved for listing and posting for trading on the TSXV, subject only to satisfaction by the Company of certain standard post-closing conditions imposed by the TSXV;
- (ix) the offering, sale and issuance by the Company of the FT Units, and underlying FT Unit Shares and FT Warrants, in accordance with the terms of this Agreement is exempt from the prospectus requirements of the Canadian Securities Laws of the Offering Jurisdictions, and no filing, proceeding, approval, permit, consent or authorization is required to be made, taken or obtained under Canadian Securities Laws other than filing with the applicable provincial securities regulatory authorities within the prescribed time periods, a report in Form 45-106F1, as prescribed by National Instrument 45-106 – *Prospectus Exemptions*, prepared and executed in accordance with Canadian Securities Laws, together with the requisite filing fees;
- (x) no prospectus is required nor are any other documents, proceedings or approvals, permits, consents or authorizations of regulatory authorities required to be filed, taken or obtained (other than those which have been filed, taken or obtained) under Canadian Securities Laws to permit the issuance by the Company of the Warrant Shares on due exercise of the FT Warrants in accordance with their terms;
- (xi) the first trade by a purchaser of the FT Unit Shares, FT Warrants and Warrant Shares will be a distribution subject to the prospectus requirements of Canadian Securities Laws unless:
 - (A) at the time of the trade, the Company is and has been a “reporting issuer”, as defined in Canadian Securities Laws, in a province or territory of Canada for the four months immediately preceding the trade;

- (B) at the time of the trade, at least four months have elapsed from the date of the issue of the FT Unit Shares, FT Warrants or Warrant Shares;
 - (C) the certificates representing the securities that are the subject of the trade carry a legend in the form as set out in Section 2.5(2)3(i) of National Instrument 45-102 - *Resale of Securities* (“**NI 45-102**”);
 - (D) the trade is not a “control distribution” as defined in NI 45-102;
 - (E) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;
 - (F) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
 - (G) if the purchaser is an insider or officer of the Company at the time of the trade, the purchaser has no reasonable grounds to believe that the Company is in default of Canadian Securities Laws;
- (xii) except as a result of any Follow-On Transaction or any agreement, arrangement, undertaking or understanding to which the Company is not a party and of which it has no knowledge, upon issuance, the FT Unit Shares and the FT Warrants will be “flow-through shares” as defined in subsection 66(15) of the Tax Act and will not be “prescribed shares” or “prescribed rights” within the meaning of section 6202.1 of the regulations to the Tax Act;
 - (xiii) as to such other matters that are typically subject to opinions in transactions of this nature as the Agent’s legal counsel may reasonably request prior to the Closing Time;
- (f) the Agent shall have received a favourable legal opinion addressed to the Agent, dated the Closing Date, from Bennett Jones LLP, as to: the incorporation or formation and subsistence of the Subsidiary; the corporate power and capacity of the Subsidiary under the laws of its jurisdiction of existence to carry on its business as presently carried on and to own, lease and operate its properties and assets; and the authorized and issued capital of the Subsidiary and the ownership thereof, in a form satisfactory to the Agent and its counsel, acting reasonably;
 - (g) the Agent shall have received a favourable legal opinion addressed to the Agent, dated the Closing Date, in form and substance satisfactory to the Agent’s counsel, acting reasonably, that the Crawford Property is in good standing at the date hereof, the annual dues having been paid and the statutory work having been duly executed and reported and such other matters as the Agent may reasonably request;
 - (h) the Agent shall have received certificates of status or similar certificates with respect to the jurisdiction in which the Company and the Subsidiary are existing;

- (i) the Agent shall have received a certificate from the Transfer Agent of the Company as to the issued and outstanding Common Shares as at the close of business on the Business Day prior to the Closing Date; and
- (j) the Agent shall have received such other documents as the Agent or its counsel may reasonably request prior to the Closing Time.

7. Rights of Termination.

The Agent shall be entitled, at its sole option, to terminate and cancel, without any liability on the part of the Agent, all of its obligations (and those of the FT Purchasers) under this Agreement, by written notice to that effect given to the Company at or prior to the Closing Time, if at any time prior to the Closing Time:

- (a) **Material Change.** There is any material change (actual, imminent or reasonably expected) in the business, affairs or financial condition of the Company or the Subsidiary or the Properties or change in any material fact which would be expected to have, in the opinion of the Agent, acting reasonably, a Material Adverse Effect on the market price or value of the Offered Securities, or the Agent shall become aware of any previously undisclosed material fact with respect to the Company which in the sole opinion of the Agent, acting reasonably, would be expected to have a Material Adverse Effect on the market price or value of the Offered Securities;
- (b) **Disaster.** There should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including without limitation, terrorism or the COVID-19 Outbreak, to the extent that there is any material adverse development related thereto after the date hereof, or similar event or the escalation thereof) or a new or change in any law or regulation which in the sole opinion of the Agent, acting reasonably, seriously adversely affects or involves or may seriously adversely affect or involve the Canadian or U.S. financial markets or the business, operations or affairs of the Company and the Subsidiary taken as a whole or the market price or value of the securities of the Company; or any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Company or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the TSXV or securities commission which involves a finding of wrong-doing, and which in the opinion of the Agent, acting reasonably, prevents or restricts trading in, or the distribution of, the Common Shares or would be expected to have a Material Adverse Effect on the market price or value of the Offered Securities;
- (c) **Breach.** The Company is in breach of any material term, condition or covenant of this Agreement that cannot be cured prior to the Closing Date or any material representation or warranty given by the Company in this Agreement becomes or is false and cannot be cured prior to the Closing Date; or
- (d) **Market.** The state of the financial markets in Canada becomes such that the FT Units cannot, in the reasonable opinion of the Agent, be profitably marketed;

- (e) **Exercise of Termination Rights.** The rights of termination contained in Sections 7(a), (b) and (c) may be exercised by the Agent and are in addition to any other rights or remedies the Agent may have in respect of any default, act or failure to act or non-compliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination by the Agent, there shall be no further liability on the part of the Agent to the Company or on the part of the Company to the Agent except in respect of any liability which may have arisen or may arise after such termination in respect of acts or omissions of the Company prior to such termination and in respect of Sections 8 and 10.
8. **Expenses.** Whether or not the Offering is completed, the Company shall pay all expenses and fees in connection with the Offering, including all expenses of or incidental to the creation, issue, sale, qualification or distribution of the Offered Securities, road shows, printing costs, the fees and disbursements and taxes thereon of the Company's counsel, all costs incurred in connection with the preparation of documents relating to the Offering. The Agent shall be responsible for its own expenses in connection with the Offering, including the fees and disbursements and applicable taxes thereon of the Agent's counsel.
9. **Survival of Representations and Warranties.** All representations and warranties of the Company and the Agent herein contained or contained in any documents submitted pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Agent, shall continue in full force and effect for the benefit of the Agent for a period of three years following the Closing Date. For certainty, the provisions contained in this Agreement in any way related to the indemnification of the Agent by the Company or the contribution obligations of the Agent or those of the Company shall survive and continue in full force and effect, indefinitely, subject only to the applicable limitation period prescribed by law.
10. **Indemnity and Contribution**
- (a) The Company (the "**Indemnitor**") hereby agrees to indemnify and hold the Agent and each of its directors, officers, employees, agents and shareholders (collectively, the "**Personnel**") harmless from and against any and all expenses, losses (other than loss of profits), claims, actions, damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims), and the reasonable fees and expenses of their counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Agent to which the Agent and/or its Personnel may become subject or otherwise involved in any capacity under any statute or common law, or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Indemnitor by the Agent and its Personnel under this Agreement, or otherwise in connection with the matters referred to in this Agreement, provided, however, that this indemnity shall not apply to the extent that a

court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

- (i) the Agent or its Personnel have been negligent or dishonest, engaged in willful misconduct or have committed any fraudulent act in the course of such performance; and
 - (ii) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the negligence, dishonesty or fraud referred to in Section 10(a)(i) above.
- (b) If for any reason (other than the occurrence of any of the events itemized in Subsections 10(a)(i) and 10(a)(ii) above), the foregoing indemnification is unavailable to the Agent or any Personnel or insufficient to hold the Agent or any Personnel harmless, then the Indemnitor shall contribute to the amount paid or payable by the Agent or any Personnel as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Agent or any Personnel on the other hand but also the relative fault of the Indemnitor and the Agent or any Personnel, as well as any relevant equitable consideration; provided that the Indemnitor shall in any event contribute to the amount paid or payable by the Agent or any Personnel as a result of such expense, loss, claim, damage or liability and any excess of such amount over the amount of the fees received by the Agent pursuant to this Agreement.
- (c) The Indemnitor agrees that in case: any legal proceeding shall be brought against the Indemnitor and/or the Agent or any Personnel by any government commission or regulatory authority of any stock exchange; an entity having regulatory authority, either domestic or foreign, shall investigate the Indemnitor and/or the Agent; or any Personnel shall be required to testify in connection therewith or to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Indemnitor by the Agent, the Agent shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agent for time spent by its Personnel in connection therewith) and out-of-pocket expenses incurred at competitive rates by its Personnel in connection therewith shall be paid by the Indemnitor as they occur, provided that in no circumstances will the Indemnitor be required to pay the fees and expenses of more than one legal counsel for all of the Agent and its Personnel (collectively the “**Indemnified Parties**”), unless:
- (i) the Indemnitor and the Agent have mutually agreed to the retention of more than one legal counsel for the Indemnified Parties; or
 - (ii) the Indemnified Parties have or any of them has been advised in writing by legal counsel that representation of all of the Indemnified Parties by the same legal counsel would be inappropriate due to actual or potential differing interests between them.

Notwithstanding the foregoing, this indemnity shall not apply to any person who is a FT Purchaser.

- (d) Promptly after receipt of notice of the commencement of any legal proceeding against the Agent or the Personnel or after receipt of notice of the commencement or any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, the Agent will notify the Indemnitor in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of the progress thereof and will discuss with the Indemnitor all significant actions proposed.
- (e) The indemnity and contribution obligations of the Indemnitor under this Section 10 shall be in addition to, and not in substitution for, any liability which the Indemnitor may otherwise have at law or in equity, shall extend upon the same terms and conditions to the Agent and the Personnel and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor, the Agent and any of the Personnel. This Section 10 shall survive the completion of the professional services rendered under this Agreement or any termination of this Agreement.
- (f) With respect to any person who may be indemnified by this Section 10 and is not a party to this Agreement, the rights and benefits of this Section 10 are hereby granted to such person and the Agent is hereby appointed as trustee of such rights and benefits for such person, and the Agent hereby accepts such trust and agrees to hold such rights and benefits for and on behalf of such person.

11. Advertisements. The Company shall, at the Agent's request, issue a news release announcing the Offering, include a reference to the Agent and its role in any such release or communication, and ensure that any press release concerning the Offering complies with Canadian Securities Laws. The Company and the Agent agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration requirements of Canadian Securities Laws in which the Offered Securities shall be offered or sold being unavailable in respect of the sale of the Offered Securities to potential purchasers.

12. Notices. Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “**notice**”) shall be in writing addressed as follows:

- (a) If to the Company, to:

Canada Nickel Company Inc.
Suite 1900 – 130 King Street West
Toronto, Ontario M5X 1E3

Attention: **Mark Selby, Chief Executive Officer**
E-mail: [REDACTED]

with a copy (for information purposes only and not constituting notice) to:

Bennett Jones LLP
Suite 3400, One First Canadian Place, PO Box 130
Toronto, Ontario M5X 1A4

Attention: Abbas Ali Khan, Partner
E-mail: [REDACTED]

(b) If to the Agent, to (or on behalf of the Agent):

Scotia Capital Inc.
40 Temperance Street, 6th Floor
Toronto, Ontario M5H 0B4

Attention: Brendan Spinks
E-mail: [REDACTED]

with a copy (for information purposes only and not constituting notice) to:

Borden Ladner Gervais LLP
22 Adelaide Street West, 34th Floor
Toronto, Ontario M5H 4E3

Attention: Tim McCormick
E-mail: [REDACTED]

or to such other address as any of the parties may designate by notice given to the others.

Each notice shall be personally delivered to the addressee or sent by electronic transmission to the addressee and: a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and a notice which is sent by electronic transmission shall be deemed to be given and received on the first Business Day following the day on which it is sent.

13. **Time of the Essence.** Time shall, in all respects, be of the essence hereof.
14. **Canadian Dollars.** Except as otherwise noted, all references herein to dollar amounts are to lawful money of Canada.
15. **Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.
16. **Singular and Plural, etc.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.
17. **Entire Agreement.** This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations

and understandings with respect to the subject matter hereof, including for greater certainty the Engagement Letter.

18. **Amendments.** This Agreement may be amended or modified in any respect by written instrument only executed by all parties hereto.
19. **Severability.** The invalidity or unenforceability of any particular provision of this Agreement shall not affect or limit the validity or enforceability of the remaining provisions of this Agreement.
20. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
21. **Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company and the Agent and their respective successors and permitted assigns; provided that, except as provided herein, this Agreement shall not be assignable by any party without the written consent of the others.
22. **Further Assurances.** Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.
23. **No Fiduciary Duty.** The Company acknowledges that in connection with the Offering: the Agent has acted at arm's length, is not an agent of, and owes no fiduciary duties to, the Company or any other person; the Agent owes the Company only those duties and obligations set forth in this Agreement; and the Agent may have interests that differ from those of the Company. The Company waives to the full extent permitted by applicable law any claims it may have against the Agent arising from an alleged breach of fiduciary duty in connection with the Offering.
24. **Other Agent Business.** The Company acknowledges that the Agent and certain of its Affiliates: act as traders of, and dealers in, securities both as principal and on behalf of their clients and, as such, may have had, and may in the future have, long or short positions in the securities of the Company or related entities and, from time to time, may have executed or may execute transactions on behalf of such persons; may provide research or investment advice or portfolio management services to clients on investment matters, including the Company; may participate in securities transactions on a proprietary basis, including transactions in the Offering or other securities of the Company or related entities; and nothing in this Agreement shall restrict their ability to conduct business in the ordinary course and in compliance with applicable laws.
25. **Effective Date.** This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.
26. **Language.** The parties hereby acknowledge that they have expressly required this Agreement and all notices, statements of account and other documents required or permitted to be given or entered into pursuant hereto to be drawn up in the English language

only. Les parties reconnaissent avoir expressément demandées que la présente Convention ainsi que tout avis, tout état de compte et tout autre document à être ou pouvant être donné ou conclu en vertu des dispositions des présentes, soient rédigés en langue anglaise seulement.

- 27. Counterparts.** This Agreement may be executed in any number of counterparts and by facsimile or PDF copy, each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

[Signature Page Follows]

If the Company is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agent.

Yours very truly,

SCOTIA CAPITAL INC.

Per: "Stephen Davy" (Signed)
Name: Stephen Davy
Title: Vice Chair, Corporate &
Investment Banking

The foregoing is hereby accepted on the terms and conditions therein set forth.

DATED as of the 29th day of December, 2023.

CANADA NICKEL COMPANY INC.

Per: "Mark Selby" (Signed)
Name: Mark Selby
Title: Chief Executive Officer